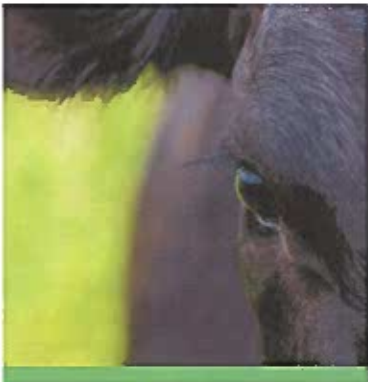




FY 2018 GOVERNOR'S RECOMMENDATION



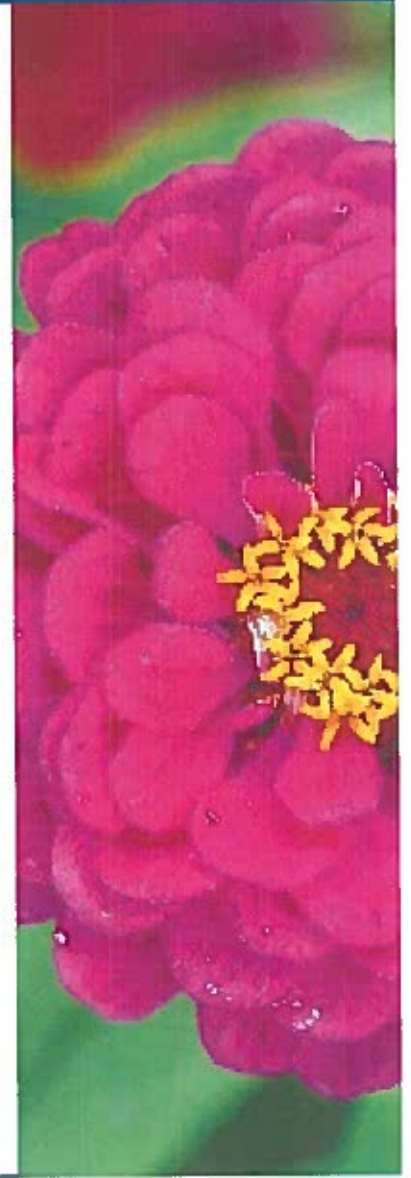
JAMIE CLOVER ADAMS
DIRECTOR

Michigan's Food and Agriculture Industry

What does it encompass?

- Farm to Fork (food & beverage)
- Nursery & landscape products
- Agriculture tourism & Culinary tourism

Michigan's food and agriculture sector contributes \$101.2 billion to Michigan's economy annually; with \$2.8 billion in exports.



Michigan's Food and Agriculture Industry

Michigan's Advantage

- Located in the middle of 20% of the world's fresh water.
- High quality soil & excellent climate
- 2nd most diverse in production agriculture
- 1st in production of 20 different commodities
- Top 10 for 51 commodities
- Rank 19th nationally in food and dairy processing



Michigan's Food and Agriculture Industry

1st

Blueberries

Cucumbers for Pickles

Tart Cherries

Squash



2nd

Asparagus

Dry Beans

Fresh Carrots

Celery



3rd

Apples

Alfalfa Haylage



Top 10

Sugar Beets

Sweet Cherries

Milk

Potatoes

Egg Production

Maple Syrup

Michigan's Food and Agriculture Industry

Michigan Grown. Nationally Known!

- Eggs, butter and apples for McDonald's
- Sandwich buns for Wendy's
- #1 Fresh salsa in the U.S.
- Pickles for Burger King & Subway
- Wheat for Pop-tarts
- Chipping potatoes for Better Made and Great Lakes Potato Chips



Department of Agriculture and Rural Development

Who We Are

Mission: Assure the food safety, agricultural, environmental and economic interests of the people of the State of Michigan are met through service, partnership, and collaboration.

Four Key Goals:

- Food Safety, Human and Animal Health
- Environmental Sustainability
- Economic Development
- Efficient, Effective Government



Department of Agriculture and Rural Development

Who We Are

- Implement 20 primary laws; administer 85 mandated programs
- Issue more than 100,000 individual licenses under 52 license types
- Measure 134 outcomes that align to our 4 key goals
- Employ 442 professional and seasonal staff
- Deploy 50% of staff in the field all across the state
- Represent Michigan on over 79 different food, agriculture, and consumer protection related national boards



2016 Success

**MDARD Striving for efficiency,
effectiveness, value, and customer
focus...**

2016 Success

PROTECTING CONSUMERS

MDARD's Weights and Measures staff worked to identify and remove credit card skimmers being used to conduct electronic fraud at gas stations throughout Michigan.



2016 Success

IMPROVING WATER QUALITY

With MAEAP as the foundation, farmers in the Western Lake Erie Basin protected our waterways:



+36,800
ACRES MANAGED
UNDER NUTRIENT
MANAGEMENT PLANS



96,432 LBS.
OF PHOSPHORUS
KEPT ON CROPS



+77
MORE MAEAP
VERIFICATIONS

2016 Success

EXPANDING TRADE & EXPORTS



97 Michigan food companies participated in MDARD partner Food Export Assoc. programs resulting in:

\$42.3M
INCREASE IN
EXPORT SALES

\$63.2M
IN PROJECTED
SALES

58
MICHIGAN
JOBS CREATED

Department of Agriculture and Rural Development

Follow Through on Stakeholder Agreements

- ✓ Created MAEAP database:
“Live” in September
- ✓ Implemented pesticide certification
online testing
- ✓ Established Fertilizer Research
Advisory Committee
- ✓ Redirected 100 hours of staff time to inspections
instead of exam monitoring of pesticide
applicators

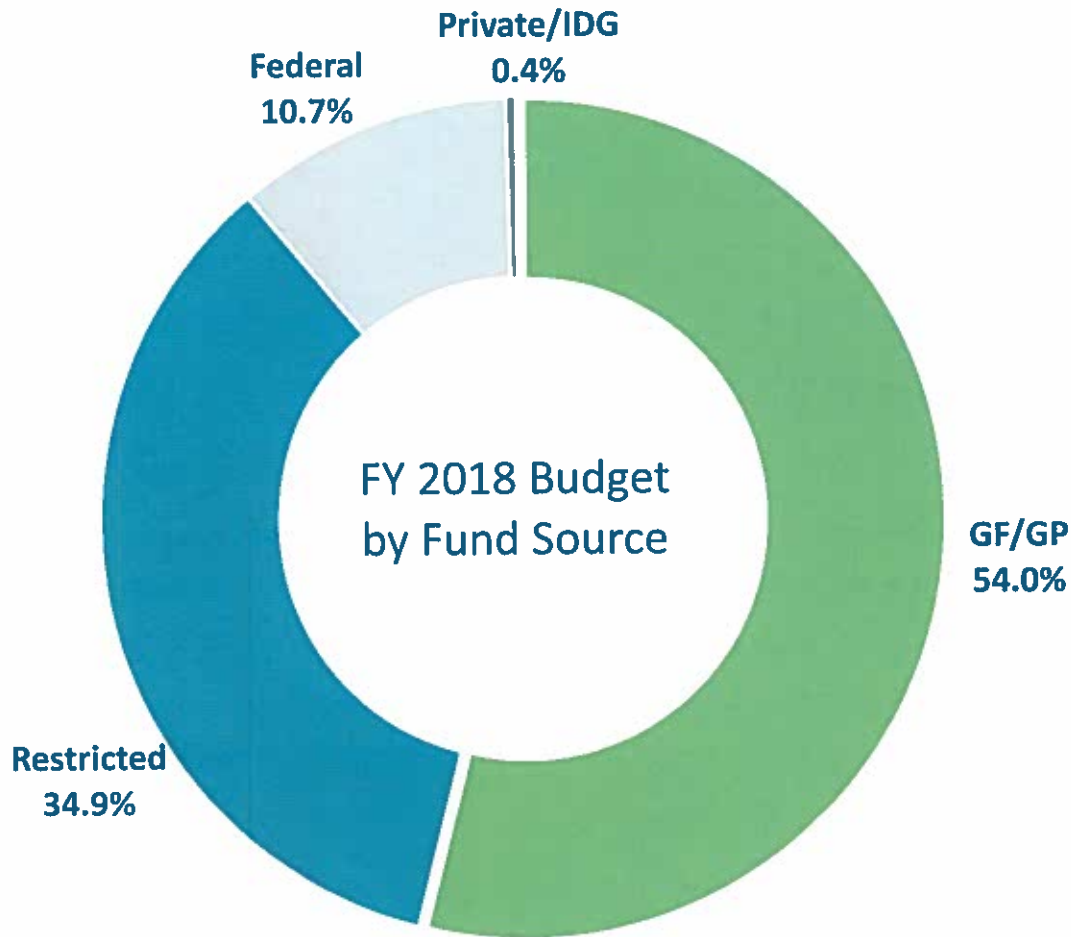


Follow Through on Stakeholder Agreements

- ✓ Training laboratory staff on updated equipment to improve testing capabilities and protect consumers
- ✓ Conducting in- and out-of-state fertilizer and feed audits
- ✓ Working with industry to improve food safety compliance at initial inspection

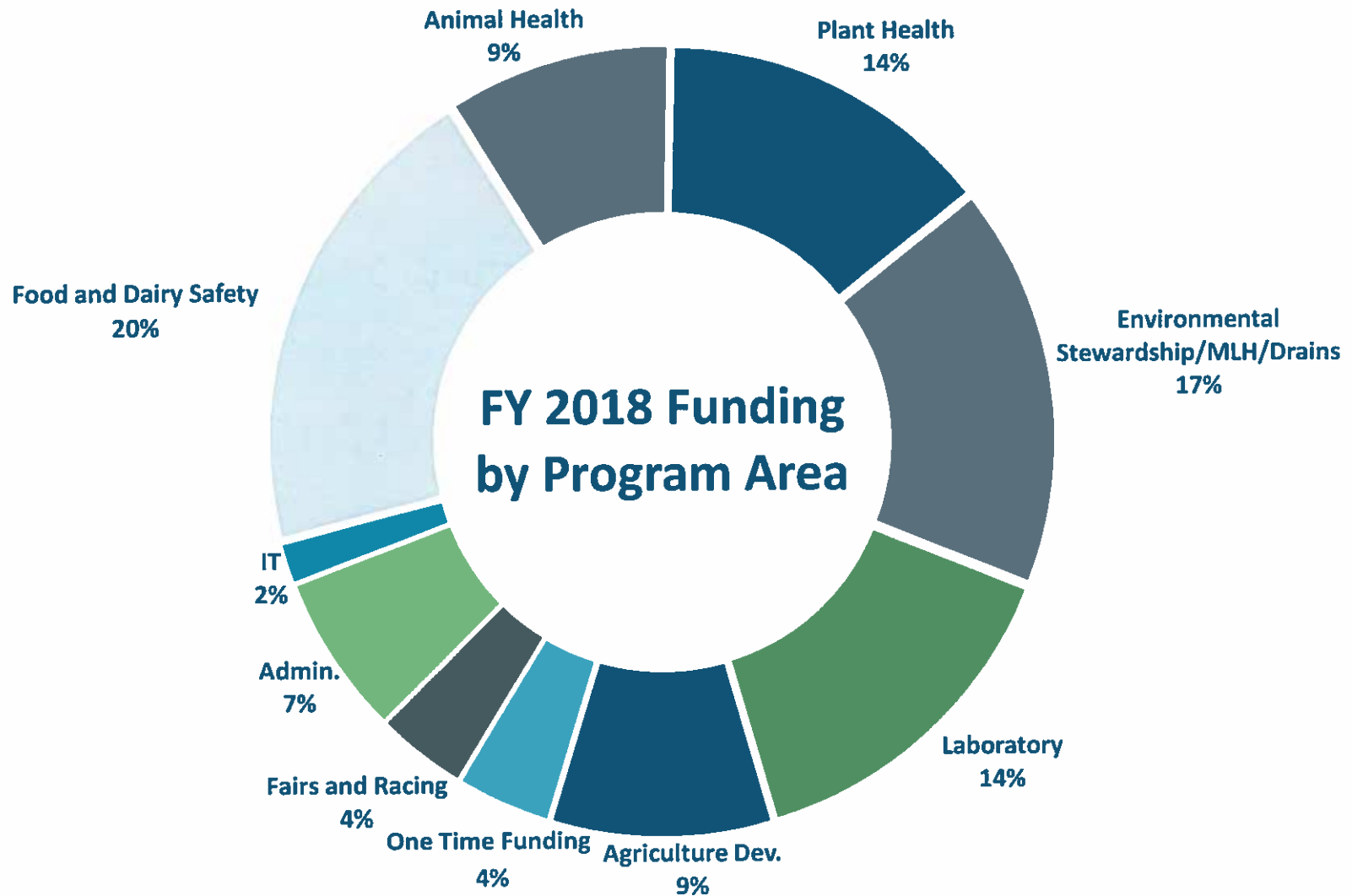


FY 2018 MDARD Executive Recommendation



FUNDING SOURCE	AMOUNT
General Fund/General Purpose (GF/GP)	\$56,582,000
Restricted	\$36,661,000
Federal	\$11,273,900
Private	\$101,600
Interdepartmental Grants (IDGs)	\$310,300
Total Funding	\$104,928,800

FY 2018 MDARD Executive Recommendation



FY 2018 MDARD Executive Recommendation

Investment #1

Right to Farm

- Market Changes
 - Fall 2017 opening of Clemens Fresh Pork Processing Facility
 - Demand for locally produced product
 - Expansions of local farms will require siting
 - Urban Agriculture
 - Urban livestock determinations
 - Increase complaint investigations

REQUEST

\$384,000

GF and
2.5 FTEs



FY 2018 MDARD Executive Recommendation

Investment #2 Economic Development

- Three Part Economic Development Strategy
 - Rural Development Fund - local community investment (created FY 2017)
 - Expansion of the Food and Agriculture Investment Fund Pilot Program
 - Maintain Value Added Grants
 - Provide project specific investment and attraction tool
 - Use in tandem with MEDC incentives/tools
 - Exports and Marketing
 - Expand national and international market access

REQUEST

\$3.2
million GF
and 1.0
FTE



FY 2018 MDARD Executive Recommendation

Investment #3

Dairy and Food Safety

- USDA Grade A Dairy Ratings
 - Change in federal interpretation on pass/fail ratings
 - Production capacity increases
 - Bulk tank unit realignment
- FDA Food Safety Modernization Act (FSMA)
 - Locally provided education and technical training for produce farmers
 - Market pressure to be good agriculture practice/good handling practice (GAP/GHP) certified for farms not covered by rule

REQUEST

\$1.1
million GF/
Restricted
and 4.0
FTEs



FY 2018 MDARD Executive Recommendation

Investment #4

Customer Service Support

- Central Call Center
 - Implementation of online licensing system increased call volume by 30%
 - Agents serving as help desk for licensees
 - Paperless license applications and renewals by 2019
- Statistical Reporting
 - Restore state support for vital data collection function
 - Relied on by industry, federal, and state government

REQUEST

\$187,700

GF and
1.0 FTE



FY 2018 MDARD Executive Recommendation

One-Time Funding Requests

Enhanced Wildlife Risk Management

- Cost share program with local farmers in high risk areas
- Improve Michigan's Federal USDA Accreditation

REQUEST

\$1.0 million GF

Intercounty Drain Mapping Project

- Support Governor's 21st Century Infrastructure Goals
- Digitally map all county and inter-county drains
- Work cooperatively with locals

REQUEST

\$250,000 GF

FY 2018 MDARD Executive Recommendation

One-Time Funding Requests

Fair Food Network

- Expansion of Double Up Food Bucks Program
- Provide match for larger USDA Federal Grant
- Funding would be split between FY 2017 and 2018

REQUEST

\$1.5 million GF

Tree Fruit Commission

- Fund remaining three years of match for industry assessments
- Supports capital improvements at MSU research facilities
- Continuation of FY 2016 and 2017 target agreements

REQUEST

\$1.5 million GF

Michigan Agriculture Magazine

Check out the Michigan Agriculture Magazine at www.miagriculture.com!



Questions?

Stay connected with MDARD.



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Mlagriculture



Michigan Department
of Agriculture

