Farmers Benefit, Prison System Saves Money with Michigan-Grown Purchases

Pat DuRussell’s family has been farming in southeast Michigan since his great grandfather emigrated from Switzerland to produce food near Detroit. After sprawling development twice pushed the farm to new locations, the family is still at it with five members of two generations involved in an operation that covers 1,200 acres. In 2009, they received Washtenaw County’s “Conservation Farmer of the Year” award.

Sales to the Michigan Department of Corrections (MDOC) in recent years have been an important factor in the farm’s financial picture. The DuRussells offer potatoes and other vegetables to the MDOC at industry-competitive prices.

Yet selling to the state’s prison system comes with advantages that make a big difference for the farm, such as lower freight costs involved in the local sale and the security of knowing the farm has a home for the carrots, potatoes, collard greens and other products it plants well ahead of harvest. “I’ve got all the carrots in the ground, cabbage in the ground, sweet corn, too, and I have other farmers growing for me so we can supply the prisons consistently; so they don’t run short,” DuRussell said.

MDOC has been purchasing more food from Michigan farmers since Governor Jennifer Granholm in 2006 directed state agencies to “buy Michigan first.” The Newberry Correctional Facility was the first to ramp up purchases of potatoes from a local producer, which led to that farmer shipping potatoes to correctional facilities around the state. Since then, more Michigan farms and products are involved. MDOC has regionalized distribution, as well, so that facilities are buying from farms in closer proximity.

MDOC’s food service program manager Brad Purves recently told the Michigan Commission on Agriculture and Rural Development that, along with other efficiency measures, buying from Michigan farms has reduced the cost of each prisoner lunch and supper from $2.69 to about $2.25. Part of the savings comes from the ability to work with farmers on production planning around prison menus. “That’s a pretty huge chunk of change when you look at feeding 43,000 prisoners a day,” Purves said.

Ben Kudwa, executive director of the Michigan Potato Industry Commission, says that after five years MDOC annual purchasing has more than doubled to nearly 4 million pounds of potatoes. “It’s also spun into cabbages, beets, sweet corn, and other commodities,” Kudwa said. “Is it sizeable? Yes. Are we interested? Yes.”

Need
To be profitable, farms need responsive and accessible markets. Schools, correctional facilities, hospitals and other publicly funded institutions serving food present under-realized
markets that state government could catalyze by setting statewide targets for purchases from Michigan farmers and producers.

These targets should align with the Michigan Good Food Charter goal of sourcing 20 percent of food products from Michigan growers and producers by 2020. To the extent possible, these targets should also give preference to small- and medium-scale farms using sustainable practices (e.g. verified by the Michigan Agriculture Environmental Assurance Program, or MAEAP) to grow products that are healthy for people, land, and water.

Opportunity

Such preferences for small- and medium-scale farms can generate significant economic progress for farms across the state and the surrounding communities. Such preference also has precedent. The 2009 Washington State Legislature, for example, funded the Washington State Department of Agriculture to identify the strengths, weaknesses, opportunities and threats to agriculture and make recommendations back to the legislature that would keep farming in Washington competitive and profitable. One of the recommendations was to revamp the state’s food system to revitalize Washington’s small-farm sector, shift Washington’s large-scale farm sector toward increased service of the domestic market, and reduce any negative environmental, economic and social impacts.

Action

Local and state leaders can move state-funded institutions down the path of sourcing more food from Michigan farms with the following steps:

• Encourage institutions to explore the use of grower agreements to encourage local farmers to produce the types of food they need and to minimize farmers’ risks in transitioning to new markets. They can build on MDOC’s experience developing win-win collaborative contract relationships with farmers.

• Direct institutions to share information about their local purchasing needs and successes, and coordinate purchasing, distribution and the like for more cost saving and regional food system-building potential.

• Learn from other states efforts. Several states, such as Illinois, Wisconsin and Vermont, have passed legislation designed to improve their state economic climate through initiatives for institutional procurement of local food. Each state’s legislative language has provided a benchmark from which to measure change.

• Set aside a portion of the Michigan Department of Agriculture and Rural Development’s annual USDA specialty crop block grant funding to support a market analysis of institutional demand for Michigan specialty crop products. This information could then be used to assess potential capital needs for specialty crop farmers to scale up to meet this demand.

• Assure that farmers at all scales and with all production types have fair access to MAEAP and Natural Resources Conservation Services programs that educate about environmental awareness and provide financial assistance for more sustainable farming practices, which enhance food nutrition, as well as soil and water quality.

1-2-3 Go!

The longstanding “buy Michigan fist” slogan out of Lansing will remain all talk until the state actually sets targets for purchasing Michigan grown, and accounts for the economic benefits of doing so. Talk to your state lawmakers about the need to put real commitment and measurements into food service bids.