

## MICHIGAN APPLE CANDIDATE QUESTIONNAIRE

Name: Rick Olson Office: State Representative

District: 55<sup>th</sup> Legislative District

1. While the U.S. border is necessarily being tightened up, **do you support the issuance of guest worker permits and development of programs to support workers (some likely not-fully-documented-immigrants) who pick, prune and plant Michigan Apples? Please explain.** These are jobs Americans have repeatedly demonstrated they do not want.

A: We have two needs that conflict somewhat: securing our borders and having sufficient workers to bring in the crops. With an adequate guest worker program, they need not conflict, so I do support a guest worker program where the guest workers are fully documented.

I am not sure what a “not-fully-documented-immigrant” is, so it is hard to answer that part. Either they have documents and are here legally or they are illegally here, it would appear to me.

I would dispute the statement that, “These are jobs Americans have repeatedly demonstrated they do not want.” Under our current set of policies where one does not need to work to have a much higher standard of living than I grew up with, that may be true. Also, where some can get away with hiring illegal immigrants and pay low wages, then it is tough to compete if you don’t also do so. If the laws were enforced across the nation so that everyone was on the same playing field, the wage levels may be a bit higher, but commodity prices would also rise over time. With higher wages, more Americans would be interested in working to survive if they were not being coddled.

2. **Do you support an Arizona-type of immigration law for the state of Michigan? Please explain.**

A: I do believe that we have immigration laws on the books that should be enforced. The federal government is not doing that, and Arizona is attempting to correct that. I have talked with a member of Homeland Security who lived in Dundee who just returned from a 2 month deployment in Arizona, and he says the ones they apprehended attempting to cross the border were overwhelmingly drug related.

Arizona has a huge problem with illegal immigrants, including, but not only, the burden of the social programs the taxpayers must pay for that the illegals are “entitled to”. Michigan has a similar, but somewhat smaller problem. Now, when I get stopped for a traffic violation, I need to show my driver’s license. If in conjunction of being apprehended for another offense people in Arizona are asked to show their papers, is that too much to ask? So, yes, I would support an Arizona-type immigration law for Michigan.

3. Agriculture is presently Michigan’s #1 industry, yet the Michigan Department of Agriculture (MDA) is one of the smallest departments and has seen its GF dollars reduced by 52 percent in the last decade. **Do you support increased dollars to rebuild MDA, which serves as the industry’s food safety and quality inspector, housing inspector, farm rights’ arbiter and provides other governmental infrastructure support? Please explain.**

A: The size of the industry does not have, nor should it have, any relation to the size of governmental department overseeing it. If Agriculture really wants to be hamstrung, make the ag department 10 times bigger and they will find ways to use their time, and it will not help agriculture as they regulate the number of apples that can be picked per hour, or the SPF sunscreen the workers must apply when pruning trees in the winter, etc. So, let’s not make false arguments.

Now, to the meat of the question. The needs of the industry need to be clearly documented (and the ones mentioned appear to be reasonable in general) and then adequately funded. The devil is always in the details, for what one supports in general, may not be defensible in the detailed application. What specifically is NOT being done with the reduction in state spending? Are there alternative ways to achieve the desired results that are more cost effective? I am hugely supportive of agriculture, having spent much of my career in agricultural businesses, but I do not believe government programs are the obvious solution to every problem.

I would love to sit down to discuss details, and I suspect that I will have a better understanding of the issues than most other legislators due to my having worked in the fruit industry, having worked in apple harvest and being an agricultural economist.

**4. Do you believe MDA has a role to ensure safety and consumer confidence in Michigan-produced apples and apple products? Please explain.**

A: Short answer: Yes. Long answer: Government inspection does increase consumer confidence in the safety of a product. It is not the only way, however, as other industries have found ways to do that, for example, obtaining a UL safety rating for an electrical appliance. The issues are more about cost, level playing field and credibility.

- If the government inspection is done at government expense and borne by the taxpayers for the benefit of the apple industry, this is a subsidy for the industry. Obviously, if you benefit, you like it; if you don't benefit and are paying the tab, you wonder why. If government inspection at taxpayer expense is good for the apple industry, why shouldn't the lawn mowing businesses have government inspectors inspecting the quality of lawns mowed, or weed spraying? Or, am I off track, with the apple industry paying for the full costs of inspection?
- If other competing states are subsidizing their apple industry but Michigan is not, then that is a supporting argument for continuing the subsidy.
- Private inspection entities require time to earn the credibility, which is mostly earned by massive public exposure while imposing sanctions against its non-complying members. This is hard to do, when attempting to gain members into its organization, or if against one of its larger, more powerful members.

**5. MDA's fruit and vegetable inspection fees are 2 and 3 times as much as those in Washington State and New York, our key competitors, which makes winning a competitive bid in the domestic, government and international marketplace challenging. Do you support returning state government's contribution to the program and otherwise creatively bringing this cost in line with other states' costs? Please explain.**

A: I do understand the problem of being competitive against other states. But, this sounds eerily similar to the question of whether a parent should allow their 13 year old daughter to go to a wild party with a 22 year old man because "other parents are letting their kids go".

Part of the problem is the cost of government employees due to their level of wages and benefits. If there is a way that the inspection services could be contracted out to private companies operating under clear guidelines, this may be a less expensive way to accomplish the same responsibility. So, I am more supportive of the "creative" mechanism than simply spending more money. We have huge fiscal challenges in this state, and we must re-invent the ways we do things, and not simply fund "the way we have always done it" better.

**6. The Michigan Apple industry has access to only two licensed apple inspectors despite the fact that Michigan is the third-largest apple producing state in the nation. At times, inspections are difficult to get and**

industry pays overtime (to state inspectors and its own workers) because the state is not adequately staffing this fundamental food safety need. **If elected, would you allocate more resources to the Fruit Inspection Program?** Please explain.

A: An activity must be adequately staffed to perform the duties required. And, it makes sense to do so in the most cost-effective manner. If the current level of staffing is costing more money than a higher level of staffing, that would be good reason to add staffing to cut costs. I believe there may be more to this question than cost, however, if the lack of inspections delays shipments, etc, and disrupts marketing. I am open to hearing the details.

**7. Do you support maintaining the Michigan Department of Agriculture as a stand-alone department of state government, with primary responsibility for agricultural environmental issues, resource management, licensure and regulation of food safety and market promotion?** Please explain.

A: Yes. So few people today have any connection with agriculture and so little understanding about the production of our food that much damage can be done unless there is someone or some department with an ag orientation. If combined with other duties, the ag portion will decline over time, to the detriment of one of Michigan's largest, and most stable, industries.

8. Michigan fruit growers (and other nursery and vegetable crop growers) have benefitted from USDA-executed/state-funded "rotational surveys" for the last 35 years, as a way to determine how many trees are being planted, apple varieties in the ground, location by county, and other information used by ingredient companies, among others, to plan purchases and recipe development. This program was eliminated by Executive Order in 2005. **If elected, would you re-fund the program to the level of \$120,000 every five years (previous fruit surveys were every three years)?** Please explain.

A: Yes. Planting orchards is a long-term investment and therefore extremely risky in the absence of good information of what is happening in the industry. Now, information does not prevent bad investment decisions, as the reason others are optimistic and planting new orchards may be the same reasons you want to plant orchards, but at least it is done informed, rather than blindly. Damping over-enthusiasm and brightening the gloom are important to try to create a less boom or bust, under-production than over-production situation in the industry, as commodity prices are so inelastic and therefore overly volatile, usually to the producers' detriment.

Achieving compliance by all producers is difficult without the strong arm of the government, so this does appear to need to be done by a government agency. Another argument why this needs to be done by a government agency is the large number of producers in agriculture, as compared with producers of autos, etc. Funding through voluntary means brings the free rider problem, making it difficult for only some people to voluntarily pay while everyone gets the benefit.

**9. If elected, what do you see yourself championing of behalf of the Michigan Apple industry? If applicable, would you consider asking for assignment to the House or Senate Committee on Agriculture?** Please explain.

A: Yes, I see myself being a champion for all of agriculture, although I intend to do this differently than you propose. The most influential legislators are those with the most credibility in the most controversial committees: e.g., Appropriations, Tax Policy, Health Policy, Transportation and Labor. Those are the committees I most wish to serve on, to best utilize my business, finance and legal background. I intend to use those positions and my credibility to then lobby the other members of the legislature on the ag issues that are most controversial and where the ag industry needs the help. My being a member of the Ag

Committee will neither be necessary nor the best way to use my time and talents for the benefit of agriculture in the state. I have enormous energy, and can deliver.

**10. Please explain why you deserve the vote of the Michigan Apple industry and our allied industries.**

A: My experience in business, finance, law and legislative support makes me uniquely ready to hit the ground running in Lansing in January. With the huge turnover of legislators expected, that will be incredibly important, as we have huge issues to deal with, and we don't have the luxury of electing legislators who need "on the job training". I served as attorney for the Republican Caucus in the House of Representatives in Washington State for three sessions, as well as Executive Director of the Governor's Cabinet Task Force on Water Resources in the '80's, so I know how to be effective in a legislature. My having a Juris Doctor from Stanford Law School in 1978 and having refreshed my legal knowledge by passing the Michigan Bar Exam in 2009 will also help.

I understand agriculture. I graduated from MSU in 1970 in Agricultural Economics and completed my coursework in a Ph.D. program in Agricultural Economics at the University of California, Davis (but did not write the thesis). I worked for Michigan Farm Bureau from 1973-75 and again beginning in 1989, working for MACMA in the Fruit and Vegetable Division, first as a field staff member, then as Price and Market Analyst (including apples), and finally as Secretary/Manager for the Cherry Division. I have served as an agricultural loan officer for 3 years and as President of a corn grower cooperative producing 175,000 market hogs per year, prior to becoming the Vice President for Finance for a swine genetics company.

I have earned the endorsement of the Michigan Farm Bureau AgriPAC Committee, Michigan Chamber of Commerce, Small Business Association of Michigan and the National Federation of Independent Business. I would appreciate your support as well.

Please return the above questionnaire by Friday, September 17, 2010 to: Michigan Apple Association, c/o Julian Vail, LLC, 235 N. Pine Street, Lansing, MI 48933 or email: [larry@julianvail.com](mailto:larry@julianvail.com)