Pesticide and Plant Pest Management Division
2014 Annual Report
Welcome to the Pesticide and Plant Pest Management Division (PPPM). We are a division within MDARD with a broad and diverse range of responsibilities for protecting human and animal health, the environment, and domestic plant industries; and facilitating international and interstate trade of plant-based commodities. PPPM accomplishes this by regulating the production, distribution, and use of pesticides, animal feed and fertilizer products; by surveying for and responding to detection of invasive species; by inspecting nursery stock and Christmas trees; and by certifying plants, plant products, fruits and vegetables meet grade or phytosanitary requirements of receiving businesses, states, and countries. PPPM's diverse activities are divided into three programmatic sections:

Our **Pesticide Section** is responsible for protecting human health and the environment from unnecessary risks associated with improper pesticide use. Program responsibilities include the certification and licensing of pesticide applicators and firms, registration of pesticide products, monitoring pesticide manufacturing establishments, regulating the sales and distribution of restricted use pesticide products, investigating pesticide use practices and misuse complaints, and enforcement of federal worker protection standards. Additional activities include insect, rodent, and arbovirus management.

Our **Plant Industry Section** is responsible for assuring plant material as well as fruits and vegetables meet specific standards and are free of harmful insects and diseases. Program responsibilities include certifying nursery stock and Christmas trees; inspecting commodities such as dry beans, lumber, fresh produce, nursery stock, and flowers for foreign export; and inspecting and grading fresh fruits and vegetables. Additional responsibilities include enforcement of various state and federal quarantine programs and exotic pest survey and response.

Lastly, our **Agricultural Products/Producer Security Section** is responsible for enforcement of producer and consumer protection laws related to the storage and handling of grain products including the manufacture and distribution of commercial animal feeds, fertilizers, and liming materials. Program responsibilities include licensing and auditing of grain storage facilities; inspection and sampling of animal feeds, remedies, fertilizers, and liming materials for quality assurance and food safety; and inspecting bulk agrichemical storage facilities.

This report summarizes the many activities and accomplishments of the PPPM division for fiscal year (FY) 2014. As in previous years, staff worked closely with consumer and commodity groups, industry, and state and federal partners to provide exceptional, high quality service to our stakeholders and the citizens of the state. I am extremely proud of the work performed by division staff each and every day and happy to share this report with you.

The mission of the Pesticide and Plant Pest Management Division is to: Protect human health and the environment, while fostering a diverse, viable Michigan agriculture.
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Managers: Gary King, Pesticide Enforcement Specialist, 517-284-5654, kingg1@michigan.gov  
Brian Rowe, Pesticide Section Manager, 517-284-5652, roweb@michigan.gov

Legal Authority: Pesticide Control, Natural Resources and Environmental Protection Act, Public Act 451 of 1994, Part 83, as amended

Description of the Program:
- Protect the public, children and the elderly through pesticide use restrictions in schools, licensed day care centers, commercial buildings and health care.
- Minimize adverse effects relative to pesticide use, protecting human health and the environment.
- Perform a variety of compliance monitoring inspections and conduct enforcement for pesticide use or regulatory requirement violations.
- Conduct investigations on all complaints involving pesticides, whether by consumers, other agencies, licensed firms, etc.

Why It Matters:
- Pesticide misuse may result in adverse effects on children, adults, the environment, domestic animals, and wildlife.
- Assuring appropriate pesticide use results in a safe food supply, a protected environment, an improved quality of life, and an increase in agricultural production to feed a growing population.

Key Stakeholders
- Michigan Agri-Business Association
- Agricultural producers and commodities
- Michigan Pest Management Association
- Michigan landscape and aquatic managers associations
- Public
- U. S. Environmental Protection Agency

Deliverables
- School inspections for pesticide use compliance
- Complaint investigations
- Compliance inspections
- Enforcement actions
Accomplishments:

- Implemented a new process for closing some complaint investigations quicker by using an expedited inspection and reporting process and a new complaint/investigation data tracking system.
- Require corrective action based on compliance inspections to assure that children, adults, agricultural workers, environment, wildlife, and domestic animals are protected from adverse effects resulting from pesticide use.
- Increased efficiency by investigating and closing pesticide use complaint cases within 90 days resolving all violations through compliance assistance and enforcement.
- Verify legal pesticide use through complaint investigation and compliance inspections to assure a safe food supply for humans and animals. Non-compliance determinations require corrective action and may include enforcement action.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>Timely complaint closure (within 90 days)</td>
<td>-</td>
<td>-</td>
<td>48%</td>
<td>57%</td>
<td>TBD</td>
</tr>
<tr>
<td>Complaints investigated</td>
<td>152*</td>
<td>132*</td>
<td>85</td>
<td>169</td>
<td>204</td>
</tr>
<tr>
<td>Number of compliance inspections performed</td>
<td>613*</td>
<td>427*</td>
<td>344</td>
<td>865</td>
<td>1026</td>
</tr>
<tr>
<td>Inspections to monitor pesticide use in schools</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7</td>
<td>33</td>
</tr>
</tbody>
</table>

*This data was generated prior to the implementation of an electronic inspection filing and data tracking system; as such, should not be compared to subsequent numbers for measurement purposes.

Dashboards and Scorecards:

PPPMD's scorecard measures the percentage increase of FY 2014 pesticide use investigations closed within 90 days of initiation, measured on December 31, 2014, compared to FY 2013.

Program Goals:

- Investigate every complaint of pesticide misuse to protect human health, domestic animals, wildlife, and the environment from adverse effects related to pesticide use.
- Conduct targeted compliance inspections to assure a safe food supply relative to pesticide use in or around food production areas, protect agricultural workers, and protect children, adults and the environment from adverse effects relative to pesticide use.

January 2015
Did You Know?
• A pesticide is any substance or mixture of substances intended to prevent, destroy, repel, or mitigate any pest.
• Herbicides, fungicides and insecticides are all different types of pesticides.

Description of the Program:
• Registration of all pesticides distributed and sold in Michigan.
• Prepare and submit Emergency Exemptions under Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA).
• Issue Special Local Need registrations under Section 24(c) of FIFRA.
• Review product labels to ensure compliance with state and federal laws.
• Ensure pesticides registered do not pose unreasonable adverse effects human health and the environment in Michigan.

Why It Matters:
• Pesticide registration ensures growers and other persons have access to the pesticides they need to protect themselves, their crop, or their property from damaging pests like insects, fungi, viruses, bacteria, and weeds.
• Pesticide registration allows Michigan to restrict specific uses or to suspend or cancel a registration in the event adverse environmental effects are detected.
• Funding from pesticide registration helps support critical activities like the investigation of complaints related to the use of pesticides in Michigan.

<table>
<thead>
<tr>
<th>Key Stakeholders</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Pesticide manufacturers</td>
<td>• Register pesticides annually</td>
</tr>
<tr>
<td>• Commodity groups, particularly</td>
<td>• Issue Special Local Need registrations</td>
</tr>
<tr>
<td>specialty crops</td>
<td>• Request Emergency Exemptions</td>
</tr>
<tr>
<td>• Michigan Agri-Business Association</td>
<td>• Conduct registration and labeling</td>
</tr>
<tr>
<td>• Pesticide application businesses</td>
<td>inspections of pesticides in the marketplace</td>
</tr>
<tr>
<td>• Michigan State University</td>
<td></td>
</tr>
</tbody>
</table>

January 2015
Accomplishments:

- Registered two new herbicides that will help the state’s corn growers deal with glyphosate-resistant weeds. Due to concerns of ground- and surface water contamination, these herbicides were not previously available to Michigan’s corn growers. To strike a balance between grower needs and environmental protection, PPPM worked with other state and federal agencies, as well as the herbicides’ manufacturer, to develop a water monitoring plan that will ensure use of these herbicides will not negatively impact Michigan’s water resources.
- Prepared, submitted, and received three Emergency Exemptions helping apple, peach and nectarine growers protect their crop from invasive and destructive pests.
- Issued 10 Special Local Need registrations providing growers in 8 different commodity industries new tools to protect their crops from important and damaging pests.
- Conducted 57 marketplace inspections identifying 171 unregistered pesticides.
- Issued administrative penalties to three manufacturers illegally distributing pesticides in Michigan.
- Identified and took enforcement action against a Michigan-based pesticide manufacturer selling an illegal insecticide (unapproved active ingredient). Identifying and removing this illegal pesticide from the marketplace protected citizens from exposure to harmful residues.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pesticides registered for sale in Michigan</td>
<td>15,471</td>
<td>15,992</td>
<td>15,802</td>
<td>15,551</td>
<td>15,487</td>
</tr>
<tr>
<td>Emergency Exemptions received</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Special Local Need registrations issued</td>
<td>4</td>
<td>8</td>
<td>6</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Marketplace inspections conducted</td>
<td>124</td>
<td>73</td>
<td>118</td>
<td>108</td>
<td>57</td>
</tr>
<tr>
<td>Unregistered pesticides found</td>
<td>361</td>
<td>177</td>
<td>330</td>
<td>247</td>
<td>171</td>
</tr>
<tr>
<td>Enforcement actions taken</td>
<td>274</td>
<td>92</td>
<td>225</td>
<td>170</td>
<td>74</td>
</tr>
</tbody>
</table>

Program Goals:

- Prepare and submit Emergency Exemption requests on behalf of Michigan’s growers.
- Review, issue, and maintain Special Local Need registrations on behalf of Michigan’s growers.
- Conduct at least 50 marketplace inspections to ensure pesticides being offered for sale are registered in Michigan.
- Work with industry to ensure they have the pesticides they need to grow safe and pest-free food.

January 2015
Managers: Melvin Poplar, Pesticide Business License Specialist, 517-284-5657, poplamp@michigan.gov
         Antonio Castro-Escobar, Restricted Use Pesticide and Agricultural Pesticide License Specialist, 517-284-5659, escobara@michigan.gov
         Brian Rowe, Section Manager, 517-284-5652, roweb@michigan.gov

Legal Authority: Pesticide Control, Natural Resources and Environmental Protection Act, Public Act 451 of 1994, Part 83, as amended

Description of the Program:

- License commercial pesticide applicator businesses (PAB) applying pesticides for hire so they may legally operate in Michigan in compliance with regulatory requirements.
- License dealers selling restricted use pesticides (RUP) for use by certified applicators in Michigan in compliance with regulatory requirements.
- License pesticide dealers who are not RUP dealers selling general use, agricultural pesticides for use in Michigan.
- Certify or register commercial applicators applying pesticides as part of their work duties and/or apply pesticides for licensed PAB, and private pesticide applicators that use RUP for agricultural production.

Why It Matters:

- Licensing programs give MDARD the ability to regulate businesses to assure they operate in compliance with requirements or risk license suspension/revocation.
- Certification/Registration assures applicators are knowledgeable and competent to apply pesticides in accordance with regulatory requirements for human safety and environmental protection.
- Providing exams for certification or registration applicants for employment opportunities.

Key Stakeholders

- Michigan Agri-Business Association
- Agricultural producers
- Michigan Pest Management Association
- Michigan Landscape and Aquatic Managers associations
- U.S. Environmental Protection Agency

Deliverables

- Pesticide application business licenses
- RUP dealer licenses and inspections
- Agricultural pesticide dealer licenses
- Commercial applicator certification
- Private agricultural applicator certification

January 2015
Accomplishments:

- Timely processing of 2,300 license applications so businesses can operate legally in Michigan.
- Monitoring for compliance with business license requirements to assure a fair business environment and protect consumers from illegal business operations.
- Revised certification exams using a new validation process to assure a legally defensible exam and exam integrity when measuring applicator knowledge and competency.
- Monitored sales of restricted use pesticides for use only by certified applicators and conducted enforcement for unauthorized sales violations.

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<table>
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<th>2012</th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>Unlicensed PAB inspections</td>
<td>300</td>
<td>281</td>
<td>262</td>
<td>273</td>
<td>286</td>
</tr>
<tr>
<td>Unlicensed PAB enforcement</td>
<td>54</td>
<td>48</td>
<td>26</td>
<td>53</td>
<td>64</td>
</tr>
<tr>
<td>RUP sales audit inspections</td>
<td>31</td>
<td>30</td>
<td>26</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td>RUP sales violation enforcement</td>
<td>10</td>
<td>9</td>
<td>11</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>Applicator examinations administered</td>
<td>14,289</td>
<td>15,369</td>
<td>14,375</td>
<td>14,801</td>
<td>17,356</td>
</tr>
<tr>
<td>Certification examinations revised</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

Program Goals:

- For 2015, licensing programs will monitor renewal applications to assure previously licensed businesses maintain business licenses if they remain active.
- For 2015, conduct a minimum of 20 restricted use pesticide audits under a grant from EPA.
- Administer 14,000 examinations so applicators can obtain certification or registration credentials making them available for employment.
- Provide 300-400 examination locations easing accessibility to applicants.
Managers: Michael Bryan, Nursery and Export Specialist, 517-284-5648, BryanM@michigan.gov
Robin Rosenbaum, Section Manager, 517-284-5646, rosenbaumr@michigan.gov

Legal Authority: The Insect Pest and Plant Disease Act, Public Act 189 of 1931, as amended

Description of the Program:
- The program facilitates the export and import of nursery stock, plant, and plant products and agricultural commodities to and from other states or countries by developing and implementing programs for the detection, eradication, or control of serious pests and diseases.
- The Plant Health and Export Certification Program area has regulatory responsibility through the inspection of nursery stock, to prevent the introduction and dissemination of serious insects and diseases which are damaging to nursery stock, plants, and plant products.

Why It Matters:
- Certifying plant-based commodities facilitates shipment to other states and countries, supporting Michigan’s economy. Nursery stock producers generate about $291 million in annual sales and distribute about 30% of their products in 35 states. Michigan Christmas tree production has an annual farm gate value of $41 million.
- Most of the dry beans grown in Michigan, valued at $139 million, are exported to overseas markets.
- Preventing the introduction of plant pests and other invasive species into Michigan protects our agricultural, urban and natural resources, promotes domestic and international commerce, minimizes control costs, and promotes tourism and outdoor recreational industries.
- Michigan consumers benefit by being assured the nursery stock they purchase is free of pests and diseases.

Key Stakeholders
- Nursery stock growers and dealers
- Fruit and vegetable producers
- Hay, straw and grain exporters
- Log and lumber exporters
- Christmas tree growers
- Greenhouse/floriculture growers
- Michigan citizens

Deliverables
- Annual nursery stock grower inspections
- Nursery stock dealer inspections
- On-time issuance of export certificates for plant and plant product exports
- Christmas tree fields inspected and compliant with federal quarantines
- Seed corn acres inspected to assure freedom from export-significant diseases

January 2015
Accomplishments:
- Facilitated fresh blueberry exports to Canada by enrolling 12 growers in the USDA Blueberry Certification Program. Blueberries exported under this program do not have to undergo costly methyl bromide fumigation which has been a standard treatment requirement. Program savings to the exporters include eliminating expensive fumigation costs and most inspection fees.
- Worked with USDA to assure that MDARD’s Authorized Certification Officials’ (ACO’s) credentials were updated. MDARD’s well-trained staff of ACO’s assured on-time departure of 4,500 export shipments, which facilitated trade to 88 countries worldwide.
- Protected Michigan hemlock resources and blueberry plantations from harmful pests and diseases by intercepting and destroying quarantine-prohibited nursery stock originating from infested states.
- Developed and implemented a quarantine prohibiting shipments of fir from states infested with balsam woolly adelgid, an exotic insect pest known to kill fir trees. This quarantine protects the nearly 1.9 billion balsam fir trees in Michigan forests and another 13.5 million fir trees grown by Michigan Christmas tree producers from this ravages of this devastating pest.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursery stock acres inspected</td>
<td>7,554</td>
<td>8,648</td>
<td>7,532</td>
<td>6,856</td>
<td>6,419</td>
</tr>
<tr>
<td>Nursery stock dealers inspected</td>
<td>128</td>
<td>64</td>
<td>344</td>
<td>894</td>
<td>692</td>
</tr>
<tr>
<td>Export certificates issued</td>
<td>4,180</td>
<td>3,669</td>
<td>3,522</td>
<td>3,822</td>
<td>4,543</td>
</tr>
<tr>
<td>Christmas tree fields inspected</td>
<td>386</td>
<td>366</td>
<td>356</td>
<td>324</td>
<td>328</td>
</tr>
<tr>
<td>Seed corn acres inspected</td>
<td>28,020</td>
<td>33,209</td>
<td>39,696</td>
<td>47,845</td>
<td>41,415</td>
</tr>
</tbody>
</table>

Dashboards and Scorecards:
PPPMD Scorecard measures the percentage of inspections of nursery stock dealers whose importing or exporting activities may increase the risk of spreading damaging plant pests. The target is based on inspecting one-half of all dealers eligible for inspection each year. In FY2014, the overall percentage inspected was 19% of 3,600 dealers eligible for inspection.

Program Goals:
- Inspect all nursery stock growers in the state.
- Refine the use of a pest-risk based approach in the inspection of nursery stock dealers.
- Increase the efficiency of the export certification program thereby facilitating savings which can be passed on to industries served.
- Finalize development and fully implement data tracking of the nursery inspection program as part of the department-wide Accela system.
Managers:  John Bedford, Pest Response Specialist, 517-584-5650, bedfordj@michigan.gov  
Mike Philip, Pest Survey Specialist, 517-284-5649, philipm@michigan.gov  
Robin Rosenbaum, Section Manager, 517-284-5646, rosenbaumr@michigan.gov

Legal Authority:  Plant Pest and Disease Acts: Public Act 189 of 1931 and Public Act 72 of 1945

Description of the Program:
- The Exotic and Invasive Pest Detection and Response programs have responsibility for the early detection of exotic and invasive pests of agriculture and forestry and the management of these pests before they become established in the state.
- Early detection is accomplished through pathway analysis and risk-based trapping and inspection programs for high-risk target species statewide.
- Recent pest discoveries include plum pox virus, a disease of stone fruits, and hemlock woolly adelgid, an insect pest of hemlock.
- The most serious pest to be detected in Michigan in recent years is the Emerald Ash Borer, an exotic wood-boring beetle native to Asia, which most likely arrived hidden in solid-wood packing material (pallets, crating, or dunnage) in the early 1990s.

Why It Matters:
- Invasive and exotic insects and plant diseases are on average more economically and ecological destructive than their native counterparts. Nationwide, their annual economic impact is estimated at $80 billion.
- They reduce agricultural yields, increase input costs, lower the volume and quality of timber, reduce forest biodiversity, imperil threatened and endangered species, and impact property values in forested urban and suburban communities.
- Early detection is critical for the implementation of mitigation actions to effectively eradicate or contain invasive pest populations and minimize their impacts.
- Sustained monitoring programs keep national and international markets open to Michigan-produced agricultural and forest commodities.

Key Stakeholders
- Agricultural and forest products producers
- Citizens engaged in recreational activities in native forests
- Property owners, municipalities, and businesses maintaining turf and landscape plants
- Nursery plant, Christmas tree, and floriculture producers

Deliverables
- Surveys for exotic and invasive pests
- Educational workshops and outreach materials
- Certification of commodities for export
- Compliance agreements
- Targeted pesticide applications

January 2015
Michigan Department of Agriculture & Rural Development
Pesticide and Plant Pest Management
Plant Industry Section - Invasive/Exotic Pest Detection and Response

Accomplishments:

- Facilitated the export of 246 acres of seed potatoes valued at approximately $1 million through intensive soil sampling for exotic cyst nematodes.
- Issued 125 EAB compliance agreements to allow for the continued utilization of ash timber, primarily in the Upper Peninsula, allowing for growth of the timber industry.
- Protected Michigan’s valuable hemlock resource through continued pesticide applications and/or monitoring surveys at six locations where the eradication of hemlock woolly adelgid, a destructive invasive insect that has eliminated hemlock from much of the eastern U.S., has taken place.
- Completed surveys for exotic forest, orchard, and field crop pests at 154 sites statewide, increasing the likelihood of early detection and subsequent mitigation of their economic and environmental impacts.
- Educated 650 industry professionals on invasive and exotic forest pest detection and reporting at 16 workshops held statewide, ensuring citizens are in the best position to discover new pests have the knowledge to recognize them and report their findings.
- Responded to numerous phone and e-mail reports of exotic and invasive pests, including Asian longhorned beetle, emerald ash borer, and giant hogweed. Concerned citizens remain important participants in pest detection efforts and have been responsible for several major pest discoveries.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry professionals educated</td>
<td>-</td>
<td>-</td>
<td>195</td>
<td>467</td>
<td>651</td>
</tr>
<tr>
<td>HWA eradication sites</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Forest, fruit, and field crop survey sites</td>
<td>119</td>
<td>105</td>
<td>59</td>
<td>176</td>
<td>154</td>
</tr>
<tr>
<td>Seed potato acreage certified for export</td>
<td>1,129</td>
<td>700</td>
<td>490</td>
<td>499</td>
<td>346</td>
</tr>
<tr>
<td>EAB survey sites</td>
<td>2,006</td>
<td>2,006</td>
<td>260</td>
<td>301</td>
<td>230</td>
</tr>
<tr>
<td>EAB compliance agreements</td>
<td>239</td>
<td>120</td>
<td>120</td>
<td>125</td>
<td>118</td>
</tr>
</tbody>
</table>

Program Goals:

- Continue to focus on targeted education of industry professionals to facilitate the early detection and reporting of high-priority exotic pests.
- Eradicate or contain newly introduced, high-priority exotic pests like hemlock woolly adelgid, plum pox virus, and Asian longhorned beetle.
- Shift survey work away from full-time MDARD staff by granting federal survey funding to MSU, thereby allowing MDARD staff to focus on more technically demanding work and simultaneously increasing cost effectiveness of pest surveys.
- Continue to facilitate export of seed potatoes through participation in USDA-funded potato cyst nematode surveys.

January 2015
Michigan Department of Agriculture & Rural Development  
Pesticide and Plant Pest Management Division  
Plant Industry Section – Fruit and Vegetable Inspection

Manager: Robin Rosenbaum, Plant Industry Section Manager, 517-284-5646, rosenbaumr@michigan.gov

Legal Authority: Market Conditions, Public Act 91 of 1915

Description of the Program:
- The Fruit & Vegetable (F&V) inspection program offers an unbiased, third-party inspection service for the produce industry in Michigan and throughout the United States.
- Inspections are based on federal and state standards, processor specifications, and/or industry requests. USDA standards are used nationwide as a basis for purchase, and to resolve disputes.
- All F&V staff must be licensed by USDA on each commodity they inspect.

Why It Matters:
- Process inspections protect Michigan farmers by providing them with an unbiased, third-party inspection upon which they are paid fairly for their produce. Processing plants are also protected from receiving poor-quality produce from Michigan farmers and consumers are protected from receiving poor-quality produce in processed goods.
- Market inspections protect the buyer, broker, and consumer from receiving poor-quality produce or produce not meeting the promised grade or condition from anywhere in the world. Market inspections are used to resolve disputes which may end up in court and are vital to the survival of the state’s buyers, brokers, and receivers of Michigan produce worldwide.
- Shipping point inspections assure the quality and condition of Michigan produce prior to shipment. Verifying the produce meets the grade marked.
- Good Agricultural Practices and Good Handling Practices (GAP/GHP) provide set guidelines designed to minimize microbial contamination of fresh produce. GAP and GHP audits verify Michigan produce has been produced and handled in ways minimizing food safety concerns, thereby opening markets for Michigan producers and handlers.

Key Stakeholders
- Michigan fruit and vegetable growers
- Michigan processors
- Michigan shippers
- Buyers, brokers, and consumers.
- Food retailers
- U.S. Department of Agriculture

Deliverables
- Shipping point inspections
- Terminal market inspections
- Process inspections
- Controlled atmosphere storage inspections
- Good Agricultural Practices audits
- Good Handling Practices audits

January 2015
Accomplishments:

- Shipping point inspections were completed within 24 hours of the anticipated shipment date, enabling Michigan producers and brokers to ship fresh produce across the globe in a timely fashion. Additionally, it ensures consumers receive consistent, wholesome and high quality produce.
- Responded to all terminal market inspection requests within 12 hours of the request. Timely response assures Michigan consumers receive produce meeting USDA standards and that Michigan does not become a dumping ground for sub-standard produce.
- Completed 249 GAP and GHP food safety audits, reducing the risk of microbial contamination of produce and opening markets for Michigan producers who must verify that their crop has been grown or handled in a safe manner.
- Participated with seven other states nationwide in a “Group GAP” pilot project in the Upper Peninsula. The information obtained by this project will make the program more accessible to small volume producers by reducing the cost of the audit per farm.
- Achieved stringent continuing education requirements to maintain GAP & GHP audit certifications in strategic areas of the state. This assures the availability of trained staff in key locations so excellent response times can be maintained and the cost of inspection to the producer/firm can be minimized.

Measuring Success:

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<tr>
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<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market inspections</td>
<td>551</td>
<td>581</td>
<td>563</td>
<td>621</td>
<td>796</td>
</tr>
<tr>
<td>Shipping point certificates Issued</td>
<td>1,237</td>
<td>917</td>
<td>545</td>
<td>947</td>
<td>595</td>
</tr>
<tr>
<td>Total hundredweight inspected</td>
<td>1,370,662</td>
<td>627,687</td>
<td>463,409</td>
<td>475,613</td>
<td>563,535</td>
</tr>
<tr>
<td>GAP/GHP audits performed</td>
<td>300</td>
<td>283</td>
<td>81</td>
<td>267</td>
<td>249</td>
</tr>
</tbody>
</table>

Program Goals:

- Continue training of the two new staff with a goal of getting them restricted licenses for market inspection, licensed on all commodities for shipping point and eligible to undergo GAP & GHP training.
- Participate in the development and launch of “Group GAP” in the state of Michigan.
- Maintain or exceed excellent response times for market and shipping point inspections.
Managers:  April Hunt, Feed and Fertilizer Specialist, 517-284-5644 HuntA9@michigan.gov
        Tim Lyons, Feed Safety Specialist, 517-719-1696, LyonsT1@michigan.gov

Legal Authority:
    • Commercial Feed Law, Public Act 120 of 1975
    • Livestock and Poultry Remedies, Public Act 134 of 1929

Description of the Program:
    • Protects the animal and human food supply by assuring animal feeds and feed ingredients are safe and nutritious, properly labeled, and free of contaminants and harmful residues.
    • Regulates 1,300 manufacturers and distributors of 3 million tons of feed and feed ingredients.
    • Monitors the manufacturers of medicated feeds, reviews formulation and dosages of medicated feeds, ensures compliance with current good manufacturing practices, and samples these feeds to ensure compliance with state and federal regulations.
    • Conducts a variety of activities, including:
      o licensing feed manufacturers, distributors and animal remedy products
      o reviewing product labels to ensure compliance with state law
      o examining ingredients, sampling products, and verifying claims through laboratory analysis
      o inspecting manufacturing processes, storage facilities, product security, equipment and transport vehicles
      o investigating animal illnesses and deaths where feed may be implicated

Why It Matters:
    • Safe and nutritious feed and remedy supplements free of contaminants and harmful residues, is the overarching goal of the Feed Program. Michigan farmers produce an estimated $2.3 billion worth of meat, milk, and eggs, base their livelihood on the effectiveness of this program.
    • Millions of pet owners depend on the nutritional and safety provisions of this program. Over 50% of U.S. households have one or more pets.
    • Recent feed contamination incidents and recalls demonstrate the need for product surveillance, rapid response capabilities and strong feed enforcement programs for pet food and feed for food producing animals. Examples include:
      o 2007 melamine contamination. Resulted in unprecedented international recalls for pet food.
      o 2012 Diamond Pet Food investigation. Michigan’s finding of Salmonella Infantis in pet food linked an outbreak of 53 human illnesses to the contamination and resulted in the recall of over 2 million bags of pet food.
    • Enhances the safety of the food supply chain by monitoring manufacturers of commercial feeds; protects the animal feed supply from the use of unapproved feed additives such as drugs, microorganisms, and pesticide contaminants which reduces the risk of unsafe drug residues in meat, milk, and eggs.

January 2015
Key Stakeholders

- Feed manufacturers and distributors
- Pet owners
- Michigan Agri-Business Association
- Agricultural producers
- U.S. Food and Drug Administration

Deliverables

- Feed and animal remedy licenses
- Feed sanitation inspections
- Federal contract inspections
- Feed tonnage reporting
- Medicated feed inspections

Accomplishments:

- Led a multi-division, multi-agency investigation linking 50,000 turkey deaths at a Michigan farm to loads of out-of-state waste soy oil containing Lascadoil, an industrial processing waste oil. Lascadoil is intended for non-food or bio-fuel uses, but was used in a feed ingredient sold to the farm.

- Sampled and analyzed 189 pet food and livestock feed samples for pathogens; three livestock feeds were positive for Salmonella. Each positive was investigated by field staff and the strains were found to be non-pathogenic to animals. There were no reports of human illness linked to these findings.

- Organized and led a tabletop discussion for 70 public health officials and veterinarians on the interconnection between pet food and human foodborne illnesses.

- Developed and shared guidance on proper rodenticide use at food establishments, including grain elevators and feed mills with stakeholders. Conducted inspections at food establishments to ensure compliance.

- Issued 171 violation notices, 23 advisory letters, 8 warning letters and one consent agreement to firms to ensure compliance with feed safety and consumer protection requirements.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feed licenses</td>
<td>1,198</td>
<td>1,213</td>
<td>1,286</td>
<td>1,329</td>
<td>1,347</td>
</tr>
<tr>
<td>Animal remedy licenses</td>
<td>1,610</td>
<td>1,704</td>
<td>1,756</td>
<td>1,025</td>
<td>1,121</td>
</tr>
<tr>
<td>Feed mill/grain elevator sanitation inspections</td>
<td>335</td>
<td>353</td>
<td>346</td>
<td>363</td>
<td>336</td>
</tr>
<tr>
<td>State medicated feed inspections</td>
<td>99</td>
<td>62</td>
<td>80</td>
<td>61</td>
<td>67</td>
</tr>
<tr>
<td>BSE and medicated feed contact inspections</td>
<td>84</td>
<td>85</td>
<td>84</td>
<td>85</td>
<td>76</td>
</tr>
<tr>
<td>Feed samples</td>
<td>1,648</td>
<td>1,542</td>
<td>704</td>
<td>959</td>
<td>787</td>
</tr>
<tr>
<td>Investigations</td>
<td>8</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>6</td>
</tr>
</tbody>
</table>

Program Goals:

- Pursue feed law revisions, including fee increases. The law has not been updated in 40 years.
- Prepare Michigan’s feed program and industry for the upcoming federal Food Safety Modernization Act’s Preventative Controls for Animal Feed and Animal Feed Regulatory Program Standards.
- Continue to focus feed and remedy regulation activities on food safety and consumer protection.
Managers:  April Hunt, Feed and Fertilizer Specialist, 517-284-5644, HuntA9@michigan.gov  
Jeff Haarer, Section Manager, 517-284-5642, haarerj@michigan.gov

Legal Authority:
- Part 85, Fertilizers, Natural Resources Environmental Protection Act (PA 451 of 1994, as amended)
- Part 87, Groundwater, Natural Resources Environmental Protection Act (PA 451 of 1994, as amended)
- Liming Materials, (PA 162 of 1956)

Description of the Program:
- Assure fertilizers meet label claims and are stored securely in an environmentally protective manner.
- Regulate approximately 700 manufacturers and distributors of 1.4 million tons of fertilizers, soil conditioners, and liming materials for both farm and non-farm use.
- Conduct a variety of activities, including:
  - licensing manufacturers and registering specialty products
  - reviewing product labels to ensure compliance with state law
  - examining ingredients, sampling products, and verifying claims through laboratory analysis
  - inspecting manufacturing processes, storage facilities, product security, equipment and transport vehicles
  - monitoring phosphorus use on turfgrass

Why It Matters:
- Michigan producers and industry rely on this program to purchase accurately labeled fertilizers and to maximize yields and maintain a profitable agricultural operation. Current inspection data indicates violation rates for grade guarantees are in the 16 percent range.
- The new phosphorus legislation prevents unnecessary applications of phosphorus fertilizer to turf and will help maintain and protect Michigan’s vast water resources.
- Fertilizer is the most widely used agrichemical and is agronomically applied on about 5.5 million acres of Michigan farmland.
- Residents purchasing home and garden fertilizers rely on this program to protect them from fraud.

Key Stakeholders
- Fertilizer manufacturers
- Michigan Agri-Business Association
- Agricultural producers
- Turfgrass application businesses

Deliverables
- Fertilizer facility licenses
- Specialty fertilizer & soil conditioner registrations
- Liming material licenses
- Fertilizer tonnage reporting
Accomplishments:
- To help Michigan companies collaborate with state officials, MDARD helped pilot a national, industry-wide project – AgGateway Tonnage Reporting Project. This innovative partnership offers a streamlined and more efficient way to report fertilizer and feed tonnage. Previously 47 states required 47 different types of forms and fees.
- Amended the fertilizer and liming materials laws to include additional testing and labeling requirements in order for beneficial use industrial by-products, such as wood ash, coal ash, and flue gas desulfurization gypsum to be approved for use on agricultural land. The labeling and testing criteria include agronomic application rates, and limits on heavy metals, semi-volatile organic compounds and dioxins.
- Updated turfgrass phosphorus restrictions in November 2013 to authorize the application of a natural fertilizer with phosphorus to turf in certain amounts.
- Sampled 45 turfgrass fertilizers with “zero phosphorus” claims, 43 of which were found to be truthful. Issued stop sale violation notices to two manufacturers selling misbranded products with a false zero phosphorus claim. Issued an administrative fine to a firm not meeting application requirements.
- Sampled and analyzed 244 fertilizer samples for nitrogen, available phosphate, soluble potash, calcium, magnesium and sulfur. The Iowa Department of Agriculture and Land Stewardship conducted the sample analysis for Michigan; 37 of the samples were violative, a 15.2% violation rate. Violation notices were sent to all retailer and manufacturer locations with a violative sample.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer licenses</td>
<td>580</td>
<td>602</td>
<td>585</td>
<td>666</td>
<td>728</td>
</tr>
<tr>
<td>Specialty products registrations</td>
<td>4,495</td>
<td>4,609</td>
<td>4,839</td>
<td>5,086</td>
<td>5,469</td>
</tr>
<tr>
<td>Liming materials licenses</td>
<td>82</td>
<td>98</td>
<td>97</td>
<td>86</td>
<td>97</td>
</tr>
<tr>
<td>Fertilizers sampled</td>
<td>93</td>
<td>0</td>
<td>0</td>
<td>208</td>
<td>244</td>
</tr>
<tr>
<td>Violative samples detected</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>35</td>
<td>37</td>
</tr>
</tbody>
</table>

Program Goals:
- Pursue fee increases for the program. Fees have not increased in 40 years.
- Increase marketplace surveillance inspections of fertilizers to help prevent illegal trade and sale of unapproved, unregistered, and potentially dangerous products to homeowners, professional applicators, and farmers.
- Increase fertilizer sampling and analysis activities to ensure consumer protection and a level playing field for industry.
Managers:  April Hunt, Feed and Fertilizer Specialist, 517-284-5644, HuntA9@michigan.gov  
Jeff Haarer, Section Manager, 517-284-5642, haarerj@michigan.gov

Legal Authority:  
  • Natural Resources Environmental Protection Act, Public Act 451 of 1994, as amended  
    o Part 83, Pesticide Control  
    o Part 85, Fertilizers  
    o Part 87, Groundwater and Freshwater Protection  
  • Regulation 640, Commercial Pesticide Bulk Storage  
  • Regulation 641, Commercial Fertilizer Bulk Storage  
  • Regulation 642, On Farm Fertilizer Bulk Storage

Description of the Program:  
  • Reviews construction plans and conducts site consultations as well as inspections to facilitate new  
    business projects and ensure bulk quantities of agrichemicals are stored properly and securely.  
  • Ensures bulk fertilizer and pesticide containments are constructed, installed, and maintained in a safe  
    manner with the least possible impact on people, property, and the environment.  
  • Requires commercial facilities storing bulk agrichemicals and private facilities storing bulk liquid  
    fertilizers to have tank containment, a mixing and loading pad, and an emergency response plan.

Why It Matters:  
  • Promotes economic development by assisting new and expanding agribusiness companies to  
    comply with state regulations.  
  • Benefits industry and producers by preventing environmental contamination and saving thousands  
    of dollars in product losses and clean-up costs if a spill or release were to occur.  
  • Makes proactive efforts to help provide a safer environment through proper storage of  
    agrichemicals.  
  • Safeguards 70 million gallons of Michigan agrichemicals.  
  • Ensures fertilizers and pesticides are properly identified, stored, and secured to prevent misuse.

<table>
<thead>
<tr>
<th>Key Stakeholders</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer and pesticide manufacturers</td>
<td>220 registered bulk storage facilities</td>
</tr>
<tr>
<td>Fertilizer and pesticide distributors</td>
<td>2,600 bulk tanks protected</td>
</tr>
<tr>
<td>Michigan Agri-Business Association</td>
<td></td>
</tr>
<tr>
<td>Agricultural producers</td>
<td></td>
</tr>
</tbody>
</table>

January 2015
Accomplishments:
- Conducted numerous farm consultations and outreach activities to inform staff, industry, and producers about on-farm fertilizer storage and poly tank integrity.
- Issued two compliance agreements to approve new construction technology uses and performed numerous consultations with firms building new containment and renovating existing containment.
- Conducted 125 bulk storage inspections and issued two warning letters, four stop orders and two notices of intent for improper storage and failure to use operational containment pads.

Measuring Success:

<table>
<thead>
<tr>
<th>Metric</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk storage facility registrations</td>
<td>218</td>
<td>222</td>
<td>220</td>
<td>219</td>
<td>226</td>
</tr>
<tr>
<td>Facility inspections conducted</td>
<td>14</td>
<td>8</td>
<td>43</td>
<td>48</td>
<td>125</td>
</tr>
<tr>
<td>Agrichemical storage tank capacity (gallons)</td>
<td>42 million</td>
<td>43 million</td>
<td>66 million</td>
<td>69 million</td>
<td>72 million</td>
</tr>
</tbody>
</table>

Program Goals:
- Increase plan reviews and on site consultations to ensure proper agrichemical containment construction and promote Michigan’s economic development.
- Increase outreach efforts to advise agricultural dealers and farmers on how they can help deter illicit use of agrichemicals while protecting their safe, intended use.
- Inspect at least 50% of registered bulk storage facilities.
Manager: Jeff Haarer, Producer Security and Agricultural Products Section Manager, 517-284-5642, haarerj@michigan.gov

Legal Authority:
- Grain Dealers Act, Public Act 141 of 1939, as amended
- Farm Produce Insurance Act, Public Act 198 of 2003, as amended
- Wholesale Potato Dealers Act, Public Act 158 of 1964
- Licensing Livestock Dealers, Public Act 284 of 1937, as amended
- Agricultural Marketing and Bargaining Act, Public Act 344 of 1972, as amended
- Agricultural Commodities Marketing Act, Public Act 232 of 1965, as amended

Description of the Program:
- The Grain Dealers Act regulates the storage, warehousing, and sale of farm produce in Michigan and the licensing of grain dealers.
- The Farm Produce Insurance Authority administers the collection of producer assessments, payment of producer claims, and investment of producer funds.
- The Wholesale Potato Dealers Program protects Michigan potato growers from dealers and processors who default on payments and licenses dealers.
- The Grade A Milk and the Manufacturing Milk Program protect Michigan milk producers from processors who default on payments. These acts are administered by the Food and Dairy Division, and the Producer Security unit reviews the security provided by licensees.
- The Livestock Dealers Program protects producers that transact with licensed livestock dealers. This act is administered by the Animal Industry Division, and the Producer Security unit reviews the dealers’ accounting of proceeds for livestock producers.
- The Agricultural Marketing and Bargaining Act requires handlers and associations to establish marketing and processing pricing for asparagus and apple crops grown in Michigan. The Producer Security unit administers the program, oversees arbitration if negotiations are not successful, and investigates unfair practice complaints.
- The Producer Security unit provides financial, compliance and assessment review services for legislatively enacted commodity marketing associations.
Why It Matters:

- Licensed grain dealers hold and protect the grain deposits of producers. Grain dealer failures would result in significant losses to producers who might be unsecured under bankruptcy laws. Producers might only receive cents on the dollar many years after the failure. Over the past 30 years, farmers have lost over $10 million through numerous insolvencies at grain dealers in Michigan.
- Grain dealer, wholesale potato dealer, livestock dealer, and dairy plant insolvencies adversely impact communities, businesses, and farmers through loss of jobs, income, and market.
- The Farm Produce Insurance Act was enacted to protect farmers in the event of a farm produce dealer’s financial failure.
- Licensing programs give MDARD the ability to regulate businesses to assure they operate in compliance with requirements or risk license suspension/revocation.
- Legislatively enacted commodity marketing associations require government oversight of financial and operational provisions.

<table>
<thead>
<tr>
<th>Key Stakeholders</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural producers</td>
<td>Grain dealer and grain merchandiser licenses</td>
</tr>
<tr>
<td>Michigan Agri-Business Association</td>
<td>Wholesale potato dealer licenses</td>
</tr>
<tr>
<td>Michigan Farm Bureau</td>
<td>Risked-based audits</td>
</tr>
<tr>
<td>Michigan agricultural commodity marketing associations</td>
<td>FPIA Fund management and oversight</td>
</tr>
<tr>
<td></td>
<td>Commodity marketing associations</td>
</tr>
</tbody>
</table>

Accomplishments:

- Performed 220 risked-based audits on 18-month cycle.
- Measured inventory from bins with licensed capacity of 217,767,165 bushels.
- Garnered the participation of more than 99.8% of the estimated 17,000 eligible producers in the voluntary Farm Producers Insurance Fund.
- Paid 92 producer insurance claims since 2005, totaling $930,000.
- Recovered $600,000 from probate, bankruptcy, estates, and bonds.

January 2015
Michigan Department of Agriculture & Rural Development
Pesticide and Plant Pest Management Division
Producer Security Section – Licensing and Review Services

- Made 100% of the payments determined by the FPIA Board within 60 days. Received 100% response from licensees for FPIA administrative assessments since January 2013.
- Performed 100 Corn Marketing Program and Soybean Promotion Committee check-off audits bi-annually.
- Conducted producer security reviews for 11 wholesale potato dealers and 8 manufacturing and fluid milk processors.
- Garnered the adoption of ExamNet self-inventory for licensed capacity of 236,802,222 bushels, or 92% (8% exempt and out of state), and at 178, or 81%, of licensed facilities.

Measuring Success

<table>
<thead>
<tr>
<th>Stage 1: ExamNet Software Distribution</th>
<th>FY2014</th>
<th>FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensed capacity (bushels)</td>
<td>258,191,772</td>
<td>228,791,814</td>
</tr>
<tr>
<td>Capacity of software holders (bushels)</td>
<td>258,191,772</td>
<td>165,939,174</td>
</tr>
<tr>
<td>Percentage capacity of holders with software</td>
<td>100%</td>
<td>73%</td>
</tr>
<tr>
<td>Licensed facilities</td>
<td>221</td>
<td>233</td>
</tr>
<tr>
<td>Facilities with software</td>
<td>178</td>
<td>93</td>
</tr>
<tr>
<td>Facilities exempt from licensing</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Out-of-state facilities</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Percent of facilities with software</td>
<td>100%</td>
<td>40%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stage 2 Metric: Confirmed Utilization ExamNet Software</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities with software</td>
<td>178</td>
</tr>
<tr>
<td>Confirmed utilization at facilities</td>
<td>58</td>
</tr>
<tr>
<td>Percent of facilities utilizing ExamNet</td>
<td>33%</td>
</tr>
</tbody>
</table>

Program Goals:

- Licensing programs will monitor renewal applications to assure previously licensed businesses maintain business licenses if they remain active.
- Confirm utilization of ExamNet software.
- Move site review emphasis toward balance sheet audit and away from inventory audits.
- Provide support for Farm Produce Insurance Authority in liquidation, claim payment, and recovery regarding financial losses to producers from grain dealer failure in Thumb area.

January 2015