

16. Implement a food safety audit cost-share or reimbursement program targeted at small and medium-sized farms and work to ensure that audits are conducted in the context of the farm scale.

PAPERWORK HURDLE KEEPING MICHIGAN FARMERS FROM MICHIGAN BUYERS

Walt Harris knows how to keep the sweet corn, tomatoes, squash, and other fresh products he grows for local grocers and his own farm market in northern Michigan's Benzie County safe to eat.

"I've been accused of being downright phobic at times when it comes to keeping things clean," he says.

But Harris' attention to food safety detail is not enough to earn him the credentials he will need to sell crops to grocery stores, schools, restaurants, and others. Buyers are increasingly asking farms to produce documents that show they have passed rigorous food safety inspections based on USDA guidelines called Good Agricultural Practices, or GAP.

"I already have one customer requiring GAP. They're letting me skate for the time being ... I am actually quite close. I'd be able to pass if I was a good test taker."

To pass GAP-based food safety certifications, farms must produce extensive food safety plans and keep thorough records. They must also pay inspectors \$96 an hour, including travel time. In 2009, the cost for one audit ranged from \$92 to \$1,600. A farm that produces a variety of fruits and vegetables is likely to need more than one audit to cover all the crops. "It's hard for most anybody to part with \$1,000," Harris says. It's especially difficult when little technicalities during an audit could cause a farm to fail and lose that money.

Opportunity

Helping farms like Harris' with food safety certifications could boost Michigan's slow economy. Studies show that Michigan can generate significant numbers of jobs by helping the state's farms market their fresh and local produce. One 2008 analysis shows Michigan could generate 1,780 new jobs and \$211 million in personal income if residents ate recommended amounts of fruits and vegetables, and if that produce came from Michigan when in season.¹ This opportunity is now. Schools, universities, and hospitals are among large-volume buyers now seeking local farm foods as a way to put fresher tastes on students' and patients' plates while also supporting their local economies.

In the summer of 2011, half of Michigan's 150 hospitals signed pledges to source 20 percent of their food by 2020 from Michigan producers. K-12 schools and universities also are in the market. Michigan has 60 active farm-to-school programs, and many institutions like Michigan State University are on course to source 20 percent Michigan food by 2020.



Photo by Patty Cantrell

AGENDA PRIORITIES

Twenty percent of Michigan's current K-12 and university food expenditures amounts to \$50 million per year. It is a significant opportunity for farmers across Michigan like Walt Harris and the local economies their farms support.

Need

To help farms and their communities seize such opportunities, Michigan should implement a food safety audit cost-share or reimbursement program targeted at small and medium-sized farms. Such direct assistance with the high cost of food safety audits is a relatively low-cost way to support new business and jobs in Michigan agriculture.

Michigan has taken a significant step with a pilot "Safe Food Risk Assessment Program." The program provides a step-by-step tool for growers to develop food safety plans, address any problems, and monitor progress. The program is not the same as a GAP audit, but it can be a valuable interim step for growers, says Dan Busby, one of two Conservation District staffers in the state now providing no-cost assistance to growers through the pilot. "It covers just about everything GAP requires," he says.

Action. 1-2-3 Go!

Steps to making a food safety cost-share or reimbursement program a reality include:

- *Local leadership.* Michigan cities, townships, counties, chambers of commerce, economic development agencies and others are free to put up their own money to get the ball rolling locally, which can help build momentum for action by state agencies or state lawmakers. A relatively small local investment of \$10,000 could cover the average \$1,000 audit expense for 10 farmers. Put it out there, and keep tabs on results by asking farms to report on sales they maintain or gain as a result!
- *Specialty Crop funding.* Michigan has access to Specialty Crop Block Grant funding through the U.S. Department of Agriculture to promote marketing of fruits, vegetables and other specialty crops. The 2012 Farm Bill is another opportunity to leverage funding to support a statewide cost-share and reimbursement program.



¹Conner, D., Knudson, W., Hamm, M. & Peterson, HC. (2008) The Food System as an Economic Driver: Strategies and Applications for Michigan. *Journal of Hunger and Environmental Nutrition*, 3(4), 371-383.