

Legislative Analysis



SELECT MICHIGAN PROGRAM

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House Bill 6367 (Substitute H-1)
Sponsor: Rep. Kathy Angerer
Committee: Agriculture

First Analysis (9-16-08)

BRIEF SUMMARY: The bill would create the "Select Michigan Act" requiring the Department of Agriculture to administer a program to identify and promote farm products grown, processed, or manufactured in Michigan.

FISCAL IMPACT: A fiscal analysis is in process.

THE APPARENT PROBLEM:

Since about 2003, the Department of Agriculture has been operating a "Select Michigan" program using at least two different identifying labels: "Select Michigan Fresh" and "Select Michigan Organic." The "Select Michigan" program encourages retailers and consumers to purchase food grown or processed in Michigan. Buying locally directly supports Michigan farmers and agri-business, as well as the state's economy. According to a "Select Michigan" fact sheet, dated July 21, 2008, if every Michigan household spent just \$10 per week on Michigan-produced food, it would generate nearly \$40 million dollars in sales.

A description of the current program can be found on the department's website at:
http://www.michigan.gov/mda/0,1607,7-125-1570_23189-60796--,00.html.

The department has run "Select Michigan" programs to promote Michigan-grown asparagus, blueberries, potatoes, peaches, apples, and other specialty crops and products. The program has led to increased sales for growers, processors, and retailers, and has helped farmers and processors to remain in business.

According to the department, in 2007 and 2008, the program obtained two specialty crop block grants and engaged in many activities, including: holding Chef Events in various parts of the state, including 10 Meijer stores; running in-store radio spots and signage in Spartan stores; adding Save-A-Lot and Kroger stores to the program; supporting the "Come to the Table" radio program on WJR, a "Made in Michigan" television segment on Channel 3, Kalamazoo, and "Select Michigan--The Cooking Show" on cable access throughout southeastern Michigan; hosting farmers' markets at the State Capitol and Henry Ford Hospital; and hosting a "Select Michigan" pavilion at domestic trade shows. An increasing number of Michigan companies are putting the "Select Michigan" logo on packaging.

Legislation has been suggested to put the "Select Michigan" program into statute, thereby placing it on more stable footing and heightening awareness of the program.

THE CONTENT OF THE BILL:

The bill would create the "Select Michigan Act" requiring the Department of Agriculture to administer a program to identify and promote farm products grown, processed, or manufactured in Michigan.

Program goals and requirements. At a minimum, the "Select Michigan" program would have to:

- Increase marketing opportunities, public awareness, and sales of Michigan farm products.
- Form partnerships with public and private institutions, universities, colleges, commodity groups, manufacturers, retailers, and other entities to implement the program.
- Establish procedures for applying for grants and other funding sources to implement the program.

"Select Michigan" logo and other promotional materials. As allowed by law, the department could seek trademark or other protection of a "Select Michigan" logo or other identifying marks. The department could design marketing materials, develop messages or slogans, or both, and could conduct promotions and educational events to promote the sale of Michigan food and agricultural products.

Funding. The department could accept funds from any private or public source for the program.

Rules. The department could promulgate administrative rules to implement the "Select Michigan Act."

ARGUMENTS:

For:

The bill would put into statute and on more stable footing a program that provides benefits to Michigan growers, processors, retailers, and consumers. The legislation will heighten awareness of this successful program.

The use of "Select Michigan" logos helps consumers who prefer to purchase Michigan-grown products make informed selections. Making Michigan-grown produce easier to identify will help consumers to vote with their pocketbooks for locally-grown or processed produce. Locally-grown produce provides nutritional, environmental, and economic benefits.

The program enables businesses to keep or create jobs and increase sales, benefiting retailers, growers, processors, and local communities.

Against:

Some who support the program and the concept of the bill expressed concern that (1) the bill expands the Department of Agriculture's responsibilities without providing additional funding; (2) quality standards may be needed for produce or products that carry the "Select Michigan" logo; (3) additional types of products, including greenhouse products, should be marketed; and (4) "Select Michigan" marketing should be expanded to include border areas of neighboring states such as Ohio.

POSITIONS:

The Department of Agriculture testified in support of the bill. (9-10-08)

The Food Bank Council of Michigan indicated support of the bill. (9-10-08)

The Grand Traverse Area Catholic Schools indicated support of the bill. (9-10-08)

Michael W. Hamm, Ph.D., C.S. Mott Professor of Sustainable Agriculture, Michigan State University, indicated support of the bill. (9-10-08)

The Michigan Farm Bureau testified in support of the concept of the bill. (9-10-08)

The Michigan Catholic Conference indicated support of the bill. (9-10-08)

The Monroe County Farm Bureau testified in support of the bill but expressed concerns about the lack of additional funding for the Department of Agriculture and other issues. (9-10-08)

The Michigan Environmental Council indicated support of the bill. (9-10-08)

The Michigan Food Policy Council indicated support of the bill. (9-10-08)

The Food System Economic Partnership indicated support of the bill. (9-10-08)

Legislative Analyst: Shannan Kane
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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.