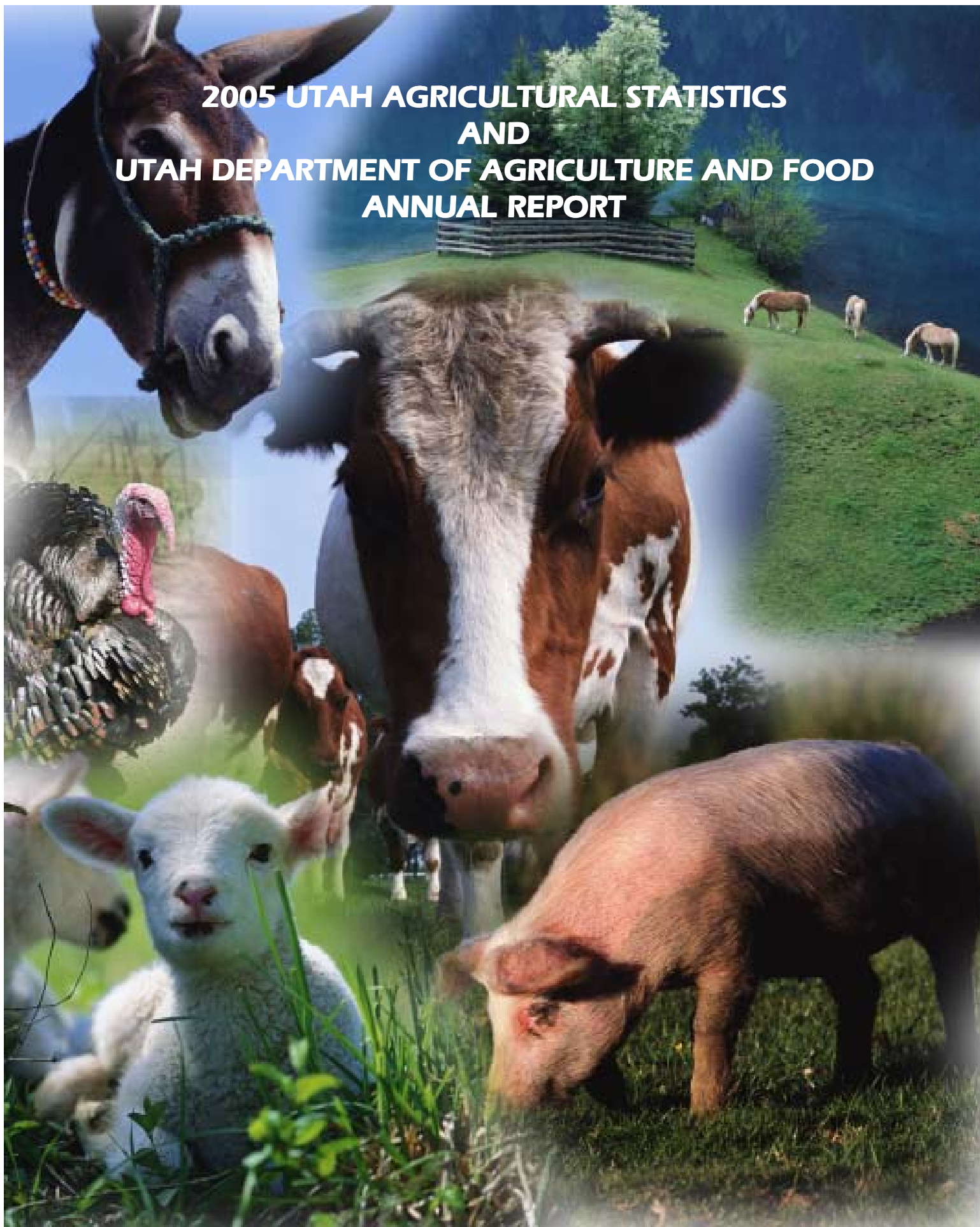


**2005 UTAH AGRICULTURAL STATISTICS
AND
UTAH DEPARTMENT OF AGRICULTURE AND FOOD
ANNUAL REPORT**





STATE OF UTAH

OFFICE OF THE GOVERNOR
SALT LAKE CITY, UTAH
84114-2220

JON M. HUNTSMAN, JR.
GOVERNOR

GARY R. HERBERT
LIEUTENANT GOVERNOR

Dear Friends of Agriculture,

I am pleased to present this yearly report on the condition of Utah agriculture. I have a special connection with the hard working people of rural Utah since my family's roots can be traced back to Fillmore.

This has been an outstanding year for many of our farmers and ranchers despite the challenges posed by a six-year drought. Considering the high levels of moisture we received this year, it appears the drought is over, and that increased prosperity is on the horizon.

Statewide reports indicate farm income increased 10.7% this year. That increase is impressive. I am working with Commissioner Leonard Blackham on ways to sustain our economic growth by opening new markets for our farmers and ranchers. One example is the department's new "Utah's Own" program that helps consumers identify Utah-grown products. The program encourages Utahns to buy Utah products first.

I am optimistic that new markets for our Utah products will be developed so that Utah alfalfa, onions, beef, lamb, poultry and our many other products will be sold in stores around the world. If India can manage customer support for American companies from several continents away, then I believe rural Utah can attract its share of the global economy.

Thank you for your support of Utah agriculture. I look forward to another bright year on the farm.

Sincerely,

A handwritten signature in black ink that reads "Jon M. Huntsman, Jr." with a stylized flourish at the end.

Jon M. Huntsman, Jr.
Governor

*Commissioner of Agriculture
and Food
Leonard M. Blackham*



It has been a wonderful and eye opening year for me as your new Commissioner of Agriculture and Food. I inherited a first class State agency that was well organized by my predecessor, Cary Peterson.

Utah agriculture touches all of our lives--in the food we eat, the air we breathe and the water we drink. This agency oversees dozens of programs that help farmers and ranchers make the most of their hard work. We also protect consumers through our Weights and Measures and Food Safety programs.

2004 has been an exciting year for Utah agriculture. Beef prices hit all-time highs and conditions were good for most other commodities as well. Net farm income grew by an astounding 45 percent due to these strong prices for livestock and crops. Farm income is forecast to continue growing for the rest of 2005.

I have made three programs a priority -- marketing agricultural products, conservation and noxious weeds.

I created a new Marketing division that will work to stimulate Utah's rural economy. Making farming profitable is the best way to preserve the farmland and protect our rural quality of life. We are also encouraging Utahns to seek out and purchase Utah grown products through our "Utah's Own" campaign.

In the area of conservation I am expanding our support for livestock grazing on private and public lands. The ecological and economic benefits of grazing are numerous. We will be enhancing our programs and support for the public-private partnership approach. It is our desire to help agriculture interface better on the public land grazing issues and increase restoration efforts on critical rangelands. The results will be healthy watersheds and a more viable livestock industry that supports the rural economy in Utah. The UDAF is also taking the lead to help our poultry, hog and dairy sectors in the new clean air requirements coming from the U.S. EPA.

My third priority is limiting the growth of noxious weeds in the state. These invasive plant species are doing considerable harm to the rangeland, and we will be accelerating our efforts to slow, and even halt the spread of these weeds.

I wish to thank you for your interest in Utah agriculture, and I look forward to hearing from you on these and any other agricultural topic.

Sincerely,

A handwritten signature in black ink that reads "Leonard M. Blackham". The signature is written in a cursive style.

Leonard M. Blackham, Utah
Commissioner of Agriculture and Food

Utah Department of Agriculture and Food

Administration

Leonard M. Blackham
Commissioner

Kyle R. Stephens
Deputy Commissioner

Renee Matsuura, Director
Administrative Services

Jed Christenson, Director
Marketing and Development

George Hopkin, Director
Conservation & Resource Management

Dr. Michael R. Marshall, Director
Animal Industry/State Veterinarian

Dr. David H. Clark, Director
Laboratory Services/State Chemist

Clair A. Allen, Director
Plant Industry

Dr. Chris Crnich, Director
Regulatory Services

Larry Lewis
Public Affairs Officer

Eileen Frisbey
Administrative Assistant

Kathleen Mathews
Administrative Secretary

Agricultural Advisory Board

Arthur Douglas Chairman
Utah Farmers Union

Leland Hogan Vice Chairman
Utah Farm Bureau

Greg Radmall.....Utah Dairymens Association

Jamie Gillmore Utah Wool Growers Association

Monty Weston Utah Cattlemens Association

Dolores Gossner Food Processing Industry

James Selander Food Supplement Manufacturers

Merl Thurgood Utah Horse Industry

Larry Johnson..... Utah Assn. of Conservation Districts

Rick Lovell Utah Livestock Marketing Association

Carma Wadley Consumers' Representative

Dr. James Eaton Utah Veterinary Medical Association

vacant.....Utah Pork Producers Association

Department Phone Directory - Area Code (801)

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Internet email: larrylewis@utah.gov

Commissioner's Office

Commissioner 538-7101

Administrative Assistant 538-7105

Deputy Commissioner 538-7102

Administrative Secretary 538-7103

Public Information Officer 538-7104

Administrative Services

Director 538-7110

Budget and Accounting 538-7032

Data Processing Services 538-7113

GIS 538-9904

Personnel and Payroll 538-7112

Marketing and Development

Director 538-7108

Deputy Director Utah's Own..... 538-4913

Deputy Director Organic Foods. 538-7141

Livestock & Market News 538-7108

Conservation and Resource Management

Director.....538-7177

Ag Resource Development Loans 538-7030

Environmental Quality 538-7175

Environmental Quality Information Specialist 538-7098

Soil Conservation 538-7171

Animal Industry

Director 538-7160

Animal Health 538-7162

Animal Identification (Brands) 538-7166

Aquaculture 538-7029

Elk Farming 538-7137

Meat Inspection 538-7117

Chemistry Laboratory

Director 538-7128

Bacteriology Laboratory 538-7129

Feed & Fertilizer Laboratory 538-7134

Meat Laboratory 538-7132

Pesticide Residue Laboratory 538-7135

Plant Industry

Director 538-7180

Entomology 538-7184

Fresh Fruit & Vegetable Inspection 538-7183

Seed & Feed Inspection 538-7187

Grain Grading Lab (Ogden UT) 392-2292

Insect Infestation Emergency Control 538-7180

Noxious Weeds 538-7183

Pesticides/Fertilizers 538-7188

Seed Laboratory 538-7182

Regulatory Services

Director 538-7150

Bedding, Quilted Clothing, & Upholstered Furn. 538-7151

Dairy Compliance 538-7145

Egg & Poultry Compliance 538-7144

Food Compliance 538-7149

Meat Compliance 538-7144

Metrology (measurement) Laboratory 538-7153

Motor Fuels Testing Laboratory 538-7154

Weights & Measures 538-7158

Mission Statement

The mission of the Utah Department of Agriculture and Food is to “Protect and Promote Utah Agriculture and food.” It is also believed that a safe food supply is the basis for health and prosperity. Food safety, public health and consumer protection is a critical and essential function of state government. In order to accomplish this mission, with increased population and industry growth, we are identifying ways and means to fund the regulatory functions of the department. In addition, we continue to educate the public about the importance of agriculture and the value of maintaining a viable agriculture industry.

We will promote the responsible stewardship of our state’s land, water and other resources through the best management practices available. We will promote the economic well-being of Utah and her rural citizens by adding value to our agricultural products. We also aggressively seek new markets for our products. And we will inform the citizens and officials of our state of our work and progress.

In carrying out that mission, department personnel will take specific steps in various areas of the state’s agricultural industry, such as the following:

Homeland Security

Homeland Security has become a focus of the Department since the September 11, 2001 attack on the United States. The threat of agri-terrorism and the possibility of foreign animal disease being introduced to the state make this a top priority. The Department worked to obtain federal funding for developing a mobile emergency response capability. The Division of Animal Industry has offered training and consultation in biosecurity measures to various groups.



One of the department's priorities is the promotion of multiple use of public lands where recreation and livestock grazing can coexist. Visitors to Utah can see the Old West while enjoying the outdoors.

Regulation

Department operations help protect public health and safety as well as agricultural markets by assuring consumers of clean, safe, wholesome, and properly labeled and measured or weighed products. This includes products inspected by UDAF's animal industry, plant industry, weights and measures, and food and dairy inspectors, compliance officers and field representatives. It involves chemical analysis by the state laboratory, which is part of the department. It also includes other consumer products such as bedding, quilted clothing and upholstered furniture.

This inspection also protects legitimate producers and processors by keeping their markets safe from poor products and careless processing.

Conservation

Through its variety of programs in this area, the department will work to protect, conserve and enhance Utah’s agricultural and natural resources, including water and land, and to administer two low-interest revolving loan funds aimed at developing resources and financing new enterprises.

Marketing and Development

UDAF marketing section strengthens Utah's agriculture and allied industries financially by expanding present markets and developing new ones for Utah's agricultural products, locally, in the United States, and overseas as well. It also helps develop new products and production methods and promotes in-state processing of Utah agricultural products for a stronger state economy.



U.S. Secretary of Agriculture, Mike Johanns, (*center*) talks with employees at Miller's Blue Ribbon Beef in Hyrum, Utah to understand the financial impact of the U.S.'s closure of the Canadian border to live cattle imports. The border was eventually opened to allow cattle to be shipped to meat packers like Miller's.

Commissioner's Office

Former State Senator, Leonard M. Blackham, was appointed Commissioner of Agriculture and Food in January following the retirement of Commissioner Cary G. Peterson. Commissioner Blackham is a successful turkey farmer and lifelong resident of Sanpete County. His appointment by newly elected Governor Jon M. Huntsman, Jr., signaled renewed efforts to emphasize the revitalization of rural Utah. Commissioner Blackham quickly moved to reorganize the Department by re-establishing a separate division of Marketing whose focus is to promote Utah-grown agricultural products and thus Utah's rural producers. The division's first major campaign promoted the "Utah's Own" theme where shoppers can quickly identify local produce by the distinctive Utah's Own logo.

The department and its seven divisions employ numerous programs to support the following goals:

- To ensure a safe, wholesome and sustainable food supply.
- Improve water, soil and air quality to help conserve resources and enhance production.
- Respect and serve our customers and employees. Enhance the economic vitality of our agricultural communities.

The department redesigned its official seal. The logo now simply depicts a sprouting seed that signifies the miracle of life and agriculture. The design includes the state's borders with the department's initials, U-D-A-F. The logo will soon be incorporated into official correspondence, as well as the department's internet home page and publications.



Commissioner Blackham is making three programs a priority: Marketing, Conservation and Invasive Noxious Weeds.

The Marketing division is working to stimulate Utah's rural economy. Making farming profitable is the best way to preserve farmland and protect our rural quality of life. The department's new "Utah's Own" campaign encourages Utahns to seek out and purchase Utah-grown products.

In the area of conservation, Commissioner Blackham is expanding support for livestock grazing on private and public lands. The ecological and economic benefits of grazing are numerous. He is stressing a public-private partnership approach with groups such as the Utah Association of Conservation Districts, the Natural Resources Conservation Service, the Utah Department

of Natural Resources and the Bureau of Land Management. This partnership will help rehabilitate rangelands.

The commissioner's third priority is limiting or halting the spread of noxious weeds in the state. These invasive plant species are doing considerable harm to the rangeland and the Department will be accelerating its efforts to slow and even halt the spread of these weeds.

The prevention of the spread of West Nile Virus (WNV) to horses and humans is one of the goals of the Division of Plant Industry and the Division of Animal Industry. The department now has an ongoing program that will grant more than \$300,000 to counties to expand or create new mosquito abatement districts in an effort to increase mosquito spraying and WNV education.

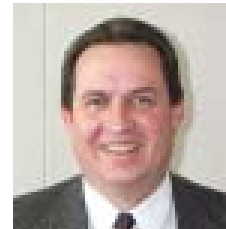
The threat of agriterrorism and the possible introduction of a foreign animal disease or pest into the United States make biosecurity a top priority for the department and its seven divisions.

As a result of the discovery of Bovine Spongiform Encephalopathy (BSE), commonly known as mad cow disease, in the US, the Division of Animal Industry took part in a national program that tested certain cattle for the disease. Utah tested more than 4,600 cattle. No BSE was detected in Utah. The division also strictly enforces the ban on feeding meat and bone meal to ruminants, which is an important safeguard in the prevention of the spread of BSE.

Commissioner Blackham initiated a series of town meetings across the state called "Open Forum with the Commissioner." The forums are designed to allow Utah farmers and ranchers to meet personally with the commissioner to discuss agricultural issues. The first meetings were held in Duchesne, Uintah, Duchesne, Grand, San Juan, Box Elder, Iron, and Wasatch Counties.

(right) Visitors at one of the Commissioner's Open Forums asked questions about : soil conservation programs, water releases from Flaming Gorge Reservoir, flooding, West Nile virus protection, BSE and live cattle imports from Canada, and other topics.





Kyle R. Stephens
Deputy Commissioner

The Department assisted the Utah Department of Environmental Quality in the creation of an agreement with the U.S. Environmental Protection Agency that will help poultry, swine and dairy livestock owners meet new federal clean air requirements. The agreement, known as the Utah Clean Air Strategy, will work to monitor and reduce emissions from farms while limiting burdensome regulations that threaten ranchers' viability.

In an effort to bolster the economic vitality of rural Utah, the department is undertaking a public education program designed to promote the wide ranging benefits of livestock grazing. Various reports and studies confirm that properly managed grazing practices improve watersheds, stimulate a variety of plant species, control soil erosion, and create natural fire breaks on rangeland and other areas. Grazing also makes use of one of Utah's largest natural resources, its open rangelands. Livestock that graze on public and private lands is viewed by many as a scenic benefit to their outdoor experience.

The department is working to ensure long term stability and competency in its workforce by updating the compensation offered its employees. A strategy is in place that will help eliminate wasteful employee turnover where valuable resources are spent on the training of personnel who eventually take those skills to higher paying positions at other government agencies.

From drought to flooding in a few short months

Following six consecutive years of drought, Utah was inundated with above average rain and snowfall in 2004 - 2005. Utah's major river drainages reported precipitation amounts ranging from 108 to 211 percent of normal. The Virgin River drainage recorded the highest percent at 211. Subsequent flooding caused millions of dollars in damage to farmland and personal property. Stream erosion was significant in several areas, prompting state and federal disaster declarations.



Cropland flooding along the Sevier R.

Public Information Office

The office of Public Information is an important link between the public, industry, employees, and other state agencies. The office publishes various brochures, articles and newsletters as well as creates displays and computer presentations. The office also writes news releases and serves as spokesperson for the department.

During the past year, the office created public awareness campaigns for many of the department's activities such as: Utah's Own/Farmers Markets, homeland security and BSE prevention, West Nile Virus protection for horse owners, flood assistance programs, Mormon cricket and grasshopper control and the Registration Program for the Division of Regulatory Services.

The Public Information Office also interacts with local schools, offering students lessons on the connection between the farm and our food. A complete list of Department services is available at: <http://ag.utah.gov/services.html>.

The underlined text throughout this annual report represent Internet links available on the CD ROM version of this document..

Agriculture Mediation Program

The department continues to provide services to the agriculture community through its USDA Certified Mediation Program. The program assists farmers and ranchers who face adverse actions in connection with USDA programs. Utah is one of 33 certified programs and has administered this program since 1988. Utah farmers and ranches who rely on the Certified State Agriculture Mediation Program to help them through difficult economic times have had that valuable service extended after the passage of the Agriculture Mediation Bill. The program helps farmers and ranchers seek confidential advice and counsel to address loan problems and disputes before they grow to be too much for the producer to handle. The legislation will continue to authorize funding of the Certified State Agriculture Mediation Program for five years. Mediation provides a neutral, confidential forum to discuss complex issues and build strong working relationships with producers, their lenders and government agencies.

Agriculture in the Classroom

The mission of Utah is to increase agricultural literacy in Utah by developing a program that improves student awareness about agriculture and instills in students an appreciation for our food and fiber system. This program is necessary because agriculture affects our quality of life and our environment.

The AITC program receives funds from private donors, state funding sources, and grants. These funds are leveraged to meet the programs mission through teacher training, and classroom materials that effectively and efficiently meet the need to increase agricultural literacy.

Animal & Wildlife Damage Prevention



Mike Bodenchuk
Federal Program Director

The Utah Wildlife Services (WS) program is a cooperative effort between the Utah Department of Agriculture and Food and the US Department of Agriculture. Protecting Utah's agriculture includes protecting livestock. It follows then that the majority of the program efforts involve protecting adult sheep, lambs and calves from predation.

Funding for the program comes from a number of sources including Federal appropriations and State General fund. Livestock producers also contribute through a State tax nicknamed the "head tax" since it is assessed per head of livestock. Individual producers, livestock associations and counties also make voluntary contributions to the program to pay for contract helicopter flying.

Coyotes remain the largest single predator species in Utah, both in population size and in the amount of livestock they kill. Calves are vulnerable to coyote predation for a short period just after birth, and the majority of the calf protection is concentrated in the spring as cattle calve. In the absence of predator management, calf losses could approach 5% for the producers suffering losses. With predation management in place, losses are kept to less than 1%. Sheep and lambs remain vulnerable to predation year-long and the WS program works with sheep producers to provide protection on spring lambing range, summer range on the mountains and on winter range in the deserts. In the absence of protective efforts, losses of lambs would be 28% or higher, but the WS program in Utah keeps predation losses to less than 5% on a statewide basis.

Cougars and bears are also a significant predator of sheep, especially in the summer when sheep are grazed in the mountains. Fully 40% of the predation caused losses of lambs reported to the WS program are from these two predators. Predation management for cougar and bear is on a corrective basis and does not begin until kills are discovered and confirmed. In order to limit losses caused by cougars or bears, the WS program must be prepared to respond quickly when killing occurs.

A significant amount of predation management is necessary to improve wildlife populations and the WS program works with the Utah DWR to provide protection where wildlife populations are below objective. In 2005 the program worked in 16 deer units, 8 sage grouse areas, 4 bighorn sheep areas and 5 pronghorn areas specifically to protect wildlife resources. WS also provided protection for endangered black-footed ferrets and Utah prairie dogs in transplant areas. On one occasion, the WS program also assisted the DWR in the removal and testing of mule deer and an elk where disease transmission was a concern.

To assure that the WS program has no negative environmental consequences, Environmental Assessments (EA's) have been completed looking at the impacts of the program. While the program is very successful at protecting livestock and selected wildlife resources, there are no negative impacts to predator populations, wetlands and watersheds or other parts of the environment. Annual monitoring of our program impacts is conducted to assure that the analysis in the EA's is complete. During 2005, personnel from the WS program participated in wolf training as the State prepares for dispersing wolves from recovering populations in adjacent States. A significant amount of time and effort is necessary to assure that programs are in place to deal with wolves as they arrive. Per direction from the Utah Legislature a wolf management plan has been put in place by the DWR, and the WS program has a significant role in that plan. WS personnel will be primary responders when livestock are killed by wolves as well as assist in the capture, radio collaring and monitoring of non-depredating wolves. WS personnel are widely recognized as the experts in predators and our skills are needed to assure professional management of wolves as federally protected wildlife and through the transfer of authority to a State managed species.

The WS program also deals with other wildlife caused damage throughout the State. In Salt Lake County, WS operates an urban wildlife damage program which helps businesses, home owners and public institutions with wildlife problems. Raccoons and skunks cause significant problems and WS helps with technical assistance to prevent problems as well as assisting in the removal of damaging individual animals. Urban waterfowl, such as mallard ducks and Canada geese cause damage to landscaping and are a human health and safety concern. WS also conducts disease monitoring in the urban program and responds to human safety cases involving cougars or bears statewide.

WS assist farmers with damage caused by migratory birds including geese and sandhill cranes in alfalfa, corn and small grain fields and starlings and pigeons in feedlots and dairies. Occasionally, these same species create problems in public facilities. In 2005, WS assisted 2 municipal water treatment facilities which had starling concentrations. These birds were watering and roosting at the treatment facilities and their droppings created a significant health risk.

The public, including farmers and ranchers, values wildlife highly. In order to maintain healthy populations of wildlife and productive agriculture a professional program must be in place to mitigate the damage while protecting the wildlife. In Utah the cooperative Wildlife Services program fills that need.

Administrative Services



Renee Matsuura
Director

The goal of Administrative Services is to provide continuous, efficient and high-quality administrative support to the public and Department employees. In doing so, we strive to assist the overall development of agriculture in Utah. Our motto is to provide exceptional customer service.

Information Technology Section

In the past year our Information Technology section has worked to improve department efficiency and protect the data entrusted to the information systems. We have also endeavored to update older applications to facilitate the day-to-day business of the department. The following are activities conducted by Administrative Services.

- Designed, wrote and implemented a registration system for Food Safety and Weights & Measures as required by legislation.
- Rewrote the Livestock Brand Registration System that now allows for an easier renewal process (by county) that includes a nationally registered Premise ID number in many cases.
- Rewrote and enhanced the Seed Lab program.
- Maintained over 60 programs
- Set up a system whereby credit card receipts can be processed at the cash window.
- Modified the Federal Non-fat Dry Milk program to distribute credit slips.
- Interfaced the RFID tags with the Elk system.
- Initiated monthly application change meetings to facilitate better communications
- Coordinated and worked with state ITS to rewrite a Food Sanitation Management system.
- Setup simplified Help Desk procedure for users.
- Coordinated with ITS to setup storage for our offsite backups.
- Worked with State CIO to respond to over 5,000 survey questions for the consolidation surveys.

Our workload has increased to over 200 users, with desktop and palm computers as well as other devices. Our IT staff

has resolved more than 1,973 problems this year while supporting three file servers, 65 department written applications (40 in Access) and a number of department-written utilities.

Information storage and processing use on the LAN's production server has risen to 156gb in June 2005. In addition, we maintain a web site on an ITS hosted server at DAS. And , we are in the process of setting up a Microsoft SQL Server for the Food Sanitation Management System.

With the increased threat of computer viruses we have begun updating virus signatures weekly and sometimes daily. In FY 2005 we encountered 45 reports of possible viruses and spy ware within the department. All but a few were false alarms.

Our Department web site is a continually updated source of news and information on current topics like West Nile Virus, BSE, and Mormon Crickets. Current information is available on agriculture related licenses, registrations and lists. Department Web site statistics as of May 2005.

- 13,236 unique visitors per month.
- The average unique visitor spends about 21.1 minutes at our site.
- 74 percent of visitors are from the United States.
- 658 licenses were renewed online for the 2005 year, that is (Nov. 2004 through May 2005). up 187% from last year's 229 renewals
- 18 were from out of country.
- 174 were from out of state.
- 484 were from Utah.

Human Resource Management

The Department's Human Resource section supports employees and management in job classification, compensation, recruitment, payroll and leave matters, rules, policies and procedures, employee benefits, Family Medical Leave Act, Americans with Disabilities Act, Employee Assistance Program, Educational Assistance, mediation, new employee orientation and employee training.

The 2005 legislature determined that all department Human Resource offices will be consolidated into one human resource division under the Department of Administrative Services. This change will take place July 1, 2006.

Department of Human Resource Management has implemented a new recruitment system, Utah Job Match. An applicant can now logon to www.statejobs.utah.gov and view State of Utah government job openings and apply on line for any job that matches their interests and skills. Access to the system is 24 hours a day, seven days a week. The applicant can also track the status of jobs for which they have applied. The UDAF Human Resource staff is trained and using the new system for all job openings.

Staff members serve on the State Training Consortium, the Human Resource Exchange Group, and the Payroll Users Group.

Financial Services

Federal Grants - There has been an increase in the number of federal grants that are available to the department. They require accounting support in order to track and account for the expenditures which are approved by the federal agency. Increased numbers of grants have gone from 17 grants in 1999 to 36 grants in 2005. Many of these grants are critical to our Animal Health & Plant Inspection Programs and help address our Homeland Security and Food Safety activities.

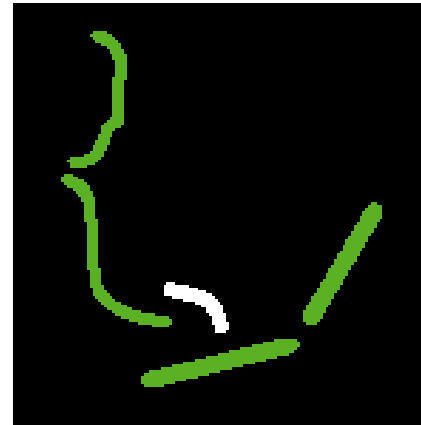
Accounts Receivable - During 2005 calendar year, we are mandated by law to renew all livestock brands and earmarks on record with the state every five years. This process has increased the number of cash transaction being processed. We were also mandated by the legislature to implement a new registration program which added to our cash transactions. We have had increased transactions with customers using our online renewal process to pay for licenses.

Accounts Payable - Increased use of purchasing card has enhanced the ability for employees in the field to purchase needed items keeping within the state policies and procedures without using petty cash or requesting a purchase order. Internal audits are conducted monthly to ensure compliance for all purchases being made by each division and department. Accounting staff is a part of an advisory group that is providing input on the new upgraded Advantage FINET system. The system will change the current organization structure being used to track budgets.

Mosquito Funding - During the past legislative session ongoing mosquito funds were appropriated to the department to contract with local counties that were interested in setting up a Mosquito Abatement program for the control of mosquitos and to monitor the possibility of the spread of West Nile Virus. Administrative Office is required to audit counties who are awarded funding to insure work plans are being met.

Licensing - More than 10,000 new or renewed licenses are processed annually in 36 categories for 10 regulatory programs, such as livestock dealers, livestock markets, nurseries, beekeepers, upholsterers, weighman, and etc.

Other Services - Mail distribution, payroll, reception, building security, motor pool services, building maintenance, organic & marketing order audits, and etc.



Animal Industry



Dr. Michael R. Marshall
Director

The Animal Industry Division of the Utah Department of Agriculture and Food has seven main programs:

- 1) Animal Health – focused on prevention and control of animal diseases, with special attention to diseases that can be transmitted to humans.
- 2) Meat and Poultry Inspection — to assure wholesome products for consumers.
- 3) Livestock Inspection (brand registration and inspection) — to offer protection to the livestock industry through law enforcement.
- 4) Fish Health — protecting the fish health in the state and dealing with problems of fish food production and processing.
- 5) Elk Farming and Elk Hunting Parks
- 6) Bonding and licensing
- 7) Veterinary Disease Diagnostic Laboratories

Major accomplishments in these areas during the past year are as follows:

Animal Health

Disease free status was maintained in the following disease categories:

- *Brucellosis *Tuberculosis *Scabies *Pseudorabies
- *Salmonella pullorum *Mycoplasma gallisepticum

Disease monitoring programs that have continued from prior years include those for heartworm, equine encephalitis, equine infectious anemia, rabies, brucellosis, tuberculosis, pseudorabies, salmonella sp., mycoplasma sp., west nile virus, vesicular stomatitis, trichomoniasis, and etc.

The Division participated in a West Nile Virus Surveillance program in partnership with the Utah Department of Health, the Utah Division of Wildlife Resources, and the Utah Mosquito Abatement Association. The Division of Animal Industry's role was to promote and monitor surveillance for WNV in horses. The Division paid for the laboratory cost of testing 69 suspected cases and six horses were diagnosed positive for WNV. The Division also distributed an updated pamphlet alerting horse owners concerning this disease and updated our website. Funding was provided to the Utah Veterinary Diagnostic Laboratory for testing of sentinel chicken flocks and other birds. Much of this was accomplished with funding from the Utah legislature and a grant from the Utah Department of Health.

The Division has actively promoted various Health Assurance Programs and has served to certify participants. Such programs as Utah Egg Quality Assurance Program, Utah Cattle Health Assurance Program, Voluntary Johnes' Disease Control Program,

Beef Quality Assurance, Trichomoniasis testing, the National Poultry Improvement Plan, and others are included in this effort. Division veterinarians met with the various livestock enterprise groups, farm organizations, veterinary associations and other groups in the state to receive input concerning their needs and to acquaint them with new programs. An annual training session for Utah Egg Quality Assurance Program participants is offered and semiannual farm visits are made by Division veterinarians to verify compliance. Nearly 16,000 ear tags were issued to veterinarians for use in the Trichomoniasis testing program. Testing identified 75 infected bulls in 12 counties in 2004. In 2003-04 more than 155 letters of notice were sent and 34 citations issued.

The Division was involved early in establishing a Johnes' Disease Advisory Committee, adopting the standards of the Voluntary Johnes' Disease Herd Status Program, and seeking funding from the legislature to establish the program in Utah. As a result of these efforts over four years ago, the state qualified for a grant of \$80,000 from USDA for funding of the program in 2003. Division veterinarians have certified 37 private veterinarians to perform Risk Assessments and developed Management Plans for participating herds. The grant funding also pays for testing in those herds and other program expenses. This is a significant benefit for Utah producers.

The Division veterinarians monitored livestock exports and imports into the state by reviewing incoming Certificates of Veterinary Inspection and issuing livestock entry permits to animals that meet Utah entry requirements. Violations of Utah import regulations were investigated, and citations were issued. Over 18,000 Certificates of Veterinary Inspection for interstate movement of animals were received from Utah veterinarians. These documents were monitored, filed, and forwarded to our Animal Health counterparts in the states of destination.

The Division is responsible for licensing hatcheries, qualified feedlot operators, and swine garbage feeders in the state. The number of hatcheries in the state continues to increase in the game bird industry. The division also administers the National Poultry Improvement Plan in the state. This is a voluntary testing program wherein a flock may be certified disease free in several important disease categories. Participants in the program enjoy significant benefits when shipping birds, eggs, and products in commerce.

The Division has maintained a cooperative agreement with FDA for the past three years to monitor 33 licensed feed manufacturers in the state for enforcement of the ban on feeding meat and bone meal to ruminants. This is an important fire-wall to prevent the spread of Bovine Spongiform Encephalitis (BSE)

in our cattle population, if the disease were to gain entry to this country. The importance of this monitoring was emphasized when a Canadian-born cow was discovered to be infected with BSE in Washington State in December, 2003. The discovery of that imported cow with BSE has prompt renewed efforts in that area as well as changes in meat inspection policy and implementation of a national animal identification program. The State of Utah has already met the goal of testing 4,600 high risk animals for BSE this year. All were negative.

Homeland Security has again been a focus of the Division in 2004. The threat of agriterrorism and the possibility of foreign animal diseases, such as BSE, END, and FMD, being introduced to the state make this a top priority. Training has been obtained for five Division veterinarians as Foreign Animal Disease Diagnosticians. They have gained practical experience in volunteering to respond to disease outbreaks such as the Foot and Mouth Disease outbreak in Great Britain and the Exotic Newcastle Disease outbreak in California. The Division was successful in obtaining federal funding for developing a mobile emergency response capability. A mobile response trailer has been purchased and equipped in 2003. A mobile command center and an Air-curtain incinerator have been added this year. The Division has offered training and consultation in biosecurity measures to various groups and state agencies.

The Animal Health section has the responsibility of providing veterinary supervision and service to the livestock auction markets in Utah in furtherance of our disease control and monitoring programs. The program is administered by the division, using private veterinarians on contract with the state. More than 500 weekly livestock sales conducted by 8 licensed and bonded sale yards in the state were serviced under this program. Division veterinarians also provided oversight for veterinarians and technicians involved with brucellosis vaccinations.

Livestock Inspection

The Livestock (Brand) Inspection Bureau consists of 14 full-time special function officers and 50 part-time inspectors. Their job is to protect the Utah livestock industry from accidental straying or intentional theft of livestock. In addition to inspecting all cattle and horses at the state's eight weekly auctions, field inspections are done on all livestock prior to changing ownership, leaving the state and going to slaughter.

During 2004, a total of 575,114 individual cattle, horses and elk were inspected. Livestock worth an estimated \$1.1 million was returned to their proper owners. This was a reduction in animals inspected from the previous year due to the statewide drought. It was noted that the same number of producers were in operation, but most had reduced their herd size due to summer grazing conditions. It should also be noted that during the fall of 2004 ranchers started to hold heifers and increase their herd size.

The brand bureau presently has about 24,000 brands and earmarks on file in the "Central Brand Registry." As mandated by law, these brands must be renewed every five years to keep information current. 2005 marks the brand renewal year for Utah. Each brand owner will receive a renewal notice from the

Department and those wanting to renew the brand will receive a laminated wallet-sized proof of ownership card. The ownership card is intended for use during travel and when selling animals at auctions. In addition to this, the Brand Bureau is actively involved in tying the existing brand program to the new National Animal Identification System, where each livestock owner will be issued a premises I.D. number. This number will be added to the brand card for easy reference as the system develops.

The brand department started collecting the cattlemen's part of predator control money in 1996. During 2004, livestock inspectors collected \$114,000 in predator control money. This money, like the beef promotion money, which has been collected by the brand inspectors for many years, will simply be forwarded to the Wildlife Services Program for its use. Sheep men will continue to have their allotment collected by the wool houses and forwarded to the department.

In an effort to assist and give training to the state's port-of-entry personnel, a livestock inspector was assigned to work monthly in each port-of-entry. These inspectors are authorized and equipped to chase down those livestock transporters who ignore the signs requiring all livestock hauling vehicles to stop. This is an effort to help prevent diseased animals from entering the state and stolen animals from leaving the state.

A heightened awareness in the meat industry has also resulted in the upgrading of the Farm Custom Slaughter Program to insure the meat derived from home grown, non-inspected livestock is prepared under the best conditions possible.

The killing of "downer" non-ambulatory animals has been eliminated from this program due to the BSE positive cow found in Washington State December 23, 2003.

During the 2005 legislative session, a new position was approved. A range rider/investigator will now travel from county to county in an effort to prevent intentional and accidental taking of another's animals as they forage and are removed from open range situations.

Elk Farming and Hunting Parks

During the 1997 legislative session, the Domestic Elk Farming bill was passed allowing the farming of domestic elk on an individual's property. The brand bureau has been asked to regulate this industry. In 1999, an amendment to the original law allows the licensing of domestic elk hunting parks. Livestock inspectors are involved in the inspection of new facilities and elk as they come and go from each licensed farm or park. They help verify identification, ownership, health and genetic purity of every animal. 40 new farms and six hunting parks have been licensed with a total of 2685 elk on inventory. This is a slight reduction from the previous year. We believe this is due to the loss of the velvet antler business and the decreased value of the animals. An eight-member elk advisory council was formed to make recommendations and give direction to this industry.

Meat Inspection

The number of Utah inspected meat processing facilities throughout the state has decreased slightly this past year. We have added one new processing facility to our fully inspected state plants list, but lost two slaughter processing establishments. Our

staff is periodically asked to review and assist new establishment managers in preparation of facilities to come under state meat inspection. We work to allow these individuals the opportunity to produce meat products in a clean, well built, and sanitarily maintained facility that fits the minimal requirements established by the U.S.D.A.

Bovine Spongiform Encephalopathy (BSE) continues to cause problems in the regulatory environment. Each establishment that slaughters or handles carcass beef had to write a plan on how they would handle specified risk materials from these carcasses. This is just one of many Federal Rules and Regulations that the small establishment owner must comply with to remain in business. The Utah Meat and Poultry Inspection Program personnel have tried to help these small business owners as much as we can to make sure they understand what it takes to remain in compliance.

The program in the past year has made an effort to reduce the amount of paper work required by the individual inspector and to simplify the paper work required by the establishment. In turn, we have stressed to the inspector that they are responsible to verify and validate that the Food Safety System in each establishment is being executed properly. To make sure these system are being designed and validate properly, federally trained state personnel are conducting Food Safety Assessments in each state establishment.

Fish Health

At the end of FY 2004, 27 commercial aquaculture facilities (13 facilities with live fish sales, ten facilities with dead fish sales, one fish processing plant, and one combined fish processing plant and dead fish sales) and 121 fee fishing facilities were registered with the UDAF, Fish Health Program. This is a 16% decrease in licensed facilities over 2003-2004 fiscal year.

There are four commercial growers actively involved in fish brokering. Twelve new applications, (eleven fee fishing sites and one aquaculture site) were filed this year. Nine aquaculture facilities were under quarantine due to whirling disease. One facility cleaned up its whirling disease problem and is cleared for live sales. Two other facilities are being tested. Six lots of 2005 sentinel trout samples were place at three aquaculture facilities, or a total of 360 rainbow trout were tested. Trout from nine fee fishing facilities were sampled for the whirling disease parasite to determine if the parasite had spread from sales of infected trout.

Six biosecurity plans were developed and signed during the fiscal year. One biosecurity plan is currently being developed this fiscal year

The number of Species Approval Requests to DWR was 18. New species approvals include tiger trout, walleye and black crappie.

Services extended to clients and the public include: approximately 67 on-site consultations and distribution of information on aquaculture and fish diseases; over 300 phone consultations with the public; on-site water quality tests conducted at 23 sites; issuing and renewing 148 CORs to aquaculture facilities, fee fishing, brokering, and fish processing plants; inspecting fish at 34 aquaculture inspections including over 3,035 fish sampled (2,2544 fish samples were tested for IHN, 2,044 for IPNV; 2,284 for VHSV, 840 for BF, 840 for BR, 1,223 for BKD, 1,531 for

WD, 279 for LMBV 120 for CS, 249 for SVCV, and 260 OMV); issuing 36 fish health approvals (20 to in-state facilities and 16 to out-of-state facilities).

Fifty-five entry permits were issued for fifteen species of aquatic animals for a total of approximately 1,159,081 fish and 826,000 eggs imported from eleven states and one Canadian facility.

The Fish Health Program participated in continuing education lectures and presentations to enhance and promote the knowledge of fish health and aquaculture.

Aquatic nuisance species pamphlets were distributed to fish merchants throughout the state.

The number of Fish Health Policy Board meetings attended was nine. The number of nuisance species meetings attended was one. The pathogen committee meetings were held with DWR.

The program is dedicated to the continuous improvement of fish health programs, reduction of unnecessary paperwork, customer satisfaction and remaining within the budget. It is the primary aim of the Fish Health Program to prevent and control the spread of fish diseases. Specialists work overtime to complete these tasks, and this is done within current budget constraints.



Homeland Security has again been a focus of the Division in 2004. The threat of agriterrorism and the possibility of foreign animal diseases, such as BSE, END, and FMD, being introduced to the state make this a top priority.

The Division has met the goal of testing 4,600 high risk animals for BSE this year. All were negative.

Chemistry Laboratory



Dr. David H. Clark
Director

The Chemistry Division operates as a service for various divisions within the Department of Agriculture and Food. The division laboratories provide chemical, physical, and microbiological analyses. All samples analyzed in the laboratories are collected and forwarded by various field inspection personnel from the divisions of Plant Industry, Regulatory Service, Animal Health, and Marketing and Conservation Programs.

Feed, fertilizer, meat products, and pesticide formulation are tested for specific ingredients as stated by the associated label guarantee. Some products are also examined for the presence of undesirable materials, such as filth, insects, rodent contamination, adulterants, inferior products, and pesticide residues.

The Dairy Testing Laboratory is responsible for testing grade A raw milk, finished dairy products, and administers an industry laboratory certification program. The laboratory is certified by FDA to perform the following tests: standard plate and coliform counts; microscopic and electric somatic cell determinations; antibiotic residues, and proper pasteurization. The laboratory is also certified as the FDA Central Milk Laboratory for the State of Utah, and our supervisor serves as the State Milk Laboratory Evaluation Officer (LEO) which has jurisdiction over the certified milk labs within the State. Last year there are 23 facilities with 120 analysts under the LEO's jurisdiction. The LEO is responsible for on-site evaluation and training of all certified analysts throughout the State and along with the dairy laboratory staff, and administers a yearly proficiency testing program for all industry analysts. The laboratory works closely with the division of Regulatory Services inspectors to ensure safe and wholesome products.

The Meat Laboratory analyzes meat and meat product samples obtained during inspections of plant and processing facilities that conform to Federal and State standards. Tests are performed to measure fat, moisture, protein, sulfites, and added non-meat products to ensure label compliance of these products. Antibiotic residues and cross-contamination from other species are also monitored. We also analyze samples from Montana Department of Agriculture when requested. Samples (meat and carcass swabs) from processing facilities are also tested for the presence of Salmonella on a monthly basis.

The Pesticide Formulation Laboratory's function is testing herbicides, insecticides, rodenticides, and fungicides to ensure that the listing of active ingredients and their concentrations are in compliance with state labeling laws. The Pesticide Residue Laboratory tests for presence and subsequent levels of herbicide, insecticide, rodenticide, and fungicide residues in plants, fruits,

vegetables, soil, water, and milk products. These samples are submitted when inspectors suspect there may be a misuse of the application of the pesticide. Milk samples are tested once a year to for pesticide contamination in accordance with FDA regulations.

Commercial feed (agricultural and pet) samples are tested for moisture, protein, fat, fiber, minerals, toxins, antibiotics, and vitamins in the Feed Laboratory. Seed moisture determinations are also performed for the State Seed Laboratory. The Fertilizer Laboratory tests solid and liquid fertilizer samples for nitrogen, phosphorus, potassium, and trace elements, and heavy metals. All feed and fertilizer results are compared to label guarantees to ensure compliance with state labeling laws.

Special Consumer Complaint Samples are also examined for the presence of undesirable materials such as filth, insects, rodent contamination and adulterations. The samples are checked to verify validity of complaint, and if found positive, the matter is turned over to departmental Compliance Officers for follow up action.

Ground and Surface Waters are monitored for the presence for pesticides, nitrates, heavy metals and other inorganic elements, in addition to other water quality related parameters. This data is combined with other water data collected in the field to provide a picture on the quality of the state aquifers and develop water vulnerability studies.

Accomplishments

As shown in the accompanying table, this year's numbers of tests were similar to the previous year. The large increase in groundwater tests were due to more well owners expressing an interest in knowing the condition of their water. This water is mainly used for irrigation and livestock, however in some instances this water is also used for culinary purposes. We continue to provide a monitoring program for food safety and partner with the FDA eLEXNET system by providing salmonella, pesticide, and heavy metal test results.

The dairy laboratory completed their tri-annual on-site FDA audit with no deficiencies noted. We also hired a new microbiologist to replace a retiring employee. The new employee successfully completed all the required tests. Currently, there are twenty-two (22) facilities with 134 analysts under the LEO's jurisdiction. The steady increase in dairy tests is due increased demand from the Regulatory Division to monitor raw milk and ice cream quality.

The division purchased an ICP-MS to help monitor for heavy metals in fertilizers and ground water.

Fee schedule has been finalized so the division can start performing tests on non-regulatory samples.

No pesticides have been detected in dairy producer samples collected last year and the ground water samples have shown the same results.

Meetings with chemists and supervisors from the different divisions continue to be held to discuss status of ongoing programs, problems that are arising, new program needs, or budgetary changes.

| | 2002 | 2003 | 2004 |
|---------------------------|---------------|---------------|---------------|
| Federal Meat | 423 | 255 | 262 |
| State Meat | 1,058 | 1,146 | 1,113 |
| Montana Meat Samples | 122 | 85 | 25 |
| Dairy Microbiology | 8,846 | 9,588 | 10,244 |
| Fertilizer | 739 | 645 | 734 |
| Feed | 1,491 | 1,407 | 1,201 |
| Pesticide Formulation | 9 | 11 | 39 |
| Pesticide Residue | 29 | 18 | 30 |
| Special Samples | 81 | 35 | 22 |
| State Groundwater | 31,029 | 23,682 | 40,160 |
| Pesticide Residue in Milk | 2,850 | 11,670 | 2,320 |
| Salmonella | 162 | 308 | 239 |
| TOTAL | 46,839 | 48,850 | 56,389 |

In addition to the above analytical work, the staff typically performs anywhere from 5000-7000 determinations related to quality control procedures.



The Chemistry Division provides chemical, physical, and microbiological analyses for the Department's divisions. All samples analyzed in the laboratories are collected and forwarded by various field inspectors from the divisions of Plant Industry, Regulatory Service, Animal Health, and Marketing and Conservation Programs.

Conservation & Resource Management

George Hopkin
Director



The Conservation and Resource Management Division assists Utah's agricultural producers in caring for and enhancing our state's precious and vast natural resources. Division programs provide financial, informational and technical assistance to farmers and ranchers for conservation or resource improvement projects.

Agricultural Loan Programs

The division is responsible for several loan programs to help the agriculture community and others achieve various worthwhile goals for productivity, efficiency and environmental benefits for the people of Utah. At present the division has portfolios totaling nearly than one thousand loans with total assets of more than \$35 million. Loan quality is high with low delinquencies and a history of minimal losses. The Loans Section cooperates with two separate divisions of the Department of Environmental Quality (DEQ) in managing one loan program, and assisting in administering another. Cooperation with other departments of government provides for greater efficiency with minimized duplication of effort and provides the taxpayers with more efficiency in government. The existing programs are:

Agriculture Resource and Development Loans (ARDL)

This program was established in 1976 and has the largest portfolio. This program consists of about 900 loans and has assets of more than \$27 million. The program is managed by the division for the Utah Soil Conservation Commission in cooperation with the soil conservation districts throughout the State. The purpose of the program is to finance conservation projects for land owners to provide for greater efficiencies in agriculture operations, range improvements, water and soil conservation, disaster assistance and environmental quality. The loans carry a maximum term of twelve years at three percent interest and include a four percent administration fee that goes directly to the Utah Association of Conservation Districts (UACD) to help finance their operations. Loans are funded out of a revolving fund that grows through its net income each year. The program has contributed to the State's economy and environment by providing millions of dollars for irrigation systems and other projects that have been particularly valuable during the recent drought. Producers who receive federal grant money to partially finance conservation projects often use the program to finance their cost share portion.

Rural Rehabilitation Loan Programs

These programs, funded by both State and federal monies, total about \$7.9 million and consist of about 75 loans. The various purposes of the loans are to provide assistance to producers with financial problems with various causes, to assist beginning farmers to obtain farmland and, sometimes, to help provide financing for transfer of ownership of family farms and ranches from one generation to another. They are essentially loans of last resort

requiring that applicants be declined by conventional commercial lenders. Terms range up to a maximum of ten years with amortization of greater terms. Interest rates charged have been five percent or less. These low cost, long term real estate loans have helped numerous Utah agricultural operations remain in business.

Petroleum Storage Tank (PST) Loans

This program, which originated in 1996 to meet a 1998 deadline for remediation of underground petroleum storage tanks is managed for a division of DEQ. Loans are made to property owners who have underground storage tanks that require removal, replacement or other accepted procedures. The portfolio consisted of more than 60 loans totaling about \$2 million but has since declined due to slower demand. Loans range in size up to \$45,000 for a maximum ten year term at three percent interest.

The division is also working with the State Revolving Fund (SRF) under DEQ's Division of Water Quality to underwrite and book loans to finance projects for eliminating or reducing non point source water pollution on privately owned lands.

Conservation Easements

The Loans Section is responsible for monitoring compliance of conservation easements held by the Department of Agriculture and Food. Presently the Department holds ten easements on various agriculture properties statewide. The purpose of the easements is to provide an incentive for land owners to voluntarily preserve their properties in agricultural pursuits with a resulting benefit to society through production of food and preservation of open space and/or historically significant properties. The environmental benefits include reduced development, preservation of soil and water resources and wildlife habitat.

Soil Conservation Programs

The soil conservation section helps enable Utah's private land managers to protect and enhance their soil, water and related natural resources. Agricultural managers are the majority holders of private lands and water rights in the state. Their positive land and water management actions result in many short and long-term public benefits. This section strives to help create a political environment where representatives of private land managers can direct the local state national land and watershed conservation and development programs in a voluntary, incentive based process.

This section provides staff support to the Utah Soil Conservation Commission (USCC), which is chaired by the Commissioner of the Dept of Agriculture and Food. This Commission is a policy making body of the state that coordinates, develops and supports soil and water conservation initiatives and programs. The USCC directs financial and administrative support

to Utah's 38 Soil Conservation Districts (SCD). These districts are local units of government charged by state law to help private land managers protect soil, water and related natural resources. This Commission and the districts work closely with their conservation partners, especially state and federal natural resource agencies, to help solve land and water resource challenges.

The USCC and the Department assisted the SCDs and their core conservation partner the USDA Natural Resource Conservation Service (NRCS) carry out the first phases of a detailed statewide natural resource assessment this past fiscal year. The SCDs helped provided outreach to their communities of the condition of their natural resources through public meetings and surveys wherein they asked participants to prioritize the problems and needs their natural resources. The results of this assessment will be used by NRCS to allocate natural resource improvement federal grants in the coming years. The assessments will also be the foundation for the updating of the SCDs long range plans.

The USCC working through the Department has on going memoranda agreements and contractual arrangements with the SCD's state association, the Utah Association of Conservation Districts (UACD), to provide administrative support to the districts and technical assistance to private land owners. These funds are used with other grants mostly from federal agencies to hire staff support which increased during this past fiscal year to more the 33 full-time-equivalents located throughout the state. See <http://www.uacd.org/> to learn more about UACD. Technical assistance provided by UACD and the SCDs augment the support that has historically been provided by the USDA Natural Resources Conservation Service (NRCS) agency. Project planning, implementation and resource protection applied to the land is tracked and documented.

During this fiscal year the USCC and the UACD started a project with collaboration with the State Auditor's Office professionals to help the SCDs improve their financial management and accountability as they gain more. Several training session have been carried out and more are planned.

Section 319—Nonpoint Source Pollution Control

Air quality is an emerging environmental issue being addressed by UDAF. EPA had worked mainly with large Eastern animal production interests in developing rules that generally presume guilt on the part of producers by assessing fines based upon operation size that generate revenue for research activities. Division personnel are working with Utah's producer groups and other agricultural interests to address this developing situation in a manner that parrots as much as possible the very successful Utah Concentrated Animal Feeding Operation (CAFO) Strategy that addressed livestock operation water quality.

The CAFO strategy continues to bring Utah's animal feeding operations into water quality compliance. Cooperators are given the opportunity to address any potential water quality problems using resources and methods that they choose to utilize. Sources for assistance include AFO grants as well as ARDL loans administered by the Division.

The agricultural portion of Utah's EPA NPS implementation grant (Section 319 of the CWA) continues to reap important gains

in water quality statewide. Stream stabilization, range and riparian rehabilitation, and irrigation water management join animal waste management as the principle methods. Watersheds such as the San Pitch River and the San Rafael tributaries are emulating the success of many other watersheds in the state. Local steering committees direct the efforts and resources so that water quality success is most effective and something that participants can be especially proud of.

Nonpoint Source Information and Education

The Utah Department of Agriculture and Food continues to administer the agricultural and information and education portions of the state's nonpoint source (NPS) pollution control program, which is funded through section 319 of the Clean Water Act.

The cornerstone of the outreach efforts continues to be the bimonthly news publication, Utah Watershed Review, which is a resource for land owners, as well as state, local and federal government employees working on NPS issues or watershed projects.

UDAF continues to lead the efforts to put on the annual Utah Nonpoint Source Conference. The 2004 conference was held at Ruby's Inn at Bryce Canyon National Park and featured a tour of the Upper Sevier Watershed project. The 2005 edition of the conference will be held in Salt Lake City and will focus on both agricultural and urban impacts from water pollution.

UDAF's NPS I&E program also specializes in video production. In August 2004, work was finished on Managing Manure, a video and publication about the successes of the Utah Concentrated Animal Feeding Operation Committee's strategy to manage polluted runoff from animal feeding operations in Utah.

State Ground Water Program

The Department's agricultural groundwater, well testing program continues to grow and flourish. An electronic version of the annual report about the program is available on the Department's web site: <http://ag.utah.gov/conservation/groundwater.html>.

In 2004, the groundwater-sampling program collected more than 400 samples mostly from UACD Zones 1 and 2 (northern Utah). To meet the increasing demand from citizens throughout the state a rotational sampling program has been implemented. Each year one or two UACD zones will be selected as the primary sampling area. It is planned that the program will service the entire state in a five year period and then repeat. This means that each UACD Zone will be sampled at least every five years.

Samples were tested for a variety of parameters including electrical conductivity, temperature, pH, hardness, sodium and bacteria. Bacteria continue to be a problem throughout the state with 33 percent of the sampled wells and springs being contaminated with coliform bacteria. The program educates well owners individually and in public meetings as to proper procedures for well maintenance and sanitation. High salinity or Total Dissolved Solids (TDS) is the most prevalent groundwater quality issue in the state. Well owners are instructed through the individual well reports on how to handle this issue.

Colorado River Basin Salinity Control Program Basin States Funding

The “Basin States” portion of the Colorado River Basin Salinity Control Program generates funds from the basin states to help reduce salt loading to the Colorado River. UDAF manages around \$2 million each year in this program to encourage improved irrigation practices in the Uintah Basin and Price San Rafael River basin. This program has grown significantly from the first \$350,000 in 1997. The state of Utah through this program in 2005 hosted sixteen salinity scientists from Australia as they toured Utah’s agricultural and range areas. Information on how to manage salinity was shared and lasting bonds for future collaboration were established.

Utah during this past year has instituted a “salinity credit” program. This program will allow industry to participate in the salinity program by purchasing salt credits to offset salinity discharges. Industry will not be overly restricted in their economic growth and the Colorado River will be protected because of this program. The program will provide \$1.6 million to improve irrigation in the Carbon County area with the first contract signed.

The irrigation projects are an economic boost to agriculture in the two basins. Because of the increased efficiencies of the new systems farmers are able to raise higher valued crops and have more uniform production. This program is a great benefit for the entire state.

Rangeland Monitoring Program

The importance of the Rangeland Monitoring Program has been demonstrated as the state has been through five to seven years of drought. Data collected by the program has documented forage losses. This helps managers and producers have advance warning to obtain other feed sources. During this drought the rangelands of the state have been impacted severely particularly those with sagebrush. The program has been able to document these impacts and assist range managers. The rangeland-monitoring program now has its annual reports from 1996 to 2004 available in hardcopy, on CD-ROM and on the Internet (<http://wildlife.utah.gov/range/>). During 2004 the focus was on the southeastern region of the state. This includes all or parts of San Juan, Grand, Uintah, Duchesne, Carbon, Emery, Wayne, and Garfield counties.

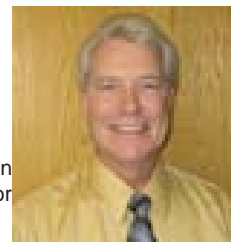
The rangeland monitoring program has developed a new tool for estimating range condition. Range condition has always been subjective; this tool uses data collected by the monitoring team and will be valuable for rangeland managers. The tool can be applied to historic data so that comparisons through time can be evaluated. Because of interest and cooperative successes of this program, UDAF is planning future expansion into range land partnerships and management.



The Division of Conservation and Resource Management helps farmers and ranchers improve the quality of their grazinglands, and thereby helping the state's important livestock industry.

Marketing & Development

Jed Christenson
Director



The Utah Department of Agriculture and Food's principal reason for existence is to "Protect and promote Utah agriculture and food." The newly formed Division of Marketing and Development will play a vital role in helping the Department fulfill its mission.

Over the next several years, Utah agriculture will face new challenges of a complex industry, growing population and greater economic expectations. The division staff is fully committed to exemplary marketing efforts and economic success for agriculture and rural Utah to meet those challenges. Jed Christenson serves as Director, with Richard Sparks and Seth Winterton as Deputy Directors. Michael Smoot is in charge of Market News, and Dee Hansen provides administrative support.

The objectives of the Division of Marketing and Development are to raise the awareness of Utah agriculture and food products; and enhance local, domestic and international marketing opportunities. Division goals include: increased profitability for agriculture and related businesses and fostering a vibrant and healthy rural economy.

Local Marketing

The mission of the Local Marketing Program is to increase awareness and demand for Utah food and agricultural products within Utah. A major focus will be to fully develop and implement the "Utah's Own" Program. Utah's Own is designed to create a consumer culture to think of and buy products produced right here in Utah first. The economic benefit is obvious as the dollars spent by Utah consumers stay in Utah. Not only does it increase profits for local producers, but depending on the product purchased, has a multiplying affect of up to two or three times in stimulating the overall economy.

The third annual Utah's Own Business to Business Conference will be sponsored to allow Utah companies to network and contract to provide and receive local products. A Utah's Own website will be interactive to provide ongoing contacts and links for networking as well. Consumers will also be able to benefit from the website by accessing educational information, introduction of newly produced local products, and directions to farmers markets and other direct market opportunities.

Utah's Own is the result of a partnership between the Utah Food Council and the Department of Agriculture and Food to develop food policy and promote Utah agriculture and food. Among many important goals of the partnership is to develop policy to include the institutional purchase of Utah products—insuring that all state government agencies, institutions and school lunch programs purchase Utah food products when available.

Another focus is to help agricultural producers explore new crops, value added and niche marketing possibilities to their existing operations. This will be accomplished by helping plan and coordinate annual Agricultural Diversification Conferences

around the state in conjunction with Utah State University Extension Service.

Adding value to agricultural commodities or products can help local producers and rural communities build economic sustainability through processing, packaging, marketing and distributing the products themselves. Creating value added jobs can improve the diversity of a rural economy, increase local income, and capture higher profits.

The Division is working with existing farmers markets to form a Farmers Market Association in Utah. The Association will help foster more direct marketing opportunities from producers to consumers. Utah is the second most urbanized state in the country with close access to two million consumers along the Wasatch Front. Those consumers have shown a strong desire to purchase wholesome fresh locally grown produce and value added products. There is also a rapidly growing demand for certified organic and natural products in Utah. The Department's nationally recognized Organic Certification program is complimentary to this growing consumer interest. Meeting this growing market provides new opportunities for local producers.

The Division was instrumental in the development, and will continue to be supportive, of the King's Peak Lamb Promotion. This promotion was created by a "Value Added Agriculture Product" grant from the USDA's Rural Development Agency. Support will be given to two similar grants awarded to investigate the production of "grass fed" cattle to meet the demands of Utah's growing organic and natural markets.

Wherever possible the Division will partner with local commodity groups, farm organizations, associations, and other agencies to promote Utah's Own and local marketing efforts.

Domestic Marketing

The mission of the Domestic Marketing Program is to increase awareness and demand for Utah food and agricultural products in regional and national markets. This can be accomplished by implementing most of the programs discussed above and adding the opportunities of national food shows and regional advertising through appropriated funds to promote Utah's agriculture and food.

A promotional budget will be requested from the Utah Legislature to advertise and promote the Utah's Own Program and Utah products in general with a local, regional and perhaps even some national focus.

The Department works in partnership with federal agencies and marketing groups to promote Utah's agriculture and food products. The Division has the responsibility of working with these agencies such as USDA's Foreign Agricultural Service and the Western United States Agricultural Trade Association. The Division will take advantage of existing programs and matching funds wherever it is feasible and beneficial to showcase Utah's products at national food shows and events.

The North American Agricultural Marketing Officials (NAAMO) Association was organized to allow state agricultural marketing representatives to share ideas, improve state cooperation and develop new marketing ideas. Utah is a longtime member and participates along with other states and provinces in Canada and Mexico. Valuable information is shared between the states and countries at annual conferences to develop new domestic and international markets.

The Utah Department of Agriculture and Food is also a member of the United States Livestock Genetics Export, Inc. (USLGE). Utah livestock producers have developed some of the finest genetics in the world and the Division assists in the investigation and development of export markets for those genetics. USLGE offers Utah producers a trade organization that coordinates national and international market development efforts for dairy, sheep, cattle, swine, horses, semen, and embryo exports.

International Marketing

The mission of the International Marketing Program is to increase the export sales of Utah grown and processed products. Utah companies that are interested in investigating new international markets for their products can work with the Division to access a myriad of helpful programs that are touched on below. The Division works with individual companies as well as developing industry specific marketing efforts by providing access to both the USDA's Foreign Agricultural Service (FAS) and Western United States Agricultural Trade Associations (WUSATA) programs.

FAS is the federal government entity that has primary responsibility for U.S. overseas market development, international trade agreements and negotiations, and the collection of statistics and market information. It also administers the USDA's export credit guarantee and food aid programs and helps increase income and food availability in developing nations.

The largest FAS promotional programs are the Foreign Market Development Cooperator program and the Market Access Program. FAS also sponsors U.S. participation in several major international tradeshow.

WUSATA's services and activities include export promotion, customized export assistance, a reimbursement funding program, international trade exhibitions, overseas trade missions, export seminars, in-country research, and point-of-sale promotions in foreign food chains and restaurants.

WUSATA's Generic Program supports industry-wide food and agricultural projects that would be managed by the Division. These projects can be designed to promote an industry's product in foreign markets that would benefit three or more companies that are not eligible for FAS's Cooperator's Market Access Program Funds. As a participant in the Generic Program in a tradeshow, a company can receive valuable services without incurring additional costs. Examples include interpreters, freight, trade appointments, arranged market tours and more. A project leader helps companies get ready for the show and is available during the show to assist with needs.

WUSATA's Branded Program is a marketing funds program that supports the promotion of brand name food and agricultural products in foreign markets. Made possible by FAS funding, the

program provides participants with 50% reimbursement for eligible marketing and promotional activities.

Through the Export Readiness Program, WUSATA and the Division will also provide face-to-face help for a company asking difficult export questions whether export novice or veteran. Export Readiness sessions provide participating companies with two hours of individualized consultative solutions with an international marketing authority with over 20 years of expertise in market entry strategies, alliance building, brand development and product adaptation.

Organic Food Program

The organic program certified 39 operations in 2004. There has been significant growth in organic production in Utah. Utah will certify crops, livestock and processing facilities including organic beef, lamb, fruits and vegetables, coffee and grains. Utah was approved in February of 2004 as a State Organic Program, which assumes the responsibility of enforcement for the United States Department of Agriculture National Organic Program within the state of Utah. Investigators will continue surveillance at grocery stores, roadside stands, and farmers markets to ensure that products labeled as Organic meet the requirements and certification Standards.

Utah was approved for a USDA cost share program that pays a percentage of start up certification costs for organic producers. This program is ongoing and available for payment of costs associated with certification by any producer or certifier in Utah. Producers should take advantage of this program. The organic program sponsored a booth at the Utah's Own Conference in September of 2004 along with training. The purpose was to raise awareness of the organic program to Utah retailers and consumers. The organic program will continue to educate producers and handlers throughout the state and encourage organic production of various crop and livestock commodities in the years ahead.

Market News Reporting and Junior Livestock Shows

Accurate and unbiased commodity price information is critical to agriculture producers and agribusinesses, especially in decision making. To provide this important service and insure the integrity of sales information, the Division monitors livestock auctions in Cedar City, Salina, Ogden and Logan on a weekly basis; and also compiles current hay sales information from alfalfa hay buyers and sellers weekly. The information is disseminated through the Department's website, print media, radio broadcast, call in service and summary mailers.

The Division administers the legislative mandated and funded program that assists the State's junior livestock shows. Funds are allocated by agreed upon formula to shows that promote youth involvement and offer a quality educational experience. The Utah Junior Livestock Shows Association has developed rules with which shows and youth participants must comply to qualify for State assistance. The funding must be used for awards to FFA and 4H youth participants and not for other show expenses. During the past year, 14 junior livestock shows were awarded funds based on the number of youth participants involved in each show.

Plant Industry



Clair A. Allen
Director

The Division of Plant Industry is responsible for ensuring consumers of disease free and pest free plants, grains, seeds, as well as properly labeled agricultural commodities, and the safe application of pesticides and farm chemicals.

Entomology

The Utah Department of Agriculture and Food currently administers nine insect and plant quarantines, which require inspection and enforcement by the State Entomologist. Effective enforcement demands cooperation with federal agencies and regulatory officials of other states and countries. Quarantines currently in effect are for European Corn Borer, Gypsy Moth, Apple Maggot, Plum Curculio, Cereal Leaf Beetle, Pine Shoot Beetle, Japanese Beetle, Mint Wilt and Karnal bunt.

During 2004, there was approximately 845 State and Federal Phytosanitary Certificates issued under the direction of the State Entomologist. These certificates allow Utah agriculture to ship plants and plant products to other states and foreign countries. The State Entomologist also responded to more than 300 public requests for professional advice and assistance. Such assistance includes insect identification, news releases, control recommendations and participation in various education meetings and workshops.

The State Entomologist administers the Utah Bee Inspection Act (Title 4, Chapter 11), the Insect Infestation Emergency Control Act, and various entomological services under authority of Title 4, Chapter 2. Major functions performed during 2004 are summarized below:

Apple Maggot and Cherry Fruit fly

The Apple Maggot survey and detection program in Utah requires the efforts of the State Entomologist, one program supervisor, three field scouts and necessary secretarial help. The program was implemented to provide for our continued participation in export markets. In 2004 600 traps were used in the adult survey. Since the programs beginning in 1985 property owners are contacted annually on orchard spray management techniques and removal of uncared for and abandoned orchards. Tree removal during 2004 exceeded 2000 trees in abandoned orchards. No apple maggots or cherry fruit flies have been found in commercial orchards.

Bee Inspection

The Utah Bee Inspection Act provides for inspection of all apiaries annually in order to detect and prevent the spread of infectious bee diseases. Without a thorough inspection program, highly contagious diseases could spread rapidly, resulting in serious losses to the bee industry in Utah with corresponding losses to fruit and seed crop producers who are dependant on bees

for pollination. During 2004, 13,000 colonies of bees were inspected with the incidence of disease below 2.5 percent.

African Honey Bee

A survey and detection program for African Honey Bee has been in effect for the southern border areas of Utah since 1994. The department has put into action a survey and detection program consisting of 125 detection traps. There were no confirmed detections of AHB in Utah during 2004. Early detection supported with information and education will be a major defense mechanism against this devastating and alarming insect. Considerable education and public awareness activity has occurred since the African Honey Bee was discovered in Mesquite, Nevada in the summer of 1999. No African Honey Bees have been found in Utah to date.

Cereal Leaf Beetle

Cereal Leaf Beetle was discovered in Morgan County in 1984. It has since been found in seventeen counties of Utah's agricultural counties, including the nine northernmost counties. Because Cereal Leaf Beetle can cause a reduction in small grain production up to 75 percent, and domestic grain markets require insect free shipments, the Utah Department of Agriculture and Food in cooperation with Utah State University conducts an annual survey and detection program for this insect. A cooperative insectary program with USU has provided beneficial parasitic wasps that prey on Cereal Leaf Beetle. These beneficial parasites have now spread to all northern Utah counties helping to reduce populations significantly. Additional cooperative investigations by Utah State University and the Utah Department of Agriculture and Food into the biology and life expectancy of Cereal Leaf Beetle in compressed hay bales may one day allow shipments of hay from infested areas of the state during certain times of the year.

Gypsy Moth

Gypsy Moths were first found in Salt Lake City in the summer of 1988. Since that time the Utah Department of Agriculture and Food has been the lead agency in the administration of a major bio-control program that has had a 97% success rate. Moth catches have been reduced from 2,274 in 1989 to three (3) in 2004. The major benefits of this program are: Cost effectiveness, Public nuisance reduction, Forest and natural resource protection, and Watershed protection.

Eradication efforts continue to show significant progress and trapping programs will remain vigorous.

Cricket/Grasshopper

The 2004 Fall Rangeland Insect Survey was completed the last week of August. Information from this survey indicates that we may have 769,500 acres infested with grasshoppers in 2004,

and possibly 2,868,500 acres infested with Mormon Crickets. The information from the fall 2004 survey indicates the population of both grasshoppers and Mormon Crickets may infest 3.6 million acres in 2004. Insect damages ranging upwards of 22.5 million dollars may be expected again this year. Large populations of these voracious insects in 1998, 1999, 2000, 2001, 2002, 2003 and 2004 prompted the Governors Declaration of Agricultural Disaster. Some Federal and State funds provided some relief during 2004 but there were still some private farmers, ranchers and homeowners left to use their own resources to control the infestation.

Disaster Declarations by the Governor for the past five years has focused resources administered through Plant Industry to provide relief from major infestations of Mormon Crickets (largest since 1930's) and grasshoppers. 2004 is proving to be another extremely large year again for Mormon Crickets and grasshoppers. This is the sixth year of extremely heavy populations however recourses from congress to control infestations on federal lands has increased to \$1,000,000 and legislative funding for an additional \$200,000 for control on infested state and private lands. An additional \$6.7 million dollars in the form of a grant has been awarded to Utah for control of Mormon Crickets and is available until used.

European Corn Borer

Utah has a quarantine (R68-10) in place for products that could harbor the European corn borer in order to keep this damaging insect from entering the state. A state trapping program is annually conducted in major corn producing areas for this serious pest. In 2004, 72 traps were placed in six counties, with no detections of European corn borer.

Red Imported Fire Ant

The Utah Department of Agriculture and Food is approaching the red imported fire ant concern with survey and detection trapping, quarantine enforcements, port of entry inspection and public education.

West Nile Virus

West Nile Virus was first detected in the State of Utah during the summer of 2003. This disease again appeared in Utah during the summer of 2004. Five hundred thousand dollars appropriated by the 2004 legislature for control of mosquitoes has been awarded to counties, Cooperative Mosquito Control Areas(CMCA), and mosquito abatement districts to control mosquitoes, the main vector of WNV.

West Nile Virus is a disease transmitted by mosquitoes. In Utah, two principal mosquito vectors of West Nile Virus are: 1) Culex pipiens (the house mosquito) and 2) Culex tarsalis (the marsh mosquito). The major activity period for these disease vectors is from dusk until dawn. Daytime activity is almost non existent. Birds are the natural hosts of the disease with humans and horses serving as secondary hosts. The majority of people infected with West Nile Virus never develop symptoms. However, a small percentage may develop symptoms such as fever, headache,

body aches, etc. A more serious form of the disease can occur when the virus infects the central nervous system.

Fertilizer Program

Administration of the Utah Commercial Fertilizer Act (Title 4, Chapter 13). The program regulates the registration, distribution, sale, use, and storage of fertilizer products. It regulates, and licenses fertilizer blenders and monitors the applicators that spray or apply fertilizer and take samples for analysis.

Major functions performed in this program in 2004.

| | |
|---|---------|
| Number fertilizer manufacturers/registrants | 238 |
| Number of products received and registered | 2366 |
| Number of products registered because of investigations | 30 |
| Number of fertilizers sampled, collected, and analyzed | 205 |
| Tonnage sales in Utah (7/1/2003-6/30/2004) | 123,905 |
| Number of samples that failed to meet guarantee | 6 |
| Guarantee analysis corrected | 6 |
| Number of inspection visits to establishments | 585 |
| Number of violations of the fertilizer Act | 4 |
| Number of blenders licensed | 29 |

Pesticide Product Registration Program

1. EMERGENCY USE PERMITS (Section 18).

| | | |
|------|---|---|
| 2000 | - | 2 |
| 2001 | - | 3 |
| 2002 | - | 3 |
| 2003 | - | 3 |
| 2004 | - | 4 |

2. SPECIAL LOCAL NEEDS (SLN or 24C's). 4 SLN labels filed in 2004

3. EXPERIMENTAL USE PERMIT (EUP)

| | | |
|------|---|---|
| 2004 | - | 0 |
|------|---|---|

Pesticide Product Registration

| | |
|---|-------|
| Number of pesticide manufacturers or registrants: | 881 |
| Number of pesticide products registered: | 9,386 |
| Number of new products registered as a result of investigation: | 325 |
| Number of violations of the Pesticide Act | 35 |
| Number of product registration requests by field representatives: | 105 |

Nursery Inspection Program

| | |
|--|-----|
| Number of licenses issued to handlers of Nursery stock | 625 |
| Number of Nursery Inspections conducted | 785 |
| Number of violations of the Nursery Act | 24 |

Sudden Oak Death (SOD)

A nationwide quarantine and survey has been implemented by USDA – APHIS due the outbreak of SOD and shipments of nursery stock to Utah and 39 other states. Quarantine actions have been taken at 28 local nurseries including sampling and testing. No positive plants have been identified in Utah to-date.

USDA Private Pesticide Applicator Restricted Use Record Survey Program

| | |
|---|------|
| Number private applicators records surveyed | 100 |
| Percent private applicators using RUP's products | 55% |
| Percentage of elements recorded as required | 100% |
| Percentage of private applicators without records | 0% |

Pesticide Program

The Utah Department of Agriculture and Food administers the Utah Pesticide Control Act, which regulates the registration and use of pesticides in Utah. This Act authorizes pesticide registration requirements and the pesticide applicator certification program. The UDAF is the lead state agency for pesticide use enforcement under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). The UDAF administers sections of FIFRA under which programs are developed and implemented by cooperative grant agreements with the Environmental Protection Agency (EPA). These programs include the Worker Protection Program, Endangered Species Program, Ground Water/Pesticide Protection Program, Certification Program, and Pesticide Enforcement.

Worker Protection Program

This program provides general training, worker and handler pesticide safety training, "train the trainer" program, training verification, outreach and communication efforts, reporting and tracking, and performance review actions. The UDAF has adopted the national Worker Protection Standards (WPS) Verification Program and distributes WPS Worker and Handler Verification cards to qualified WPS trainers and does WPS training as necessary.

Endangered Species Pesticide Program

Utah has developed an Endangered Species Pesticide Plan. This plan allows the state to provide protection for federally listed species from pesticide exposure while tailoring program requirements to local conditions and the needs of pesticide users. Utah's plan focuses on the use of pesticides as they relate to the protection of threatened and endangered species on private agricultural land and lands owned and managed by state agencies. The UDAF is the lead state authority responsible for administering the plan. Through an interagency review committee, special use permits or landowner agreements can be established to allow for the continued use of certain restricted pesticides for those locations that contain threatened and endangered species.

Ground Water/Pesticide Protection Program

The EPA is working with the UDAF to establish a Ground Water State Management Plan as a new regulatory mechanism under FIFRA to prevent pesticide contamination of the nation's ground water resources. The Utah Ground Water/Pesticide State Management Plan is a state program that has been developed through cooperative efforts of the UDAF with various federal, state, and local resource agencies. The plan includes an assessment of risks posed to the state's ground water by a pesticide and a description of specific actions the state will take to protect ground water resources from potentially harmful effects of pesticides.

Certification Program

The UDAF has entered into a cooperative agreement with EPA to undertake the following as part of the department's Pesticide Certification program: maintaining state certification programs, state coordination with Utah State University Extension Service, state evaluation and participation in training programs, conduct certification activities, maintain records for certified pesticide applicators, and monitor certification program efforts. The department develops and prepares pesticide applicator certification manuals and examinations as part of the licensing requirements of the state.

Pesticide Enforcement Program

The UDAF enforcement activities include the following: cancellation and suspension of pesticide products, general compliance monitoring, tracking, sample collection and analysis, enforcement response policy, ground water and endangered species pesticide enforcement activities, and FIFRA section 19 (f) enforcement actions.

Pesticide Activity

| | |
|---|-------|
| No. of inspections of pesticides sales establishments: | 36 |
| No. of physical pesticide samples collected: | 24 |
| No. of investigations of pesticide uses: | 90 |
| No. of violations: | 25 |
| No. of pesticide applicator training sessions: | 25 |
| No. of applicators certified Commercial, Non-Commercial and Private: | 5,045 |
| No. of pesticide dealers licensed: | 107 |

Seed Inspection and Testing

Administration of the Utah Seed Act (Title 4, Chapter 16) involves the inspection and testing of seeds offered for sale in Utah. Work performed in FY 2004-2004 is summarized below:

| | |
|----------------------------------|-------|
| Number of seed samples tested: | 1,900 |
| Number of violations determined: | 31 |

Seed Testing and Seed Law Enforcement

The seed analysts and seed laboratory technician conduct tests on seed samples submitted by agricultural inspectors, seed companies, and other interested parties. Most common tests include percent germination, purity, and presence of noxious weeds; although a number of other tests are performed upon request. Inspectors monitor the seed trade by collecting representative samples for testing and by checking for proper labeling of all seed offered for sale and for the presence of noxious weeds and other undesirable factors.

Noxious Weed Control Program

In administering the Utah Noxious Weed Control act (Title 4, Chapter 17), the State Weed Specialist coordinates and monitors Weed Control Programs throughout the State. The thirteen agricultural field representatives located throughout the state made approximately 1,246 visits and inspections. This includes visits and or direct contact with the agencies listed below:

1. Retail Establishments
2. Weed Supervisors and other County Officials

3. State Agencies
4. Federal Agencies
5. Utility Companies
6. Private Landowners
7. Hay and Straw Certification

Number of feed samples collected and tested:
430
Number of violations:
31

Cooperative Weed Management

During the past several years the Department has been working diligently with local land management agencies and the counties to encourage the development of Cooperative Weed Management Areas (CWMA's). Weed management areas are designed to bring people together; to form partnerships to control noxious or invasive weed species. The CWMA's breakdown some of the traditional barriers that have existed for many years. The County Weed Departments and the local managers of State and Federal lands, along with private land owners are now able to cooperate and collaborate on similar noxious weed issues. They can share resources and even help with weed control problems on lands that they do not administer. We now have 25 organized Cooperative Weed Management areas in Utah.

Control of Noxious Weeds

1. The Division Weed Specialist coordinates weed control activities among the county weed organizations and the agricultural field representatives.
2. Surveys of serious weed infestations are conducted and control programs are developed through the county weed supervisors, county weed boards, and various landowning agencies.
3. The weed specialist and the inspectors work continually with extension and research personnel in encouraging the use of the most effective methods to control the more serious weeds.
4. Noxious Weed Free Hay Certificates.

Activities in Hay and Straw Certification

Certification of hay and straw to be free from noxious weeds has become an important part of allowing these materials to be fed or utilized on public lands throughout Utah and other western states. Weed free certification is now required for all hay and straw used on public land. Plant Industry Compliance Specialists performed the following activities in connection with this program:

Inspections in 25 counties
 Inspections for 120 producers
 Approximately 245,220 hay bales
 Approximately 126,447 straw bales
 Inspected 3,335 acres for hay cubes and 650 tons of cubed hay
 Number of Inspections: 171

Commercial Feed Program

Administration of the Utah Commercial Feed Act, (Title 4, Chapter 12) involves inspection, registration, and sampling of commercial feed products. Activities performed in this program in 2004 are summarized below:

Number of feed manufacturers or registrants contacted: 654
 Number of feed products registered: 6,830
 Number of analysis requested of chem. Lab: 1,201

Grain Inspection

The Federal Grain Inspection Service provides under authority of Title 4, Chapter 2, Section 2, and under designated authority grain inspection services. Following is a summary of work performed during the past fiscal year under dedicated credit provisions, with expenses paid by revenue received for grading services:

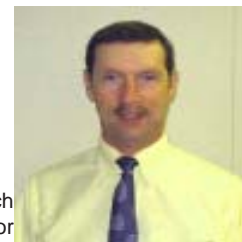
Number of samples tendered:
11,148
Number of miscellaneous tests conducted:
16,895
Total number of activities performed:
68,991

NOTE: Volume of work is influenced each year by a number of factors, among which are weather conditions, governmental crop programs, and marketing situations.



The Utah Department of Agriculture and Food is emphasizing noxious weed control. These invasive plant species can do considerable damage to livestock and wildlife rangeland by crowding out productive plants and grasses.

Regulatory Services



Dr. Chris Crnich
Director

The Division of Regulatory Services has regulatory oversight of products used by consumers of Utah agricultural products and services. Our staff prides itself in the uniform and sound practices of standardization of all their work to ensure a wholesome, clean and uniform service and product function throughout all the state. This report will outline each of the five programs within the division and the unique specialties each program brings to the oversight of Utah's products and services. In this new era of security, our division has lead the way in promoting extra awareness and observation of food facilities and plant operations that produce food products for Utah consumers. We are dedicated to provide helpful information and another set of eyes to be constantly vigilant in the safety of our food supplies.

This past year has seen a significant change in the way two of our programs are financed and has created a rededication of our staff to more customer oriented service. Legislative budget changes had reduced general fund appropriations to the Department for regulatory functions. The legislature in turn directed the initiation of a user fee in the food compliance and weights and measures programs within the Division of Regulatory Services. This past year a committee was formed that included representative from both programs involved with the new registration program, the information technology section, administrative division personnel, and the department public affairs officer. This team organized and directed the planning and implementation of a series of events to notify, educate, address questions, rule making, invoicing, verification of data, coordination of categories, question and answer sessions, final customer invoice production and distribution, and collection of fees for the new registration program. Sub-groups created the rule making process. Industry representatives were invited to assist in the process and were an absolute critical resource to the process of creating the rules to officiate in the functions of the registration process. Public hearings were provided and invaluable input from groups affected by the new registration program allowed for a fair and equitable appropriation of fees to the users. The registration process was completed with an almost complete reconciliation of all the establishments that are regulated by the Division of Regulatory Services. Compliments must be given to all the customers that so faithfully and diligently have provided input to the Division personnel that worked to complete the legislative registration directive and ultimately completed the registration process. With the resounding success of this program, the legislature has reviewed and reduced the amounts of the fees to each of the facilities and users of the new system for the upcoming calendar year.

The Division of Regulatory Services continues to support and assist the Department to become more aware of the security

of our food supplies from farm to fork. The area of homeland defense and food safety continues to be of top most concern to all of our staff members to assist all our customers to be alert to the great responsibility of production of a safe and wholesome product for our consuming public. We work internally with the homeland defense specialist within our Department to organize and prepare our staff for any contingency. Our readiness has improved and will continue to allow our staff to be prepared for any unusual incident that may affect areas that we regulate. This coordinated effort or readiness and training to identify and handle any emergency situation is a continual event of training and practice that will continue within our various programs for the safety and security of our customer base. The further training of each of our customers is a concern and priority for each of our inspection staff. With the assistance of many partners, we have distributed information and educational materials to many of our facilities to allow them to become more aware and physically secure to the potential sources of product contamination or compromise.

Our five programs are fully staffed and each inspector has developed a unique skill for their individual specialty. We have each committed to be public servants of the highest quality and service to meet the new governor's directives. Each program supervisor has improved practices and performance measures to meet the ever changing world in which we live. The individual program reports reflect great credit to each of the outstanding managers and inspection staff that work diligently to perform the regulatory functions assigned to them.

Food Protection Program Registration

2004 was the start of a brand new food establishment registration program. In 2003 the State Legislature passed house bill 283 legislating the Utah Department of Agriculture and Food (UDAF) access a registration fee to food establishments. Implementing the registration of food establishments has been a multifaceted program involving several divisions within UDAF. A system to handle the registration program was designed and built. A strategic plan was developed to ensure all aspects were carefully addressed.

Our first responsibility was to educate our customers about registration. Informational packets with brochures were created and sent out to all of our food establishments. A PowerPoint presentation was developed and presented to the Utah Food Industry. Many phone calls were received. The environmental health specialists hand delivered packets containing information for the registration program.

To address the specifics of the Act, a new Food Establishment Registration Rule was developed and implemented. UDAF worked

closely with industry to ensure the rule was clear and fair to industry. The Food Establishment Rule gives UDAF the authority to suspend or revoke a food establishment's registration based on a history of non-compliance or if an imminent health hazard exists.

Out of the food registration meetings an issue arose. The Utah food pantries distribute food to people that can not afford food. The food pantries have no operating budget in which to pay the proposed fees. At the hearing UDAF received comments from Utahns Against Hunger stating it was very difficult for these pantries to pay the fees. A decision was made to exempt these food distribution facilities from paying fees. Working with industry we crafted specific exemption language that exempted these types of establishments. Inspections are still conducted at these facilities to ensure food safety principles are being followed.

The implementation of this new complex program has been challenging. Challenges that have arisen have been met successfully.

| Establishment Type | Inspections 2004 | |
|-----------------------------|------------------|--------------|
| | Number | Inspections |
| Bakeries | 404 | 697 |
| Grain Processors | 17 | 10 |
| Grocery Stores ¹ | 219 | 1,679 |
| Meat Departments | 380 | 669 |
| Food Processors | 425 | 598 |
| Warehouses | 259 | 318 |
| Water Facilities | 24 | 39 |
| TOTAL | 2,728 | 4,017 |

Food Product Control

The Utah Wholesome Food Act has two main laws that are used to evaluate the safety and wholesomeness. First there is adulteration. A food is adulterated if it contains any poisonous substance, which may render it injurious to health, or if it has been produced or stored under conditions whereby it may become contaminated with filth, or rendered diseased, unwholesome, or injurious to health. Misbranding is the second. Misbranding is when food products are improperly labeled or is missing key information.

In order to protect the consumer, food that is suspected of being misbranded or adulterated is prevented from moving in commerce. This is achieved through Voluntary Destructions, Hold Orders and Releases. In 2004, twenty seven (27) hold orders were issued involving 74,014 pounds of food. Seventeen (17) hold order releases were issued releasing 81,266 pounds of food. Seventy five (75) voluntary destructions were issued which resulted in 61,694 pounds of food being voluntarily destroyed because it was suspected of being adulterated.

Warning Notices

When voluntary compliance cannot be achieved, we take additional regulatory action in the form of Warning Notices and Administrative Action. In 2004, UDAF sent out 59 Warning Notices concerning non-compliance with the Utah Wholesome Food Act (WFA) and the Utah Food Protection Rule (FPR). Seventeen Cease & Desist orders were issued to protect the public from food processed in an unsanitary manner.

Citations

Thirteen citations were issued in 2004. Nine were issued to supermarkets, one to a warehouse, and three to food manufacturers. Citations continue to be an effective enforcement tool. We live in a global economy and the way food is grown, processed, and handled around the world can directly impact the citizens of Utah. The Utah Department of Agriculture and Food comprehensive food safety program focuses on the risk factors that lead to food borne illness. Strategies are consistently being implemented to ensure Utah's food supply is safe.

Egg & Poultry Grading

The Egg and Poultry Grading program provides a needed service to the egg and poultry industry and the consumers of Utah. Grading provides a standardized means of describing the marketability of a particular product. Through the application of uniform grade standards, both eggs and poultry can be classified according to a range of quality characteristics. Buyers, sellers and consumers alike can communicate about these characteristics through a common language. The use of the official USDA grade shield certifies that both eggs and poultry have been graded under the continuous inspection of grading personal. USDA's grading services are voluntary. Egg packers and poultry processors who request this service pay for the services involved.

Program activities include:

Shell Egg Grading, Egg Products Inspection, Shell Egg Surveillance, and Poultry Grading.

Shell Egg Grading

During the 1970's and 80's, great improvements were made in the processing and merchandising of shell eggs. More efficient processing machines were developed. With the introduction of the polystyrene foam egg carton, by Jon M. Huntsman, eggs were being merchandised better. Today eggs are processed on large computerized machines, and packaged in a variety of different types and sizes of containers. Even with all of these improvements, USDA grading is still an important marketing tool. It allows the Utah egg industry to market eggs all over the world.

During 2004, USDA licensed egg graders graded 891,800 Cases (30 Dozen per Case). This is a slight decrease from last years record high of 895,566 Cases (30 Dozen Per Case).

Egg Products Inspection

In 1970, Congress passed the Egg Products Inspection Act. This made it mandatory that liquid, frozen and dried egg products be pasteurized and processed under continuous inspection. Utah Egg and Poultry staff members provide this inspection in Utah with a cooperative agreement with FSIS.

The term "egg products" refers to eggs that are removed from their shells for processing. The further processing of eggs adds greater product stability, longer shelf life, ease in preparation and storage, as well as product safety. With the American trend towards the consumption of prepared foods and fast foods, the increased demand for further processed eggs is sure to continue.



During the year 2004, 243,866 (30 dozen per case) cases of shell eggs were processed into liquid or frozen egg products in Utah. This is an increase of about 4% over the previous year.

Shell Egg Surveillance

The USDA has established standards of quality for all eggs that are sold to the consumer. There are mandatory requirements for the handling of certain qualities of eggs that do not meet these standards. All egg producers with over 3,000 layers, firms grading and packing eggs from production sources other than their own, and hatcheries are required to be registered with the USDA. These firms are visited quarterly to verify that shell eggs packed for the consumer are in compliance. Eighteen of these mandatory inspections were conducted by State of Utah graders during 2004.



Poultry Grading

Utah is home to Moroni Feed Co., one of the few fully integrated turkey producing and marketing cooperatives in the United States.

The Sanpete Valley turkey growers produce and process turkey and turkey products that are distributed to consumers around the globe.

The USDA licensed Poultry graders of Utah graded 69,370,505 lbs. of turkey and turkey products in the year 2004. This is a decrease over last years 88,779,895 lbs.

Nationally turkey production was down 4% it is estimated that next years production could be down an additional 2%.

Dairy Compliance Program

The Utah Dairy Act prohibits the sale of raw milk in Utah, except in especially permitted and inspected dairies and then only on the premise where the raw milk is produced and bottled.

In the 2005 National Conference on Interstate Milk Shipments (NCIMS), a resolution was passed strengthening the position of the Food and Drug Administration (FDA) and the individual States against the sale of raw milk: "The NCIMS, due to the serious public health concerns, discourages the consumption of raw milk and encourages states to pass laws or adopt administrative rules that prohibit the sale of raw milk to household consumers and to the unlawful manufactures of unlawful dairy products."

During 2004, there was a surge of interest in Utah in the sale and consumption of raw milk, to the point that a permitted raw milk dairy in Utah wishes to petition the State Legislature to change certain points of the Utah Dairy Act, so that wholesale distribution of raw milk would become legal in Utah.

Statistics

The trend among dairy farms in the year 2003 was the same as 2002, which was, a decrease in dairy farm numbers, as dairy farms went out of business, and an increase in dairy herd size, as

the remaining farms grew larger. But at the same time, last year's total milk cow numbers decreased compared to the year before.

| Item | Numbers |
|---|-------------------|
| Total dairy farms in Utah | 347 dairies |
| Total milk cows in Utah | 88,000 cows |
| Total milk production in Utah | 1.609 billion lbs |
| Production per cow in Utah | 18,284 lbs/cow |
| Herd average of dairy farms in Utah | 244 cows |
| Herd average of the Western United States | 486 cows |
| Herd average of the rest of the U.S. | 135 cows |

Meat Compliance Program

The Meat Compliance Program goal is to control and limit the movement in commerce, of adulterated or misbranded meats. An additional goal is to provide accurate information concerning complex meat laws.

As Utah's culture and population becomes more diverse, the need to adapt current laws and rules to accommodate their customs, traditions and differing tastes become critical. The Utah Department of Agriculture and Food's Meat compliance program is currently working with the Islamic community to maintain, enhance and dignify their celebration of EID AL – ADHA. The most important of all Islamic religious holiday. This celebrates the account of Abraham's near-sacrifice of his son Isaac on Mount Moriah. Following this tradition, the head of each household hopes to sacrifice a sheep on the morning of the first day of the holiday period. A lavish meal is made from meat, friends and family are invited to feast, and the excess meat and the hide are donated to charity.

Currently few options's exists within the city to practice this tradition. The demand however has resulted in several farms purchasing large quantities of sheep and goats prior to the holiday. As the holiday nears they sell the animals at a greatly inflated cost and allow the slaughter of the animals on their property. The result is a costly, cold and unsanitary environment, which falls outside the current laws, put many at risk and lessens this important holiday.

Working closely with the Islamic community leaders we are exploring options to use existing facilities with proper surfaces, drains, offal handling capabilities, and sanitation on an annual basis to enhance this holiday. In addition we are working toward an education program on how EID Al – ADHA can be properly observed. We appreciate help and support from our partners within the Islamic community.

In the interim we are aggressively documenting and prosecuting those who are operating illegal slaughter facilities and taking advantage of this group.

The concern with emerging pathogens and trans-zootiology diseases we have developed a policy on the donation of Game Meat. Even though game meat may provide a source of protein for those served by volunteer organizations it's use is now discouraged. You can read the policy at our website <http://www.ag.utah.gov>.



During the calendar year 2004 the Meat Compliance Program conducted 1,787 random reviews of state businesses and 73 planned compliance reviews of previous violators of meat laws. Compliance investigations resulted in 30 letters of warning being issued, some including administrative citations. Compliance officers monitored the shipment of 8 truck wreck, making sure the meat was properly handled. Compliance officers collected more than 400 ground beef samples. The State Chemist tested the samples for fat, sulfites, and added water the results showed a high degree of compliance.

Bedding, Upholstered Furniture & Quilted Clothing

The purpose of the Bedding, Upholstered Furniture, Quilted Clothing Program is to protect consumers against fraud and product misrepresentation, to assure Utahns hygienically clean products and to provide allergy awareness before purchase of these articles. Utah law requires manufacturers, supply dealers, wholesalers, and repairers of these products and their components to obtain an annual license before offering items for sale within the state.

Product labels are required to indicate whether the product is made from new or used filling materials and to disclose fillings by generic name and percentage. This enables consumers to make price/value/performance-based buying decisions. It also encourages fair competition among manufacturers by establishing uniformity in labeling and component disclosure.

Annual license fees make the program self-sustaining and allow laboratory-testing of suspect products to determine whether their contents are accurately labeled and free from filth and other contaminants. Manufacturing sites are inspected for cleanliness and truthful labeling.

As more products are produced outside the United States, regulation and inspection helps maintain a level playing field for US manufacturers. Working with other state and federal government agencies, Utah helps improve product oversight and helps prevent contamination of US food and fiber sources by preventing importation of prohibited plant and animal products.

Additional program information and many helpful links are available on our website to assist manufacturers with the licensing process. Application forms (printable in Adobe Acrobat), and other program materials are available at the following URL:

<http://ag.utah.gov/regsvcs/bedding.html>

Food Labeling

The State of Utah reviews food labels for compliance with state and federal laws and rules/regulations. Label reviews help new producers avoid costly reprinting of incorrect labels and help assure that consumers get complete and accurate information in a uniform format on food labels.

Each year about 29,000 Americans are hospitalized and about 150 die from allergic reactions to food. The Food Allergen Labeling and Consumer Protection Act (FALCPA) passed by the national government takes effect January 1, 2006. The bill will ensure that ingredient statements provide clear information about the presence of peanuts, soybeans, milk, eggs, fish, shellfish, tree nuts, and wheat in foods. These ingredients are responsible for more than 90% of all food allergies.

Manufacturers can reveal the presence of a major allergen one of three ways:

1) When the ingredient itself is present in the food, they must list it by its common name in the ingredient statement, i.e. "Milk".

2) At the end of the ingredient list, they may print an allergen warning: "Contains Milk, Eggs, and Wheat" for example.

3) Use a parenthetical statement to clarify technical ingredient terms. For example: CASEIN (MILK), or ALBUMIN (EGGS).

The CFR provides that spices, flavors, and certain colors used in foods may be declared collectively without naming each one individually. However, in some instances, these ingredients contain sub-components that are allergens. Evidence indicates that some food allergens can cause serious reactions even when present in very small amounts. Therefore, the presence of an allergen, even as a sub-component of another ingredient, must be listed in the ingredient statement.

By January 1, 2006, manufacturers must also have amended the nutrition facts portion of their labels to disclose the amount of trans fatty acids in foods. Many manufacturers have been redesigning products to eliminate or reduce the quantity of trans fat in the foods they produce. FDA still has not set a "Daily Value" for trans fat intake or defined it to allow such statements as "low in trans fat" or "trans fat free". However, they are urging consumers to keep their consumption of trans fat as low as possible.

FDA estimates that by January 2009, trans fat labeling will have prevented from 600 to 1,200 cases of coronary heart disease and from 250 to 500 deaths each year.

Correct and complete food labels help to protect consumers and contribute to a safe and healthful food source for all of us. However, consumers are still ultimately responsible to read and understand the label and make choices based on their personal needs.

Weights & Measures

The Weights and Measures Program involves all weights and measures of every kind and any instrument or device used in weighing or measuring application. The purpose of the program is to ensure that equity prevails in the market place and that commodities bought or sold are accurately weighed or measured and properly identified. Unannounced inspections are routinely conducted. Weights and Measures also respond to consumer complaints. These activities are enforced through the Utah Weights & Measures Act and five administrative rules.

In the year 2004, the Utah State Legislature passed House Bill 283 that mandated the payment of fees by businesses in Utah for registration of weighing and measuring devices inspected to ensure equity in the marketplace.

Also, in the year 2004, emphasis was given to consumer protection in the area of price verification, package inspection, liquefied petroleum meters, scale inspections, gasoline pumps and petroleum and water meters.

The Weights & Measures Program operates in the following areas:

General Inspections

Scales are inspected to insure that they are accurate for the services in which they are used, installed properly, and positioned so that customers can see the display.

Weights and Measures inspectors pump fuel into a certified test measure to check for the accuracy of the amount of product delivered by the dispenser. Scanner Inspections may be conducted in any type of store. Scanner pricing errors adversely affect retailers and consumers. Retailers lose profits on undercharges and consumers lose money on overcharges. Price Verification inspections ensure that consumers are charged the advertised price for the items they purchase.

Weights and Measures officials check packaged products to be sure they contain the quantity stated on the label. Inspectors take random samples of packages in stores and count the items in the packages. Officials weigh or measure the contents to see if the labeled quantity is accurate.

Our inspectors checked 6,330 small capacity scales (0 – 999lbs.) and 15,100 gasoline pumps. Every type of item is subject to either a scanning inspection, package checking, or label review. In 2004, there were 110 package check inspections. Package inspections verify the net quantity statement. In 2004, 564 scanner inspections were conducted verifying prices at the checkout stands.

Large Capacity Scales

Large-scale capacities include 1,000 lbs. and up. These devices may include scales used for weighing livestock, coal, gravel, vehicles, etc., within inspections conducted at auction yards, ranches, ports of entry, mine sites, construction sites, gravel pits and railroad yards, etc. A total of 1,080 large capacity scale inspections were conducted in 2004.

Liquefied Petroleum Gas Meters

Our weights and measures LPG inspector provides inspections to all Utah Vendors dispensing LPG either through dispensers or delivery trucks. In 2004, there were 326 propane meters inspected throughout the state. These inspections included checking appropriate installation and calibration of propane dispensers and meters.

Large Capacity Petroleum & Water Meters

Inspections are conducted on airport fuel trucks, fuel delivery trucks, cement batch plant water meters and other large meters. There were 514 inspections conducted in 2004.

Metrology Laboratory

The Metrology Laboratory is operated and maintained by one person. The state maintains standards of mass, length, and volume. In the year 2004, 641 artifacts from industry and 125 artifacts from the Utah Weights and Measures Program were tested for a calibration certificate. These include calibration services in mass, length, and volume, using standards that are traceable to the National Institute of Standards and Technology.

Consumers rely on the services of this facility to certify equipment used for weight, length or volumetric measurement in commercial business.

Motor Fuel Laboratory

The Motor Fuel Laboratory maintains a high standard of testing for motor fuel quality. For the year 2004, 63 complaint cases required investigation and validation of claims. Of the 58 cases, 42 were determined to be valid requiring further investigation. 12 of the cases that were investigated resulted in helping consumers recoup monetary losses of approximately \$8,000. This money was recovered from insurances. The compensation was for repairs performed on vehicles with fuel related damage that had been properly and accurately diagnosed by professional mechanics. After the diagnosis by the professional mechanics, Utah Motor Fuel Testing Laboratory also verified the validity of the claims.

As population and industry growth continues, so does the need to provide weights and measures inspection services.



The purpose of the Weights and Measures Program is to ensure that equity prevails in the market place and that commodities bought or sold are accurately weighed or measured and properly identified.

UTAH DEPARTMENT OF AGRICULTURE AND FOOD ORGANIZATIONAL CHART

