



## SEPTIC SYSTEMS

Michigan has approximately 1.2 million on-site wastewater or septic systems in Michigan. This conservative estimate is based on 1990 United States census data and reporting by local health departments of the actual number of systems being permitted annually. At the time of the 1990 census, data suggests that over 30% of Michigan homes and businesses were served by on-site systems. At present, it is estimated that over 50% of building permits issued for new single family homes are for

those with on-site systems. This higher percentage of new construction served by on-site systems is consistent with the higher rates of growth exhibited by nonmetropolitan areas in Michigan.

Michigan remains the only state in the nation without some type of minimum statewide regulation for single and two family systems. At the present time, systems serving single and two family dwellings fall under the jurisdiction of local health department sanitary codes which have similarities, but also vary significantly from jurisdiction to jurisdiction.

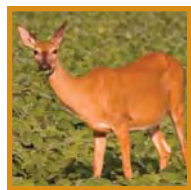
Current MFB policy indicates that protecting our state surface and groundwater from contamination is a priority and we recognize agriculture shares the responsibility with many others. It also indicates that we support the “point-of-sale inspection” of on-site septic systems.

Considerations of a statewide sanitary code may include:

- Requirements for new technology adoption
- Required inspections and maintenance for existing systems
- New fees or additional costs
- Uniform standards

*Should Michigan adopt a statewide sanitary code for on-site septic systems? How would a sanitary code assist with improving Michigan's water quality? How will a statewide sanitary code impact rural areas of Michigan? What should MFB's role be in rural septic system inspections and maintenance (e.g. education/awareness)?*

**For More Information Contact: Matt Smego, ext. 2044 or Scott Piggott, ext. 2021.**



## WILDLIFE MANAGEMENT

Agriculture continues to be challenged by pressure from wildlife species that have become overpopulated and cause damage as well as carry disease. Michigan Farm Bureau members have discussed and debated potential solutions and management tools to assist in managing wildlife numbers and some of those ideas have been implemented. Other solutions are not seriously considered because some hunters are unwilling to give a farmer the right to take more wildlife if they are not allowed the

same opportunity.

Hunters claim that farmers don't allow enough hunters, particularly in areas where wildlife damage is a major problem. The State of Michigan owns 4.5 million acres of land, while there are 10.1 million acres of farmland in Michigan.<sup>1</sup> This dynamic of land ownership means that farmers and other private landowners have a large role to play in assisting the DNR with management activities. The DNR has stated that their goal of reducing the overall population in southern-lower Michigan is only realistic if landowners allow hunters on their land, but when a landowner denies a hunter access, it is frustrating and makes the hunter unwilling to concede the farmer really needs help. For various reasons, farmers do not typically promote hunting opportunities. The perception, therefore, is that farmers do not allow hunting at all, yet complain about damage.

<sup>1</sup>2005/2006 Ag census data

*Are there ways to demonstrate that farmers are committed to addressing problem wildlife by maximizing hunting opportunities? Are tools such as “doe before a buck” or license changes needed? With all the different species impacting agriculture, should MFB host a wildlife summit to explore possible solutions? Is there a role for the county Farm Bureau to promote additional hunting opportunities on a willing member's land? Can a county Farm Bureau engage associate members who are hunters as an added “member benefit?”*

**For More Information Contact: Rebecca Park, ext. 2049 or Rob Anderson, ext. 2046.**



**Public Policy & Commodity Division**

For more information on national policy issues, visit the American Farm Bureau Federation Web site [www.fb.org](http://www.fb.org)

For state policy issues, visit [www.michfb.com](http://www.michfb.com)



Michigan Farm Bureau Probable Issues Briefs

Summer 2008



## ANIMAL WELFARE

The animal welfare issue has grabbed headlines across the United States this past year as special interest groups line up to promote their agenda and advance their set of values upon agriculture. What was once thought of as a group of left-winged fanatics has turned into well-organized and very highly funded grassroots efforts intent on changing the current animal production system in the United States with the ultimate goal of eliminating the livestock industry. Successful efforts include the elimination of equine slaughter, elimination of use of gestation stalls in several states, and changes to egg production systems.

Despite improvements in animal care over the last thirty years, production agriculture hasn't explained to the general public how much safer food is today. Those supporting the animal welfare agenda have utilized ballot initiatives and legislation to advance their agenda.

*Is agriculture properly prepared to battle this issue? What are our opportunities, both legislative and regulatory? What animal welfare practices should production agriculture advocate? How does agriculture promote the quality and safety of the animals they raise? How should the agricultural industry pursue a legislative answer to these issues? Or is this another issue we should just “let happen” because it will go away?*

**For More Information Contact: Ernie Birchmeier, ext. 2024 or Ryan Findlay, ext. 2025.**



## FOOD SAFETY

From the spinach scare to the Hallmark meat company beef recall, the safety of our food supply has made national headlines. Food safety and protection is the prevention of intentional or unintentional contamination or adulteration of food and feed, and ingredients, intended for human and animal consumption, by pathogens or agents that can cause serious harm or death. There are practices currently in use that protect the health of the U.S. population, including product tracing (traceability), licensing, input restrictions, labeling, point of entry restrictions, certification of testing laboratories and equipment, mandatory recall, and food safety research.

The current framework of the U.S. food safety and protection system is comprised of 15 federal agencies collectively administering more than 30 laws. The two major agencies responsible include the United States Department of Agriculture (USDA) and the Department of Health and Human Services (HHS). USDA is responsible for meat, poultry and processed egg products, while HHS, through the Food and Drug Administration (FDA), is responsible for all other food unless the food is specifically covered by another federal agency. Farm Bureau has several policies that provide direction on a number of different areas, but still within the scope of food safety. AFBF Policy #339 Food Quality and Safety provides the primary direction on the food safety issue.

*How should we advocate for changes to be made to current law or regulation to prevent contamination of agricultural products without placing an undue burden on producers and the food delivery system? How do we protect producer confidentiality? Should systems be voluntary or mandatory? What should be the responsibilities of producers in providing safe food? What penalties should be imposed on parties that knowingly or intentionally cause the food supply to be made unsafe?*

**For More Information: Ken Nye, ext. 2020 or Ryan Findlay, ext. 2025**



## PRICE DISCOVERY AND RISK TRANSFER THE FARM PRODUCE INSURANCE AUTHORITY

The rapid run-up in commodity prices and unprecedented market volatility over the past several months has many traditional users of the futures market questioning the ability of the system to perform two important functions, price discovery and risk transfer. Recent price increases for the major commodities have dramatically expanded margin money requirements for futures market participants creating additional financial burdens for commercial elevators and others holding futures positions as hedges. This has led many elevators to eliminate, or severely limit, forward pricing offers typically available to farmers. In addition, in order for the elevator to recover their margin investment, the elevator's cash obligations to farmers must converge with the corresponding futures contract (put in place to protect that cash contract). However, the entire transaction is dependent upon the farmer's delivery of the physical commodity according to the original terms of sale. With the run up in commodity prices and the prospect of additional price increases in the event of any adverse weather, the cash price at the time of delivery could be much higher than the price agreed to in the original contacts, increasing elevator risk from farmer non-performance.

This historic market situation has increased the level of risk to commercial market participants and has led to industry discussions nationally regarding possible solutions to retain the basic market functions of price discovery and risk transfer, as well as state level discussions regarding the adequacy of state level grain protection funds. In Michigan, the adequacy of the Michigan Farm Produce Insurance Authority (FPIA) has been questioned. The FPIA was designed to protect farmers in the event of a failure of a Michigan licensed grain dealer. The size of the fund was established in the legislation based on a review of commodity prices at the time legislation was drafted in 2003, and with consideration of historic losses to producers from previous elevator failures in Michigan. Farmer assessments to the fund began January 1, 2005 and were suspended January 1, 2008 when the fund was estimated to reach \$5 million. The current fund balance is approximately \$5.75 million. In addition to the fund balance, the FPIA Board has a letter of credit for \$1 million. The legislation allows the Board to borrow additional funds and amortize the loan out over 40 years. The law authorizes a restart of assessments if the fund balance falls below \$3 million.

*With the increased exposure from higher commodity prices and the added risks associated with the extreme market volatility, do you believe the current FPIA fund balance is adequate to insure farmer investment? If not, should assessments on farmer sales be reinstated and what is an adequate level for a new cap? Regarding possible changes to address market performance, what is an appropriate level of risk to elevators who offer forward pricing opportunities to farmers and what tools could be implemented to perhaps include producers sharing in the cost of hedging to reduce the risk of non-performance?*

**For More Information Contact: Bob Boehm, ext. 2023 or Tonia Ritter, ext 2048.**

## IMPACTS TO THE FOOD ANIMAL SECTOR OF HIGH GRAIN PRICES



With the recent surges in grain prices, many in the food and fiber industry are questioning the long-term impact for traditional users. Corn, wheat and soybean prices have doubled in the last 12 months and the impact is being felt in both the food and livestock industries. Coupled with the growing demand for energy, mandating the renewable fuel standards and a worldwide increase in the desire for a higher protein diet, there is tremendous potential for distortions and changes in the market place. Livestock and dairy producers are facing record high production costs due to the tremendous rise in feed and energy prices which is leading to negative margins of record proportion. The overall impact to the food animal sector could be devastating.

*Is there anything that can be done to fix the problem or is this just an issue that is going to have to play out? Are excise tax exemptions for renewable fuels and other tax incentives still needed at current levels for the continued production of bio-fuels? What are the long-term impacts from this policy? Could this situation lead to the possibility of the elimination of enough of the U.S. livestock industry that there would be an impact on overall meat supplies worldwide? How should we as a general farm organization address the issue? Is there, or should there be, a role of the government to balance competing industry needs?*

**For More Information Contact: Ernie Birchmeier, ext. 2024 or Bob Boehm, ext. 2023.**



## DEFINITION OF FARM AND AGRICULTURE

It has been said that when *Kellogg's* uses the term "corn flake" you know exactly what a corn flake is. The same sentiment may not be the case when using the term farm or agriculture in statute or in regulation. The term "farm" is used in Michigan statute over 330 times with at least seven definitions or a derivative of farm listed. The term "agriculture" is referenced in Michigan statute over 650 times with at least eight definitions or a derivative of agriculture listed.

The Michigan Right to Farm Act defines a farm as "the land, plants, animals, buildings, structures, including ponds used for agricultural or aquacultural activities, machinery, equipment, and other appurtenances used in the commercial production of farm products." (MCL 286.472) The General Property Tax Act defines a farm as "Property actually used in agricultural operations and farm implements held for sale or resale by retail servicing dealers for use in agricultural production. As used in this subdivision, 'agricultural operations' means farming in all its branches, including cultivation of the soil, growing and harvesting of an agricultural, horticultural, or floricultural commodity, dairying, raising of livestock, bees, fur-bearing animals, or poultry, turf and tree farming, raising and harvesting of fish, and any practices performed by a farmer or on a farm as an incident to, or in conjunction with, farming operations, but excluding retail sales and food processing operations." (MCL 211.9)

The current definition of a farm as used by the U.S. Department of Agriculture is "any established farm which produces \$1,000 or more of agricultural products sold or would normally be sold during the year." Under this definition, Michigan currently has 53,000 farms. If the threshold was increased to \$10,000 or more, Michigan would only have 31,000 farms.

*Would agriculture benefit from having one consistent definition of "farm" or "agriculture"? Can a single definition account for the great diversity and changing face of Michigan agriculture? Should the definition extend beyond production to include marketing or any form of processing? Would we be more at risk trying to codify a definition of "farm" or "agriculture" versus staying with status quo?*

**For More Information Contact: Rebecca Park, ext. 2049 or Ken Nye, ext. 2020.**



## WATER AUTHORITY

Michigan is in the center of the largest supply of fresh, drinkable water in North America. The Great Lakes are a big reason for the diversity and success of Michigan agriculture. Today, protections exist in federal law to stop the Great Lakes from being diverted to other places with authority residing within the Great Lakes states' governors. A Great Lakes Compact is being developed between all the Great Lakes states to prohibit diversions and develop a water conservation ethic for uses within the Great Lakes Basin.

Nationally, continued droughts in the Southeast and Southwest have challenged these regions to provide safe drinking water. As a result of these conditions, a "national water policy" is being discussed. Proponents say that a national water policy would provide equality for water access and would provide a platform to force the country to better plan the use of existing water resources. Others say that such a policy would waste resources by moving water instead of people and industry toward water supplies.

AFBF Policy #548 Water Use states, "We support the present system of appropriation of water rights through state law and oppose any federal domination or pre-emption of state water law or resource distribution formulas." Michigan Farm Bureau currently supports the authority of the Great Lakes States and Canadian Provinces to control, protect, and conserve the Great Lakes from diversion.

*As a Great Lakes state, what other protections are needed to protect the Great Lakes from diversion? What is the role of government in regional water compacts? Who has the right to use water and how should it be regulated? What should Farm Bureau do today to ensure an adequate water supply would be available for agriculture tomorrow?*

**For More Information Contact: Ryan Findlay, ext. 2025 or Scott Piggott, ext. 2021.**



## FARM MARKET & AGRI-TOURISM PROTECTION

Agriculture in Michigan is changing. One of the positive changes has been an increase in direct farm market and agri-tourism businesses. Unfortunately, some local municipalities have ordinances that restrict and limit such operations.

The Michigan Right to Farm (RTF) Act, which can provide preemption from local ordinances, includes farm markets although language in the Act related to them is somewhat vague. Many fear that opening up the RTF Act will lead to repeal or other amendments detrimental to agriculture.

Other states, such as New Jersey, define a farm market as a facility where 51% or more of the sales are from products generated on the commercial farm. The New Jersey act can be reviewed online at: <http://www.nj.gov/agriculture/sadc/rtfprogram/rtfact/righttofarmact.pdf>.

The Michigan RTF Act does not contain language regarding protection for agri-tourism. Several legal cases, however, have ruled that certain agri-tourism activities are covered by RTF.

*Should Michigan's Right to Farm Act be modified to include detailed protection of farm markets and agri-tourism operations? What is the definition of a farm market? What is the definition of agri-tourism? What are the risks of opening the Right to Farm Act? Is there another method of protecting farm markets and agri-tourism operations?*

**For More Information Contact: Ken Nye, ext. 2020 or Matt Kapp, ext. 2027.**



## ENHANCING ELECTED OFFICIALS' KNOWLEDGE OF AGRICULTURE ISSUES

Term limits has been highly successful in circulating new people into office and escorting the knowledge base out of office. This revolving door gives way to an unending process of educating legislators about how agriculture works and why it is important to the state's economic activity. Less than .7% of the population is involved directly in agriculture. In this election cycle, voters will usher into office at least 46 new House freshman. In 2010 there will be an even greater turnover. Thirty-two out of the 38 sitting Senators will be termed out and at least 33 House seats will be open.

*With this significant turnover, how can MFB and agriculture assure the Legislature understands agriculture? Are there ways in which county Farm Bureaus can work to surface more candidates who are knowledgeable about agriculture at the local and state levels? County Farm Bureaus are important to legislative officials. Is there a way to increase educational opportunities for legislators through the counties? Are we fully utilizing our current leadership development programs to surface, prepare and educate candidates? Are there other programs, tools or resources needed to assist in finding agriculture-minded candidates?*

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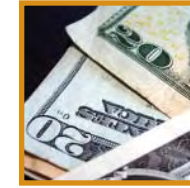


## TECHNOLOGICAL ADVANCEMENTS

Through the use of biotechnology, agriculture has become more advanced, efficient and productive. It is a production tool that has allowed the industry to continue to meet the growing demands of a worldwide economy and population. The development of products such as rBST, Round Up Ready alfalfa, BT corn, Round Up Ready soybeans and many others have been instrumental in yield and production advancements critical to agriculture. The use of these products has come under fire recently by outside special interest groups that are against the development and advancement of these technologies.

*Is their criticism justified? What role does the agricultural community play in the acceptance and utilization of the proven production tools? As the worldwide economy continues to grow and many food experts are concerned about food shortages and skyrocketing costs, can we continue to meet demand with conventional technology? Is this a social science versus sound science issue and what is the overall impact? Can preemptive measures be taken that will help stop the anti-technology agenda? What impact does Farm Bureau have and what role should we play in the balancing act of special interest versus scientific advancement and profitability?*

**For More Information Contact: Ernie Birchmeier, ext. 2024 or Tonia Ritter, ext. 2048.**



## AGRICULTURE FUNDING

In 2007, Michigan Farm Bureau policy called for a committee of individuals to be appointed by the MFB Board of Directors to look into agricultural funding priorities. Once appointed, this six-member committee reviewed the current funding for the Michigan Department of Agriculture (MDA) and investigated programs regarding efficiencies and changes that might need to be made to accommodate the funding challenges that have plagued the MDA for the past seven years. The committee discovered the MDA has essentially been cut down to the bare regulatory services that need to be provided to Michigan agriculture and the state's food and farming system. Also, in reviewing the current funding for programs, the committee discovered fees for services that have not been revisited over the past 25 plus years. The committee was also unsettled about some of the "producer protection" programs that appear to have increasing violation rates pertaining to feed, fertilizer and seed inspections.

*With state funding for many of these programs falling short, would the industry consider paying more in fees to retain third party regulatory involvement? Is the alternative of paying a fee for a program a better alternative than having a federal program substitute or losing a program altogether? Would farmers be willing to accept increased fees with matching General Fund appropriations? How should the balance be justified between fees paid by a user versus General Fund funding for regulatory programs provided by MDA?*

**For More Information Contact: Tonia Ritter, ext. 2048 or Bob Boehm, ext. 2023.**



## ROAD FUNDING

The state spends \$3.4 billion annually on Michigan's state and local roads, but there are many indications that additional funding is necessary. One key indicator is the fact that current taxes will not support current road spending. MDOT anticipates a shortfall of \$328 million (a three-year annual average of \$109 million) in state funds necessary to match federal aid over the 2010-2012 time frame. The effect of not being able to match a portion of federal aid expected to be available is that MDOT would be unable to utilize \$1.8 billion of federal aid over the same 2010-2012 time-frame (a three-year annual average of \$620 million). Absent new spending, MDOT forecasts the surface and, more important, sub-surface life and condition of our state-owned roads will deteriorate from 92% "good" to 73% by 2014.

Michigan roads have traditionally been funded by three primary areas:

1. Gasoline Tax – currently at 19 cents/gallon
2. Diesel Tax – currently at 15 cents/gallon
3. Vehicle registration fees

All funds collected by these means are constitutionally required to be distributed through the Transportation Fund Formula, also known as PA 51 of 1951.

*Are there alternative ways Michigan should consider providing adequate funding for road infrastructure? What is the acceptable level for Michigan's road condition? How have federal matching funds impacted Michigan's program? In order to address local road issues in a more timely fashion, should consideration be given to local user fees or taxes being levied?*

**For More Information Contact: Matt Smego, ext. 2044 or Ryan Findlay, ext. 2025.**



## AGRICULTURAL INITIATIVES AND PROMOTION

The agricultural industry has a long history and reputation of being trusted, respected and admired for its importance of providing the very essential needs of society. However, over the years, as people are less involved in farming and more involved in social and political issues, we are constantly being bombarded with legislative and regulatory challenges that affect the farmers' production place and market opportunities. Recent actions of groups like the Sierra Club and Humane Society of the United States have literally changed the way that business is done on farms. Ballot and legislative initiatives have been passed in several states around the country that have cost the industry economically and politically.

*Are we in agriculture doing enough to combat these issues and what can or should we do differently? The agricultural industry, because of its storied traditions, has never had to be involved in public relations. Is it time that we invest in public relations rather than just commodity promotion? What is the role of MFB, the county Farm Bureau and individual commodity organizations? If we are to address these issues, how do we fund the effort? Do we have the tools available now and are we using them to their fullest extent?*

**For More Information Contact: Ernie Birchmeier, ext. 2024 or Tonia Ritter, ext. 2048.**



## WATER CREDITS

Michigan Farm Bureau policy affirms a commitment to maintaining the riparian doctrine regarding reasonable use of water in Michigan. In essence, this doctrine allows Michigan residents to use as much water as they want so long as it does not interfere with another riparian's ability to reasonably use the water resource. Recent legislation swims around the edges of this longstanding policy by reviewing the impact of new and expanding water withdrawals on the environment. Future discussions regarding

Michigan's water management will include the topic of water credits. Michigan Farm Bureau policy states we will not accept a water management system that does not credit water kept in the water cycle by the highly permeable soils maintained by agriculture. As Michigan attempts to balance water coming into the system with water being used and the impending impacts on local ecological resources, a general water accounting system will develop. Such a system may challenge the integrity of reasonable use as new uses may attempt to "purchase" credits from existing uses.

*If water becomes a commodity in Michigan, the ability of Michigan to challenge the United States Constitution challenges from other states wanting our water may be weakened. Should agriculture pursue a water credit system that accounts for the water we bring into the system through our maintenance of open space? Can a developed water credit system be refocused as a water conservation credit system where existing users are credited for water conservation measures? Can a system ever be separated from a water credit system that simply trades the ability to use Michigan water?*

**For More Information Contact: Scott Piggott, ext. 2021 or Matt Smego, ext. 2044.**



## NET METERING

Green, renewable, or clean energy are buzz words the media and politicians like to use to describe alternative energy sources. The growing popularity of this form of electric power creates a great opportunity for agricultural landowners to generate their own electricity to reduce dependence on petroleum-based products and foreign nations for energy needs.

Forms of renewable energy include wind, solar, hydro, biomass and geothermal. Whether it's methane digesters or small scale wind turbines, farmers now have the opportunity to create their own electric power and, in some cases, enough extra to sell back.

Net metering serves as an accounting mechanism whereby retail electric utility customers, who generate a portion or all of their own retail electricity needs, are billed for generation (or energy) by their electric utility for only their net energy consumption during each billing period.

In Michigan, a basic framework for regulated-utility net metering programs was developed through a consensus reached among Michigan utility companies and the Michigan Public Service Commission (MPSC) staff in 2004. According to the MPSC, the intent for the net metering program is to assist the customer in meeting their own power and energy requirements, but it is not intended for customers who expect to make money through the sale of electricity.

*Should Michigan's net metering program have a cap for the size of the generation system that can be utilized through net metering? What other barriers exist for Michigan farmers to produce electric energy on their farms?*

**For More Information Contact: Matt Kapp, ext. 2027 or Matt Smego, ext. 2044.**



## DEFINITION OF SUSTAINABILITY

The popularity of the term sustainable, and the attempts of many entities to promote "sustainability programs," has led to competing definitions and confusion. A common textbook definition of sustainability is "a characteristic of a process or state that can be maintained at a certain level indefinitely." A commonly used definition of sustainability is an action or event that "meets the needs of the present without compromising the ability of future generations to meet their own needs."

Regardless of existing definitions for "sustainability" that are applied to agriculture, retailers and regulators are crafting their own definitions related to agricultural products and methods of production.

*Does agriculture need to have its own definition of sustainable? Does it benefit agriculture to have its own definition of sustainable? What parameters would need to be included if agriculture had a definition of sustainable? Is it important to ensure "sustainable" is linked to some unit of economic production?*

**For More Information Contact: Carrie Vollmer-Sanders, ext. 2026 or Scott Piggott, ext. 2021.**



## TRUTH IN LABELING/MARKETING OF AGRICULTURE PRODUCTS

Within the past few years, product labeling has become muddled. There are "natural," "all-natural," "hormone free" and "green" products. What does it all mean? In the past year, the Michigan dairy industry has felt the broad impacts of product labeling opportunities that are being used in the marketplace to appeal to the consumer. By in large all Michigan fluid milk products are now labeled as being "rBST free" or "hormone free," as a result of the retailers' demand for product that was not

derived from the use of rBST in dairy cows. While there are many broader implications in the arena of the loss of production tools, this issue begs the question of how producers, retailers and consumers are using labels to influence the purchase of food products. There are products on the shelf that claim "pesticide free" and "antibiotic free," inferring the competing products on the shelves must contain those items. When an item is labeled, or in some cases not labeled, consumers make assumptions.

*While we have seen many challenges with food labels, are there also opportunities? What should we do to address these labels and assure the truth in food labeling? We've used quality assurance programs to provide product identity and provide marketing opportunity (i.e., the Beef Quality Assurance Program). Are there opportunities to expand the use of labels to promote environmental assurance or other practices on farms? How do we assure that labels in the market place are not providing opportunities to one product, yet defaming, by inference, the product next to it on the shelf?*

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## CLIMATE CHANGE AND CARBON CREDITS

Environmental issues continue to emerge and be debated at the local, state and national levels. As stewards of the land, there could be an opportunity for farmers to receive compensation for new environmental stewardship, energy efficiency and carbon mitigating practices.

Governor Jennifer Granholm, through the Department of Environmental Quality, established the Michigan Climate Action Council. The Council will act in an advisory capacity to:

- Produce an inventory and forecast of greenhouse gas sources and emissions from 1990-2020.
- Consider potential state and multi-state actions to mitigate and adapt to climate change in various sectors.
- Develop a comprehensive climate action plan with specific recommendations for reducing greenhouse gases.

By December 31, 2008, the Council shall issue a comprehensive Climate Change plan for Michigan and recommend legislation to support its recommendations.

An environmental cap and trade system is designed to reduce the amount of environmental pollution. A cap would be placed on the total pollution emitted from specific industries and those industries would then be able to purchase credits if they exceeded the cap, or sell their credits if they were below the cap. Farm Bureau's national policy supports climate discussions that could lead to the development of a practical, voluntary carbon-trading system that includes access to the carbon market for agriculture and carbon sequestration for forestry. This national policy opposes mandatory restrictions on agriculture including mandatory methane restrictions under the Clean Air Act, restrictions on farming practices and farm machinery, and a carbon tax. It also supports additional funding for the USDA for carbon program implementation and agricultural sequestration research.

*Should energy efficiency standards for agricultural management and operation practices be mandated? What type of compensation should farmers receive for their role in new and existing environmental stewardship practices? What is MFB's role in emission cap and trade discussions and how it relates to agriculture (e.g., developing trading criteria, standards, guidelines and incentives)? What role should the Government play in developing and/or monitoring a cap and trade system? What should MFB's primary focus be when participating in environmental discussions and/or committees – protection, incentives, plans, education?*

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