

MICHIGAN SUGAR COMPANY

Ray VanDriessche
Director of Community & Government Relations

Tuesday, October 20, 2009

Dear Chairman,

The Michigan Sugar Company respectfully asks that you support SCR 24, sponsored by Senator Wayne Kuipers which reverses Executive Order 2009-45.

As you may know, The Michigan Sugar Company is the largest beet sugar processor east of the Mississippi River and third largest in the United States. The Company is a cooperative owned by approximately 1,200 sugarbeet growers, employing 450 year-round employees and 1,750 seasonal. It generates nearly \$400 million in direct economic activity annually in the local communities in which it operates. Michigan Sugar Company became a cooperative in 2002 and the Monitor Sugar Beet Growers and Monitor's Bay City factory joined the Cooperative on October 1, 2004. Beginning with the 2004 crop, a single, grower-owned cooperative processed all sugar produced in the State of Michigan. Michigan Sugar Company annually produces nearly one billion pounds of sugar under the Pioneer and Big Chief brand names - "Locally Grown. Locally Owned."

It is our belief that the Executive Order removes accountability, public oversight and transparency from the adoption of policies, procedures, fees and other functions of the Department by eliminating the Commission's oversight authority. This E.O. would effectively weaken Michigan's successful agriculture sector and put our jobs at risk.

Our specific concerns regarding this executive order include the following:

- **It removes accountability and openness** in the Department of Agriculture and its policy-making process, by turning the Agriculture Commission into a toothless advisory body with no real authority to review or revise rules nor to bring citizen and industry input to bear upon policymaking decisions.
- **It unfairly concentrates and centralizes power** in the Executive Office and diminishes the input of the agriculture community as a whole and citizens by and large on agriculture issues. This exact process has been criticized time and time again where it exists in other state departments
- **It will not save taxpayer dollars** nor increase government efficiency, even as it puts agriculture, rural families, local businesses and jobs at risk.

For years, the bipartisan Agriculture Commission has worked in close partnership with agriculture, businesses, and other sectors to build strong partnerships and sound policies supportive of forward-looking agriculture practices and opportunities for the Department of Agriculture. The bipartisan Commission has helped strengthen ties between business, the agriculture sector and government, leading to successful policies, new jobs and opportunities, and consistent growth in recent years. A strong Commission with the power to select a director



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also ensures the Agriculture Department is held accountable and responsive to agriculture and local community issues.

We believe the Department of Agriculture has a culture of accessibility and problem-solving, deploying practices and policies that have worked well – all in concert with public and business input, regular oversight and the able stewardship of a strong and bipartisan Agriculture Commission.

This executive order, we fear, introduces a great deal of risk while eliminating critical accountability, openness and community oversight functions that hurt both the industry in particular as well as Michigan citizens as a whole.

For these reasons, we urge you to support Michigan jobs in agriculture, and reverse this executive order.

Thank you,

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