



2008 ANNUAL REPORT TO THE GENERAL ASSEMBLY:

Illinois agriculture is more than corn and bean fields, combines and cattle, or sheep roaming in pristine pastures in rural Illinois; it is these things, of course, but it is also the farmers' market in Daley Plaza in Chicago, the VIV Asia food show in Bangkok, the slaughterhouse floor at the Cargill plant in Beardstown. It is the food packers, the fertilizer producers, the grain storage facilities, the beekeepers and the grape growers; in short, agriculture IS Illinois, north and south, east and west, from the rolling pasture and cropland to the neighborhood grocer in Bronzeville.

Illinois' agriculture industry, like the rest of the nation's agriculture industry, is confronted with many challenges. From growing concerns about food security to increased demand for "locally grown" produce and products, to the cost of gas, diesel and other petroleum-based fuels, to a statewide distribution infrastructure that is in desperate need of repairs, the problems are legion and demand attention.

The Illinois Department of Agriculture (IDOA), working with its partners in the agriculture industry--both large and small--has stepped up to confront these challenges throughout 2008. This Annual Report, while required by Illinois law, provides the IDOA an opportunity to walk lawmakers and consumers through the bureaus within the department and discuss the manner in which they have met these challenges.

To that end, I am proud to acknowledge our accomplishments. Yet, I would be remiss in my duty as director if I did not also highlight areas where we need improvement, where we can continue to do better.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Jennings", written in a cursive style.

Thomas Jennings
Director, Illinois Department of Agriculture

IDOA ACCOMPLISHMENTS 2008

Heightened inspections to prevent “Mad Cow”

IDOA increased inspections of animal feed outlets and sampling of animal feed to help prevent livestock and the public from being exposed to Bovine Spongiform Encephalopathy (BSE)—also known as “Mad Cow Disease”. IDOA’s BSE program greatly reduces the chance of a BSE outbreak in Illinois. To date no Illinois farmer has been found to be feeding ruminant protein to cattle and no cattle feed tested has contained ruminant protein.

Modernized anhydrous ammonia tracking system

In 2008, the bureau implemented a computer program for the collection and reporting of data obtained during anhydrous ammonia safety inspections. The information gives the bureau a new tool when it proposes safety regulations related to anhydrous ammonia regulation.

Streamlined Soybean Rust Monitoring

For the fourth year, IDOA has successfully monitored to the progress of Soybean Rust as it finally found its way into Illinois. The bureau was instrumental in putting together the original program in 2004 in cooperation with the Illinois Soybean Association, U of I Extension Service, Southern Illinois University, National Soybean Research Lab, and the Illinois Department of Agriculture. The program consists of 40 sentinel soybean plots throughout Illinois that are monitored for soybean rust during the soybean growing season.

Mycotoxin Surveys

API Bureau conducts mycotoxin surveys each year to make sure grain in Illinois does not contain high levels of mycotoxins that could be harmful to animals that the grain is fed. It was decided this year to include the mycotoxin surveys on the department's website. The bureau conducts a wheat survey that tests for vomitoxin in wheat.

In 2008, the bureau collected and analyzed 306 wheat samples. In the fall, the bureau inspectors collect, and the Chemistry Lab analyzes corn samples collected throughout the state for aflatoxin and fumonisin. In 2008, 383 corn samples were collected and analyzed. Low levels of aflatoxin and moderate levels of fumonisin were found in the corn samples. The results of these surveys are sent to the grain elevators that participated in the survey and to the feed mills in Illinois. It is recommended to the feed mills if high levels of these mycotoxins are found in their area, that grain used as animal feed should be tested for vomitoxin, aflatoxin, and fumonisin.

Expanded Emerald Ash Borer Monitoring

During the year, the IDOA completed a destructive bark peeling survey of northern Illinois by harvesting and processing of survey trees in northeastern Illinois, processing 2,720 ash trees collected from Boone, Bureau, Cook, DeKalb,

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DuPage, Ford, Grundy, Iroquois, Jo Daviess, Kankakee, Kane, Kendall, Lake, LaSalle, Lee, Livingston, McHenry, Ogle, Putnam, Stephenson, Vermillion, Will, and Winnebago Counties as well as a limited number of samples collected along Interstate 80 in Henry and Rock Island Counties.

IDOA also initiated a new nondestructive survey process in early 2008 through the deployment of over 4,000 "purple sticky traps" supplied by the federal government. At the close of the 2008 fiscal year, 3,956 traps had been placed in the state (3,241 by IDOA staff and 715 by USDA staff. Harvest and evaluation of survey results will occur during the first two quarters of fiscal year 2009.

In fiscal year 2008, the IDOA amended the previously established EAB internal state quarantine to include all or parts of 18 counties in northeastern Illinois.

During the second and third quarters of the 2008 fiscal year, the IDOA, with concurrence from the state EAB Management & Science Advisory Panel, conducted an eradication cut at the Peru detection site in LaSalle County.

IDOA staff continued to update the Department's EAB (www.IllinoisEAB.com) website to provide current information regarding all facets of the EAB program in Illinois.

Aerial Pesticide Applicators Licensing

Due to the increase in the aerial application of pesticides during the 2007 growing season, and an accompanying increase in non-resident pesticide applicator/operator license applicants, the Department adjusted the licensing information requirements for aerial applicators in 2008. The results of the adjustment has allowed the Department to better police agrichemical facility containment requirement compliance and provide a timelier response to misuse complaints allegedly involving aerial application of pesticides.

Premises Registration

IDOA has conducted numerous public forums over the last 12 month period to increase public understanding and awareness regarding premises registration. As a result of this effort, 14,120 total premises have been registered since the inception of the program. This is a 62% increase in the number of premises registered in 2007, and accounts for 46.99% of the estimated livestock premises in Illinois.

Inspection System Overhaul

IDOA is in the final stages of a complete overhaul of its inspection system for licensees. The new system will enable electronic transmission of inspection reports from the field into the office. The system has built-in fail text that cites the specific law or rule that pertains to an inspection item. The system allows for the capture of electronic signatures enabling the investigator to print out a completed inspection report while on site for distribution to the licensee.

Expanded Protection Against Animal Disease Outbreak

Annual training of the Illinois Veterinary Emergency Response Team continued to be very popular. Approximately 180 veterinarians attended the most recent training session. This session included training in the Incident Command System, a scenario of a Foot-and-Mouth Disease outbreak, and a facilitated table-top exercise and group discussion. This training helps to equip practicing veterinarians with the knowledge needed to respond in the event of a foreign animal disease outbreak or other animal emergency or natural disaster.

Record State Fair Attendance and Vendor Revenues in 2008

2008 was the most highly-attended fair in the past six years. Attendance totaled 737,052, 123,942 -- or 20 percent -- more visitors than a year ago, when attendance was 613,110.

The attendance of 737,052 was the most since 2002, when an estimated 1.265 million visitors attended the fair. Interestingly, gate and parking receipts in 2002 totaled \$693,510, \$94,336 less than the \$787,846 collected in 2008.

According to the Illinois Department of Revenue, fair vendors collectively reported a 49 percent increase in sales. Sales volume was \$3.75 million or \$1.25 million more than a year ago. Sales taxes collected from the fair totaled \$234,930. Last year, \$157,435 in taxes was collected.

The Governor's Sale of Champions raised \$196,000 in 2008 to further career aspirations of young producers and support the educational programs of 4-H and FFA, two very important agricultural youth organizations. The previous high was \$112,000 in 2007.

Inaugural Illinois Products Farmers' Market in 2008

The inaugural Illinois Products Farmers' Market kicked off in June 2008 on the Illinois State Fairgrounds and runs through the end of October. The night time market has drawn 1,000 of consumers and 30-40 vendors each week. The market has also received significant media exposure and positive feedback for the Illinois Department of Agriculture.

Rockies Express Natural Gas Pipeline Project

IDOA successfully negotiated with Rockies Express Pipeline LLC (REX) on the development of an Agricultural Impact Mitigation Agreement (AIMA) regarding the construction of a proposed 42-inch natural gas pipeline project across eastern Missouri, Illinois, Indiana and Ohio. The AIMA contains the Department's construction standards and policies that REX is following in order to minimize construction impacts on agricultural land and operations. The AIMA also provides that the affected land will be restored to preconstruction conditions to the extent possible.

Regional Tillage Seminars

In February of 2008, the Department conducted Regional Conservation Tillage Seminars throughout the state in cooperation with the 98 local Soil and Water Conservation Districts, University of Illinois Extension and the USDA Natural Resources Conservation Service. These seminars provide practical information that farmers can apply to their operations to not only protect the environment, but to also enhance profitability.

Nutrient Management Plan Training and Certification

In an effort to increase program efficiencies and to save taxpayer dollars, the Department conducted 4 regional Nutrient Management Training sessions and provided follow-up assistance to SWCD employees resulting in 53 Soil and Water Conservation District employees receiving Department certification for preparing Nutrient Management Plans. The Department's Nutrient Management Program provides incentives to eligible land users for implementing plans that help to minimize the transport of nutrients loads to surface and groundwater resources from agricultural practices. Using the services of SWCD employees removes the need to hire outside Technical Service Providers for developing nutrient management plans, thereby saving taxpayer dollars.

Marketing & Promotion

Through the end of the 2nd quarter ending June 30, 2008, the Illinois Department of Agriculture's Bureau of Marketing and Promotion has participated in 14 domestic and international trade shows, hosted 18 foreign buyers' mission and industry tours, facilitated 5,715 buyer-seller introductions and disseminated 782 trade leads to Illinois companies. For small and medium-sized Illinois agribusiness and food processing companies, these have resulted in \$14,940,833 in actual sales and \$53,598,725 projected sales with a ROI of 350:1 through the 2nd quarter 2008. Staff also organized and/or participated in 107 outreach and educational events reaching 22,706 consumers.

Illinois Local and Organic Food and Farm Task Force

The Illinois Food, Farm and Jobs Act of 2007 established the Illinois Local and Organic Food and Farm Task Force. The Task Force was given the duty of developing a plan containing policy and funding recommendations for expanding and supporting a State local and organic food system and for assessing and overcoming obstacles to an increase in locally grown food and local organic food production. Report will be given to IDOA for review this fall. Drafts of the document are currently being completed.

Farmers Market Promotion

"Illinois...Where Fresh Is" Logo Program is used by producers and Farmers Markets to promote Illinois grown products. AgriHappenings listing of Farmers Markets contains over 250 markets located throughout Illinois.

Grants Awarded in 2008:

- AgriFIRST--FY2008 funds totaling \$34,940 were awarded to five projects.
- Grape and Wine--Projects with the Illinois Grape Growers and Vintners Association, the University of Illinois and Southern Illinois University were funded totally \$379,750.
- AgrAbility --AgrAbility related projects with the University of Illinois Extension and the Easter Seals Central Illinois totaled \$190,000.
- Biotech Grant--World Trade Center Illinois in Chicago received a grant to provide workshops and educational events for the biotech community within Illinois.
- IL Farmers Market Advertising Grant Program--Grants for advertising were received by 54 farmers markets located throughout the state. The grants totaled \$210,450.42 and covered projects such as television, print and radio advertisements to increase the visitors to the various farmers markets.

Illinois Products Logo

Since January 2008, 26 Illinois companies have been approved to use the Illinois Products Logo. 504 Illinois companies are approved to use the Illinois Products Logo

Illinois Agriculture in the Classroom (IAITC)

School Year 2007-2008 – The return on investment for the Illinois Department of Agriculture's \$10,000 contribution to the IAITC was monetary income of \$1,251,094 and in-kind contributions of \$226,041 for a total of \$1,845,561 from the local communities plus \$360,500 from the state supporting organizations and agri-businesses for a grand total of \$2,206,061.

These funds directly benefit over 60 IAITC local coalitions representing 67 Illinois counties. Over 13,000 local businesses and people donated to the coalitions. IAITC network conducted over 1,600 hours of educational workshops and 15,807 programs. They reached 384,140 students from 1,826 educational centers.

For the upcoming 2008-2009 school year, the Department granted \$10,000 which has been pooled with \$400,000 from state commodity organization, Illinois Farm Bureau, University of Illinois Extension, Soil and Water Conservation Districts and agri-businesses to provide financial support to over 61 IAITC coalitions.

Protecting Farmers and Taxpayers (Warehouses)

IDOA successfully liquidated the grain assets of three failed Illinois grain dealer and warehouse licensees paying 289 grain claimants (farmers and depositors) \$11,613,414. In doing so, the bureau preserved the financial integrity of Illinois grain producers by compensating claimants for grain they may not have otherwise been paid.

IDOA was successful in regulating and ensuring the financial wherewithal of Illinois licensed grain dealers during a year of extremely volatile grain markets that subjected licensees to extreme financial difficulties. The bureau facilitated the lease and succession of one entity, which purchases over \$87million of grain from Illinois Farmers that may have otherwise failed, causing loss to Illinois grain producers.

New Metrology Lab Puts Illinois on Cutting Edge

The new Metrology Lab at IDOA improves the Department's ability to provide calibration services for our staff, service companies, and private industry. IDOA requires that our reference and field standards be traceable to the National Institute of Standards and Technology (NIST). The laboratory needs NIST recognition in order to calibrate the standards used by our inspection staff as well as registered service companies. The statute also requires that registered service companies have their equipment calibrated in a NIST-recognized laboratory every two years.

Gas Pump Inspections to Protect Consumers

IDOA Bureau of Weights and Measures Inspectors inspected gas pumps during the July 4th, 2008 holiday weekend due to the rising cost of fuel. Five additional inspectors were assigned to assist in the inspection of gas pumps for the summer to increase focus on the gas pump inspection program. An announcement was also made that a rule was filed to give the Bureau the authority to fine stations which operate pumps with the majority of errors in the station's favor.

County Fairs & Horse Racing Testing to Ensure Fair Competition

Drug Testing of race horses at County Fairs. Some 64 horses at 17 county fairs were tested this summer resulting in two positive tests. The drug testing program, which was started last year (70 horses, 17 fairs, 3 positives) brought credibility and integrity back to the county fair harness racing program.

Successful Harness Racing events at the Illinois State Fair and the DuQuoin State Fair

The handle on pari-mutuel wagering was up for both fairs – 21 percent for the ISF and 5 percent for DuQuoin. In addition, we had some of the top horses in the country come to DuQuoin to race in the World Trotting Derby, including the winner of the Hambletonian (Deweycheatumnhowe). Attendance at the World Trot was up 6 percent over 2 years ago.

AGENCY SUMMARY FOR 2008

AGRICULTURAL PRODUCTS INSPECTION (API)

The Bureau of Agricultural Products Inspection (API) works to protect manufacturers, distributors, producers, consumers and the environment through

inspecting, sampling, and analyzing feed, seed and fertilizer products and facilities throughout Illinois. The combination of inspections performed by the bureau ensures that consumers and producers get what they pay for, that the product is safe and unadulterated, and that it is not harmful to the environment.

API has five key functions:

1) Truth-in-labeling. API reviews feed, fertilizer, seed and soil amendment labels for accuracy and truthful labeling. In FY08 3,464 feed labels, 919 fertilizer labels, and 74 soil amendment labels were reviewed.

2) Seed testing. API tests seed samples for purity, germination and weed content. In FY08 1,424 official seed samples were collected by state inspectors. The seed laboratory also analyzes seed samples sent in by customers (service samples). This year the bureau received and analyzed 2,992 service samples. The seed lab also performed a noxious weed survey on 309 wheat samples collected by inspectors.

3) Fertilizer oversight. During FY08 a total of 1,385 fertilizer samples were collected and analyzed to make sure the end user was receiving what they paid for. There were 765 firms licensed and 7,378 products registered in the state.

License and registration fees brought in \$101,700 and inspection tonnage fees brought in more than \$1.2 million. Half of these fees go to general revenue and half to the fertilizer control fund. Out of the fertilizer control fund, the bureau administers the Fertilize Research and Education Council. This council funds fertilizer research projects and education outreach programs. The chemistry lab works with the Illinois Department of Transportation (IDOT) on the annual Illinois Limestone Program. The lab analyzes 187 limestone samples for coarseness and breakdown ability. The results are reported in the Illinois Voluntary Limestone Producer Information booklet and are important to anyone who uses concrete or road rock, who needs to know the coarseness of the rock, and to ag producers who want to know the release rate of the limestone they apply to corn and soybean fields so they can maintain the proper Ph level.

4) Anhydrous ammonia oversight. The bureau's inspectors conducted 814 inspections of anhydrous ammonia facilities and examined 22,527 nurse tanks in FY08. Inspections are carried out as required by the rules and regulations relating to the handling of anhydrous ammonia and low pressure nitrogen solutions, equipment, containers and storage facilities.

Anhydrous ammonia is the most dangerous material handled by farmers and dealers. Inspectors provide an important consumer protection function by verifying that storage tanks, applicators and nurse-tank wagons are in safe operating condition. Inspectors also confirm that tanks have the proper safety relief valves, excess flow valves and break-away couplings on load out platforms. Inspectors also verify the hoses on the applicators are in good condition. The

bureau, in cooperation with the Illinois Fertilizer and Chemical Association, puts on safety training classes for employees of the anhydrous ammonia facilities in the state. This attendant training is required under the 2003 Anhydrous Ammonia Rules and Regulations. In FY08, 824 attended these training sessions, an increase from 2007 when 744 attended. There have been 4,286 people pass the bureau's safety training class and be certified as a competent attendant since 2003.

5) Feed oversight. The bureau collected and analyzed 2,197 feed samples in FY08. These samples are tested for label guarantees to make sure the end user is receiving what they are paying for and to make sure the feed is safe for animal consumption. License fees produced \$31,750, inspection tonnage fees \$705,437, and pet food registration \$561,705. Some of these fees go to the general revenue fund and most go to the feed control fund which the bureau uses to finance its feed program. The bureau performed 272 Good Manufacturing Practice (GMP) and Bovine Spongiform Encephalopathy (BSE) inspections at the state feed mills and rendering facilities. The bureau also performed 13 GMP and 100 BSE inspections at feed mills under contract for the Food and Drug Administration (FDA) in FY08. The bureau also is involved in a cooperative agreement with FDA to perform 200 BSE on-farm inspections and collect and analyze 500 cattle feed samples to make sure cattle are not being fed ruminant protein in Illinois. The bureau is in its fourth year of the cooperative agreement. The FDA feed mill contract in FY08 brought in \$77,381 and the FDA cooperative agreement brings in \$249,528 per year.

API ACCOMPLISHMENTS 2008

BSE Program – The Bureau of API completed 592 BSE inspections at feed mills, farms, retail outlets, renders and protein blenders in the state. The bureau also collected and analyzed 500 cattle feed samples to make sure cattle in Illinois are not being fed ruminant protein. Cattle eating ruminant protein is believed to be how they contract BSE (Mad Cow Disease) The results of these inspections and sample analyses is that no cattle feed was found to contain ruminant protein and no cattle feeder was found to be feeding ruminant protein to his cattle. The BSE program greatly reduces the chance of a BSE outbreak in Illinois. This last year was the third year of the FDA BSE Cooperative Agreement and the bureau is waiting to hear if this agreement will be renewed for two more years. The FDA feed mill contract and BSE agreement bring in to the bureau \$310,866 a year.

The bureau maintains the Illinois Soybean Rust Program. This was the fourth year of the program. The bureau was instrumental in putting together the original program in 2004. The program is a cooperative effort of the Illinois Soybean Association, U of I Extension Service, Southern Illinois University, National Soybean Research Lab, and the Illinois Department of Agriculture. The program consists of 40 sentinel soybean plots throughout Illinois that are monitored for soybean rust during the soybean growing season, 70 U of I Extension Offices that can analyze soybean leaves for soybean rust and then pass information on

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to the U of I Plant Clinic for final verification, and a USDA web site where information is gathered from all participating states and made available to all soybean producers on the website. Soybean rust has been found in Illinois in 2005, 2006, 2007, and 2008 but arrived too late to harm the Illinois soybean crop. The Illinois Soybean Rust Program has done the job it was designed to do and that is to keep the soybean producers informed where soybean rust is and the likelihood of it arriving in Illinois and what steps would be needed to protect the state's soybean crop from this disease.

The bureau performs safety inspections at 814 anhydrous ammonia facilities annually which included the inspection of 1,228 storage containers and 24,100 nurse tanks. In 2008, the bureau implemented a computer program for the collection and reporting of data obtained during these safety inspections. This computer program gives the bureau the capability of accurately tracking the type of safety violations occurring and recording the number of occurrences at the various facilities. This information will aid the bureau in proposing new safety regulations for the safety of surrounding communities. A thank you and a job well done should go to Rick Fortney in Computer Services for developing this new program.

Additional API Duties

Anhydrous Ammonia Security Grant Program

This program was designed to help prevent the theft of anhydrous for use in the "cooking" of methamphetamine. This program is administered by API and was completed in June of 2007. A total of \$1.6 million was appropriated to the program to make grants for this purpose. Eighty-nine companies participated in this program, and \$617,620 was awarded. The grantees obtained 6,019 locking devices for anhydrous ammonia tanks, five companies requested funds for marking agents, nineteen companies installed security cameras, and twenty-four companies increased lighting at their anhydrous ammonia locations. The feedback API has received in the last year is that facilities that took part in this program reported that theft and tampering with their anhydrous ammonia and equipment has completely stopped.

Illinois Soybean Rust Program

Bureau personnel were instrumental in putting together the Illinois Soybean Rust Program. The program is responsible for detecting if rust is in Illinois or appears to be heading to Illinois and reporting it to proper authorities and alerting soybean producers of proper steps that can be used to control this disease and cause as little damage as possible to the soybean crop. Soybean rust has been detected in Illinois in 2005, 2006, 2007, and 2008. Fortunately, each year the rust arrived too late in the growing season to damage the soybean crop.

Mycotoxin Surveys

API Bureau conducts a mycotoxin survey each year to make sure grain in Illinois does not contain high levels of mycotoxins that could be harmful to animals that

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the grain is fed. The bureau conducts a wheat survey that tests for vomitoxin in wheat. In FY08, the bureau collected and analyzed 306 wheat samples. In the fall, the bureau inspectors collect, and the Chemistry Lab analyzes corn samples collected throughout the state for aflatoxin and fumonisin.

In FY08 (fall 2007), 381 samples were collected and analyzed. Low levels of aflatoxin and moderate levels of fumonisin were found in the corn samples. The results of these surveys are sent to the grain elevators that participated in the survey and to the feed mills in Illinois. It is recommended to the feed mills if high levels of these mycotoxins are found in their area, that grain used as animal feed should be tested for vomitoxin, aflatoxin, and fumonisin.

E85 Trucks

In the last 4 years, the Bureau of API replaced eleven out of eleven inspectors' state trucks with E85 trucks. In September of 2008, these trucks used 1083 gallons of E85 fuel out of a total use of 1,330 gallons (81%).

Changes in Legislation

The bureau worked with members of the Illinois Legislature to help write the ammonium nitrate bill that became law on July 1, 2007. This bill requires fertilizer businesses to make a record of who they sell ammonium nitrate to. This law was created because ammonium nitrate was used in the first attack on the World Trade Center and the bombing of the Murrah Federal Building in Oklahoma City. The bureau will be working to implement the Federal Ammonium Nitrate Law this year that is close to being passed by Congress.

Fertilizer Research and Education Council (FREC)

The Fertilizer Research and Education Program was established to provide funds for research and educational projects relating to fertilizer utilization. Since the first approval of projects in 1990, the Department has provided funds in the amount of \$7,546,148 for research and education projects concerning fertilizer. A summary of the information and data for each project has been published yearly in the Illinois Fertilizer Conference Proceedings. At the conclusion of each project, the information obtained will be distributed so that utilization of the research findings may be implemented. The program has provided funding for 96 separate projects.

Bureau of API's legislative changes requested in FY08:

In the Illinois Seed Law, change the cool season grass germination date (sell by date) on package of turf grass from 9 months to 15 months to be in line with the Federal Seed Act and the Association of American Seed Control Officials rules.

This legislative proposal was submitted, but did not make it through the legislative process in FY08. It will be resubmitted this year.

ANIMAL DISEASE LABORATORIES

The Bureau of Animal Disease Laboratory-Centralia and the Bureau of Animal Disease Laboratory Galesburg, via the practicing veterinarian, provide assistance to livestock and/or pet owners experiencing problems relative to animal diseases. They also provide support for various disease control and eradication programs.

Both the Centralia and Galesburg labs are better described as the Illinois Department of Agriculture Animal Health Surveillance – Food and Water Safety Laboratories. In addition to being full service animal diagnostic laboratories accredited by the American Association of Veterinary Laboratory Diagnosticians (AAVLD), the Centralia Laboratory maintains accredited food and water safety departments while the pathology services and the molecular biology departments at Galesburg provide continuous surveillance for disease of zoonotic (transferred from animal-to-human or human-to-animal) importance such as West Nile and avian influenza viruses.

In cooperation with the United States Department of Agriculture, the State-Federal Serology Laboratory is operated in Springfield. The principal activity of this laboratory is the testing of blood and milk for specific disease antibodies. These three laboratories comprise the AAVLD accredited Illinois Department of Agriculture Laboratory System. By statute, the primary purpose of the Diagnostic Laboratories is to monitor the health of both domestic animals and wildlife, and to provide diagnostic and regulatory services to Illinois consumers.

The objective of the laboratories is to be constantly alert for diseases of significance, whether naturally occurring or the result of bioterrorist introduction of a foreign animal disease or poisonous chemicals. The laboratories are the first line of defense against the economic catastrophe that would result from an undetected foreign animal disease such as classical swine fever or foot and mouth disease. They have highly trained and dedicated staff who serve a critical purpose to all residents of Illinois.

CENTRALIA ANIMAL DISEASE LABORATORY

The Illinois Department of Agriculture Animal Disease Laboratories at Centralia (CADL) and Galesburg (GADL) are full service animal disease diagnostic laboratories that also provide many valuable services to all Illinois residents not just the livestock community. In addition to being fully accredited by the American Association of Veterinary Laboratory Diagnosticians (AAVLD), both laboratories are members of the United States Department of Agriculture National Animal Health Laboratory Network providing routine surveillance for zoonotic diseases, endemic diseases of extreme economic importance and the introduction of foreign animal diseases. Both are contract laboratories of the USDA National Veterinary Service Laboratory to perform tests on sheep, goat, deer and elk tissues for scrapie and chronic wasting disease, respectively and to collect samples from appropriate bovine submissions for analysis for bovine

spongiform encephalopathy (Mad Cow Disease) at the NVSL in Ames Iowa. The CADL has accredited food and water safety departments while the pathology service and molecular biology departments of the GADL are accredited by the USDA to provide continuing surveillance for diseases of zoonotic importance such as West Nile and Avian Influenza viruses and classical swine fever (hog cholera) a non zoonotic, economically devastating, foreign animal disease affecting swine.

The CADL provides bacteriological and toxicological food safety testing for the Illinois Department of Agriculture Meat and Poultry Inspection Service. We routinely receive samples from the state meat inspectors and slaughter and processing facilities to monitor for bacteriological and or chemical contamination. The food safety department is accredited by the United States Department of Agriculture Food Safety Inspection Service (USDA/FSIS) to perform these analyses. The CADL is a member of the Food Emergency Response Network (FERN), linking us directly to FSIS via the eLEXNET allowing for continual monitoring of the safety of our nation's food supply by the USDA.

Our water potability department is accredited by the Illinois Department of Public Health to analyze samples from private and municipal drinking water supplies for harmful bacteria.

To maintain accreditation to perform these tests, the laboratory is subject to periodic inspections and proficiency testing by each governing agency.

We are unique in that our toxicology department provides diagnostic services for the Galesburg Animal Disease Laboratory, University of Illinois Veterinary Diagnostic Laboratory and to a limited extent the Wisconsin Animal Disease Laboratory in addition to serving our laboratory. The CADL's toxicology department is one of only two laboratories in the United States accredited by the USDA Food Safety Inspection Service (FSIS) to perform arsenic analysis on food samples. We regularly analyze chicken liver and muscle tissue for arsenic to comply with Russian importation regulations. Also, we are FSIS accredited to analyze food samples for chlorinated hydrocarbons and polychlorinated biphenyls. Our toxicology department participates in quarterly inter-laboratory proficiency tests to detect aflatoxins in feed and milk samples and monthly blood lead check samples.

The CADL and GADL, along with the serology laboratory in Springfield, comprise the American Association of Veterinary Laboratory Diagnosticians (AAVLD) accredited IDOA Laboratory System. The CADL and GADL and the University of Illinois Animal Diagnostic Laboratory in Urbana are the only laboratories that provide complete diagnostic services for animals or animal tissues in the state of Illinois.

The CADL and GADL also complement the Illinois Department of Public Health

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Rabies Laboratories by providing direct diagnostic fluorescent antibody (DFA) rabies testing of animals regardless of human exposure.

By statute, *the primary purpose of the IDOA Diagnostic Laboratories is to monitor the health of both domestic animals and wildlife and provide diagnostic and regulatory services to Illinois consumers.* Our mission is to be constantly alert for diseases of significance, whether naturally occurring or the result of bioterrorist introduction of a foreign animal disease or poisonous chemical. To accomplish this we have a highly trained but dwindling staff of veterinarians, microbiologists and chemists along with dedicated technical and clerical support.

In addition to testing animal samples to confirm disease, the CADL performs thousands of regulatory tests each year to fulfill intrastate, interstate and international export requirements for domestic livestock. The CADL is the only laboratory in Illinois that performs many of the tests required for livestock export.

The physical plants and equipment of the IDOA laboratories have unique features. To prevent introducing infectious or noxious agents into the environment, we have numerous biosafety cabinets, fume hoods and an elaborate alkaline hydrolysis system used for carcass and tissue disposal that captures the wastewater from necropsy and utilizes it in the alkaline digestion process. This assures the discharged wastewater is safe and also conserves water usage within the laboratory.

The necropsy room's sinks and drains connect to wastewater tanks in the basement which feed the wastewater to the alkaline tissue digester (WR² Agri Lyzer)

The CADL's toxicology department's instrument room contains numerous highly sensitive instruments requiring dedicated electrical service and strict temperature control to ensure precise and accurate results. These same parameters apply for the virology department and tissue culture laboratory.

The laboratories have electrified overhead rail systems for transportation of large animal carcasses and refrigerated coolers for short-term storage.

The CADL is a member of the USDA's National Animal Health Laboratory Network (NAHLN) providing surveillance for scrapie in sheep and goats and chronic wasting disease in deer and elk. The CADL is now processing 50 to 100 sheep brain samples per week submitted by the USDA for scrapie analysis. These samples are collected at two slaughter plants near Chicago. We receive \$25 per sample from the USDA to perform this service. This money goes into the Laboratory Revolving Fund which is designated for return to the laboratory to be used for equipment purchases and maintenance. Unfortunately, the State's dire financial situation has forced us to use this fund entirely for commodities and salaries with nothing left for new equipment purchases. Sample submissions for

the Bovine Spongiform Encephalopathy (BSE) surveillance program has declined to 1-2 animals per month due to USDA's drastic scale-back of the national surveillance program. (18 for FY08 vs 40 in FY07)

The CADL has had a net loss of nine employees since 2002. Our laboratory is not only short in professional staff but also without any support personnel in our pathology, microbiology and toxicology departments.

FY 08 sample submissions to the CADL increased to 85,509, which was 10% more than received in FY 07. Although submissions increased, the total number of tests performed on these samples was 195,299, down 12% from FY 07.

The CADL Bacteriology Department received 8621 samples totaling 58,027 tests in FY 08 yielding decreases from FY07 of 9% and 37%. During FY08, the full brunt of the drastic decrease in federal funding for bovine Johne's disease surveillance was realized. Samples for Johne's testing decreased from 3463 samples in FY07 to 327 in FY08 with corresponding tests falling to 3367 (08) from 41,859 (07). These decreases alone nearly accounted the total decline in CADL tests done in FY08 and declines in the bacteriology department mentioned above.

Food safety submissions continue to increase with FY 08 numbers up 13% over FY 07 levels. Total food safety tests increased to 30,126, up 13% over FY 07.

Seven-hundred and six necropsies were performed at the CADL during FY 08 which is 7% above FY 07 levels. This is an important metric in that it indicates that our primary purpose of disease surveillance is being maintained. The following table lists the number of necropsies done annually for the last twelve years.

| Fiscal Year | Complete Necropsies | Fiscal Year | Complete Necropsies |
|-------------|---------------------|-------------|---------------------|
| 1996 | 663 | 2002 | 662 |
| 1997 | 655 | 2003 | 597 |
| 1998 | 712 | 2004 | 635 |
| 1999 | 678 | 2005 | 642 |
| 2000 | 640 | 2006 | 745 |
| 2001 | 663 | 2007 | 662 |

Maintaining a steady necropsy caseload is crucial to the CADL's mission of disease surveillance. Should a foreign animal disease, zoonotic disease or an animal disease with major economic consequences occur in Illinois, early detection is critical in containing and eradicating the disease, therefore, limiting the emotional and economic impact to the citizens of Illinois. Policies and procedures that encourage submission of animals and animal tissues to the

IDOA Animal Diagnostic Laboratories for diagnostic workups are essential to this mission.

Histopathology submissions and tests performed in FY 08 were steady at 102% and 101% of FY 07 levels. Immunohistochemistry (IHC) tests are processed in the histopathology department, also. Immunohistochemistry accessions decreased from FY 07 levels with sample and test numbers 67% and 81% of FY 07 levels, respectively.

A positive IHC test for Chronic Wasting Disease (red staining indicates the presence of the CWD prion) in brain tissue from a northern Illinois white tail deer.

Routine diagnostic virology submissions and total tests performed in FY 08 increased to 137% and 123% of FY-07 numbers. Bovine Virus Diarrhea ELISA tests to detect persistently infected animals increased from 291 samples in FY07 to 1,099 in FY08.

Serology samples increased by 30% in FY 08. A significant component of increase in the serology numbers was blood samples received from pigs destined for export to foreign countries. See press release below. Regulatory testing to meet intrastate, interstate and international export requirements for livestock is another primary mission of the IDOA Animal Diagnostic Laboratories. The CADL performs tests for several different diseases on blood and other tissues to meet the import requirements of foreign countries and facilitate sales.

Toxicology submissions and total tests during FY 08 totaled 1940 and 7588, respectively which represent increases of 20% and 23 % over FY 07 numbers. Our toxicology department was actively involved in the initial analysis of pet foods to identify the chemical contaminants responsible for the occurrence of kidney failure in cats and dogs throughout the United States and Canada. Once melamine and cyanuric acid were confirmed as the causative agents, we participated in proficiency tests to demonstrate our ability to detect these chemicals in feed. We extended the testing for these agents to include fresh and fixed animal tissues.

The Food Emergency Response Network (FERN), of which we are a member, is currently activated because of the detection of melamine in imported Chinese candies and dairy products. As a FERN member, we may receive samples of imported Chinese products collected by FDA inspectors for melamine and cyanuric acid analysis, should the current crisis escalate to additional foods.

Although the on site CADL staff held steady at eighteen for FY 08, the resignation of our shared quality manager left another big hole to fill placing additional work on our clerical staff. They admirably rose to the challenge to maintain the necessary paper work to document the CADL's commitment to a Quality Management System.

Through sheer determination, the CADL was able to maintain the status quo throughout FY 08. When Illinois' state revenues return to the positive side of the ledger, the laboratories must regain full staffing and funding in order to add new diagnostic technologies and procedures to keep pace with industry and provide state of the art animal diagnostic services, regulatory testing for interstate and international livestock shipments and continual surveillance for foreign animal diseases.

The IDOA laboratories are the first line of defense against the economic catastrophe that would result from an undetected foreign animal disease such as classical swine fever, highly pathologic avian influenza or foot and mouth disease. The Illinois Department of Agriculture Animal Disease Laboratories have highly trained and dedicated staffs that serve a critical purpose to all residents of Illinois.

The Virology Department – FY-08

There are two full-time Microbiologists in the Virology Department, Nancy Lukasik and Tom Hutchings, and one Laboratory Associate, Beth Pokojski.

New tests implemented:

CAEV cELISA—due to an increase in goat submissions for CAE testing the CAEV cELISA test was implemented to provide a more sensitive test for CAE antibody detection. The VMRD cELISA kit is USDA approved and can be used for both diagnostic and export testing.

Increased testing

Porcine exports to China in December 07 and April 08 included 1,800 plus samples from Illinois producers and smaller submissions from Missouri, Ohio and Minnesota. Virology testing included PRV VN, TGE VN and TGE Elisa on positive TGE VN samples.

There was an increased number of submissions for the Antigen Capture Elisa test for BVD including both fresh ear notches and sera. Part of this is due to asking submitters to request the Antigen Capture Elisa test instead of the BVD IHC test due to possible sensitivity problems with the IHC test. Investigation of this problem is on going.

Proficiency tests

Rabies quarterly proficiency test. Wisconsin State Laboratory of Hygiene (WSLH):

100% score for 3 events, with 100% consensus between 5 lab microbiologists.

BLV annual –NVSL: Satisfactory, score of 100 %

BT annual—NVSL: Satisfactory, score of 100%

EIA annual—NVSL: Satisfactory, score of 100%

PRV VN annual- NVSL: Satisfactory, score of 19.67 points out of a

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possible 20.

PRRS Elisa annual – NVSL: Satisfactory, score 100%

Pseudorabies Latex Agglutination/gB, Pseudorabies Neutralization, Pseudorabies g1 Differential Check Tests – USDA/NVSL – All passed with satisfactory results.

The Histopathology Department – FY-08

Don Barksdale, our histo-technician, is classified as a Laboratory Associate I. Monty Banerjee, DVM, MS, Ph.D., Veterinary Pathologist, supervises this department.

Don processed and Dr. Banerjee read 27,181 histological tests in FY-08 including the Immunohisto-chemistries (IHC's).

Immunohistochemistry

Training:

December 11-12, 2007 - NVSL training in Ames, Iowa, on new UltraVIEW IHC protocol for TSE with overview of Benchmark XT staining protocol. Our staining of TSE slides using the Benchmark XT had better staining than NVSL staining using their Benchmark XT stainer. Comparison with NexES staining still resulted in weaker staining using the Benchmark XT. TSE samples included in the USDA surveillance program must be stained using the NexES stainer. IDNR deer surveillance samples may be stained with either stainer as determined by IDNR criteria.

New proficiency test:

IHC BVD testing, NVSL supplied the slides to be stained and returned for evaluation by a team consisting of NVSL and AAVLD personnel. Results of the proficiency indicate a need for further validation of our procedure. We use the Benchmark XT stainer and the same protocol as NVSL but had less sensitivity than them. This problem needs to be addressed before staining and reporting non-diagnostic BVD IHC results. With an increased workload in Virology the time needed to complete investigation of the problem is restricted.

Inquirers about BVD PI testing are being directed to submit fresh ear notch or serum and to request the BVD Antigen Capture Elisa test.

IHC testing on ear notches was initiated in FY-08 resulting in 1,490 samples being tested.

Proficiency testing:

Scrapie proficiency testing was performed preceding a laboratory inspection and resulted in successful completion and approval to continue TSE testing for the USDA surveillance program.

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QA/QC exercises included IHC testing for Lepto in liver for Michigan State University

Reproducibility study:

Participated in a reproducibility study with TSE testing utilizing the Benchmark XT stainer and NVSL protocols. Results indicated sensitivity problems with our Benchmark XT stainer. Ventana is in the process of investigating the problem. Until this problem is resolved all staining for the Scrapie surveillance program must be done with the NexES stainer. The Benchmark XT will be used for diagnostic cases.

The Toxicology Department

The toxicology department has two full-time chemists on staff. Cathy Kohnen, a Chemist II, James Stedelin, a Chemist III. This department is still without any support personnel.

Proficiencies and QA/QC's done by the toxicology department include:

USDA/FSIS – Arsenic in liver, Chlorinated Hydrocarbons;
Wisconsin State Lab of Hygiene – Monthly Blood Lead testing;
AOCS Technical Services – Mycotoxin, Aflatoxin – in milk and corn meal
USDA/FSIS – Food Chemistry: Moisture, Protein, Fat & Salt in Meat;
USDA/FSIS – Mycotoxin, alpha-amanitin, Elisa in milk for the Food Emergency Response Network (FERN) / LRN (Lab Response network) chemistry PT Program. (*a-Amanitin* is the major toxin of the poisonous mushrooms *Amanita phalloides* (death cap), *A. verna* (destroying angel), *A. virosa*, *A. ocreata*, and other *Amanita* species.

FERN (Food Emergency Response Network – Cyanide in milk
Mississippi State University – Aflatoxin in Corn Meal;
Louisiana Dept of Agriculture & Forestry – Aflatoxin in Ground Corn;
Tennessee Dept of Agriculture – Aflatoxin in Ground Corn (Share Program);
USDA/FSIS, Washington, DC – QA review for Chlorinated Hydrocarbons & Arsenic.
Georgia Dept of Agriculture – Aflatoxin in Corn – Share Program
North Carolina Dept of Agriculture – Aflatoxin Share Program
Commonwealth of Virginia – Aflatoxin Check Sample
FERN – food emergency Response Network: GC/MS for Permethrin in lettuce.
Michigan State University – toxic Element Screen on Liver
Iowa Dept of Agriculture – Aflatoxin Share Program
South Carolina Dept of Agriculture – Aflatoxin in Ground Corn
State of Alabama Food & Drug Lab – Aflatoxin Check Sample – Corn Mal

The Toxicology lab participated in a project with Midwest Laboratories, Omaha, Nebraska to test pet food and ingredients for melamine and related compounds as part of a surveillance and QA/QC.

December 12, 2007 - A one-day seminar in St. Louis, Mo, sponsored by Waters

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Corp that included software tools/techniques that facilitate decision making and increase lab productivity; use of mass spectrometry, method development; reducing time/cost of method validation. Since his travel request was denied, Jim attended this seminar on his own time and at his own expense.

July 28-31, 2008 - The Food Emergency Response Network (FERN) meeting in Denver, Colorado.

The Bacteriology & Food Safety Department – FY-08

The bacteriology staff perform routine bacteriology, serology and clinical pathology tests, as well as maintain the food safety and water testing departments. The microbiologists are cross-trained to assist/relieve each other as well as one microbiologist assists in the virology department when needed.

Samples submitted for food safety and compliance in FY-08 declined slightly overall; however, samples submitted for Food Safety increased about 13%. A total of 11,415 samples were received with 88,368 tests completed in FY-08.

The following certifications were maintained and participation in QA/QC exercises are included below:

- Johne's Elisa (Serum) – USDA/APHIS
- Johne's Bacteriology (Fecal Culture) – USDA/APHIS
- Brucella Serology – BAPA, Standard Tube, Standard Plate, Rivanol and the Card test – USDA/APHIS
- Salmonella sps., Listeria sps., Listeria monocytogenes, E. coli sps., E. coli #0157:H7 – American Proficiency Institute, Traverse City, Michigan
- Total Coliform, Fecal Coliform and Enterococcus – Illinois Dept of Public Health
- Anaplasmosis Elisa (Serum) – USDA/APHIS
- NSI Solutions Inc., Raleigh, NC – Coliform, Std Plate Count, WS Microbiology and E. coli Quantitray (Quantitative Sampling)
- Don Levi Laboratories – E. coli 0157:H7
- Illinois EPA Lab, Champaign – Water sample for annual metals test.

TOURS

| | |
|----------|---|
| 10/26/07 | Students & teachers from Belleville's Calvary Baptist Academy |
| 12/3/07 | Kaskaskia College Chemistry Class |
| 12/6/07 | Microbiology Class from Kaskaskia College |
| 12/7/08 | Val Beasley & Duncan Ferguson, Univ of Illinois, Urbana |
| 1/24/08 | Eighteen High School Students from Marion, Illinois |
| 2/29/08 | Fifty AG/FFA students from Wesclin High School, New Baden |
| 4/18/08 | Forty Anatomy students from Vandalia High School |
| 5/6/08 | Two groups of Bacteriology students from Kaskaskia college |

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5/9/08 A group of thirty-three Salem High School students & teacher
 6/16/08 23 teachers visited the lab through the SIU-Carbondale Summer
 Agriculture Institute program

Centralia Animal Disease Laboratory
 Quarterly Performance Measures – FY-08

| Areas | July-Sept. 2007 | Oct – Dec. 2007 | Jan-Mar 2008 | April-June 2008 | FY-08 TOTAL |
|--|----------------------------|--------------------------------|-------------------------|----------------------------|------------------------|
| <i>Necropsy</i> | 157 | 172 | 208 | 174 | 711 |
| Serology | 9,248 | 9,519 | 8,437 | 24,551 | 51,755 |
| Other Tests | 37,718 | 33,613 | 35,145 | 42,170 | 148,646 |
| Rabies (samples) | 179 | 95 | 91 | 163 | 528 |
| TOTAL TESTS | 47,302 | 43,399 | 43,881 | 67,058 | 201,640 |
| | | | | | |
| <i>Meat Samples (Non- Residue) Tested</i> | 35 | 12 | 38 | 22 | 107 |
| HACCP Samples Tested | 111 | 55 | 60 | 78 | 304 |
| Other Meat Samples Tested | 576 | 253 | 245 | 409 | 1,483 |
| | | | | | |
| Number of Employees | 18.5 | 18 | 18 | 18 | 18 |
| | | | | | |
| Tests/ Employee | 2,557 | 2,411 | 2,438 | 3,725 | 11,202 |
| | | | | | |
| Budget | | | | | |
| | | | | | |
| Cost/Test | | | | | |

Animal Disease Laboratory- Galesburg

The mission of the Galesburg Animal Disease Laboratory (GADL, Laboratory) is to support the surveillance activities of the IDOA for the detection of foreign and regulated domestic diseases; support Illinois agriculture by providing diagnostic tools to assist veterinarians and animal owners provide appropriate, timely, and cost-effective therapy; assist in the maintenance of a wholesome food supply; and assist the IDPH by providing laboratory support in the surveillance for zoonotic (animal diseases that can affect human beings) diseases in domestic and wild species.

The GADL provides services to various state agencies [Illinois Department of Natural Resources (IDNR), Illinois Department of Public Health (IDPH), Illinois Natural History Survey (INHS)], federal agencies [National Veterinary Services Laboratory (NVSL), National Animal Health Laboratory Network (NAHLN), USDA APHIS Veterinary Services], practicing veterinarians, and livestock owners. Virtually all citizens throughout the state benefit from the activities of the Laboratory. The Laboratory performs both regulatory (monitoring of diseases specified by law such as pseudorabies, brucellosis, foreign animal diseases, etc.) and general diagnostic work for all of these entities.

Foreign animal disease diagnosis and surveillance is also an important activity of the Laboratory. The Laboratory has two trained foreign animal disease diagnosticians and now has the ability to test for a number of foreign animal diseases, including avian influenza (matrix protein, hemagglutinins 5 and 7), classical swine fever (hog cholera), foot and mouth disease, and avian Newcastle disease by real-time polymerase chain reaction (RT-PCR) testing. Real-time PCR testing for bovine virus diarrhea (types 1 and 2) and bovine paratuberculosis (Johne's disease) are also now available.

The Laboratory has a 640 square foot biosafety laboratory designated as a BL3 laboratory allowing the laboratory to handle disease causing agents that are considered a greater threat to humans or livestock that can be handled in a normal laboratory setting. This laboratory has numerous safeguards in effect that protect laboratory personnel and the environment from contamination by these agents.

Through its association with the NAHLN, the Laboratory has been provided equipment for high-throughput PCR testing for a number of foreign animal diseases. The Laboratory is the primary state laboratory providing serologic tests for economically significant swine diseases [pseudorabies, porcine reproductive and respiratory syndrome (PRRS), and brucellosis] and for leptospirosis in all species.

The Laboratory performs the majority of testing for chronic wasting disease (CWD) in hunter-killed deer for the state and cooperates with the IDNR in providing this information to the general public via a web site. The Laboratory

also performs a significant amount of the testing of dead birds for West Nile virus and, in cooperation with the IDPH, provides this information to the public. The Laboratory also tested 700 wild and domestic animals for rabies and reported the findings to the IDPH and to those potentially exposed to the disease. In cooperation with the USDA veterinary services, the lab tests serum for pseudorabies from virtually all the sows and boars slaughtered in the state for disease surveillance.

The Laboratory can be contacted at 2100 South Lake Storey Road in Galesburg, IL (309-344-2451, FAX 344-7358).

No legislative initiatives, capital improvements.

ANIMAL HEALTH AND WELFARE

ANIMAL HEALTH

Animal Health programs are designed to control or eradicate the following diseases:

- swine and bovine brucellosis
- bovine tuberculosis
- pseudorabies in swine
- cattle scabies
- equine infectious anemia
- equine viral encephalitides
- pullorum-typhoid - poultry
- *Mycoplasma gallisepticum* - poultry
- *Mycoplasma synoviae* – poultry

A number of other animal diseases are also included when disease occurrence warrants regulatory action. Five licensing and/or registration Acts relating to animal health are administered by personnel in the Bureau.

BOVINE BRUCELOSIS

There were no new brucellosis infected herds disclosed during the year and Illinois maintained its Brucellosis Free status. Under the joint State-Federal Brucellosis Eradication Program, funding is available to pay indemnity for brucellosis infected cattle. There were no indemnity claims paid during the year.

BRUCELOSIS MILK SURVEILLANCE TEST (BMST)

This test is conducted on samples of milk collected at dairy plants throughout the state. Samples are collected three times per year as one of the requirements for maintaining a Brucellosis Class Free state status. A total of 2,803 samples were collected during the year.

CERTIFIED BRUCELOSIS-FREE CATTLE AND GOAT HERDS

A voluntary Brucellosis certification program is available for producers to certify

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that their herds are free of Bovine Brucellosis through regular herd testing. As of June 30, the following herds were certified.

| Species | Number of Herds | Number of Animals |
|----------------|------------------------|--------------------------|
| Cattle | 12 | 1263 |
| Goats | 1 | 20 |

LICENSING

The Bureau is responsible for licensing livestock dealers, feeder swine dealers, slaughter livestock buyers and brokers, and livestock auction markets. There were 19 new licenses issued, no suspensions, and 9 claims filed in FY08.

| License Type | Livestock | Feeder Swine | Slaughter | Auction Mkt. |
|-----------------------|------------------|---------------------|------------------|---------------------|
| Market | | | | 25 |
| Dealer | 157 | 37 | | |
| Buyer/Broker | | | 202 | |
| Branch | 49 | 19 | | |
| Mgr/Agent/Etc. | 401 | 116 | | |

TUBERCULOSIS

Illinois maintained its Bovine Tuberculosis Accredited Free State status throughout the year. There was one goat herd with a total of 20 head accredited as tuberculosis-free in FY08.

JOHNE'S DISEASE

A Voluntary Paratuberculosis (Johne's disease) Certification Program is offered to owners of cattle, bison, buffalo, sheep, goats, llamas and members of the cervid family giving them the opportunity to test and certify their herds or flocks based on the probability of the herd or flock being free of Johne's disease. For cattle, the program consists of annual tests alternating between a serum test and a fecal culture test of the entire herd annually. For all other species, an annual complete herd negative fecal culture is required. A Risk Management Program for infected cattle, bison, cervid and goat herds is available. The program enables producers to determine the incidence rate of Johne's disease in their herds, and use the herd level as a marketing tool. Enrollment in the program also removes movement restrictions on herds with culture positive animals. The table below indicates the number of herds that participated in the Johne's Disease Program in FY08.

| Herd Type | Herds Vaccinated | Certified Herds | Risk Management Herds | Restricted Herds |
|------------------|-------------------------|------------------------|------------------------------|-------------------------|
| Cattle | 7 | 11 | 32 | 117 |
| Goat | | 2 | 2 | 9 |

| | | | | |
|----------|--|---|---|---|
| Cervidae | | 3 | 3 | 3 |
|----------|--|---|---|---|

CATTLE AND SWINE DISEASE RESEARCH

Funds for cattle and swine disease research projects at the College of Veterinary Medicine, University of Illinois, were again a part of the Department's budget. Cattle disease research received \$16,800, and \$35,400 was allocated for swine disease research.

PSEUDORABIES

Illinois retained its Pseudorabies Stage V-Free status. One hundred fifty-eight herds are participating in the Pseudorabies Qualification Program. Testing of breeding animals at slaughter continued. Samples were collected from identified sows and boars slaughtered at state inspected slaughtering facilities and at the Bob Evans plants at Galva, Johnsonville, Momence, and at Pork King, Marengo. Reports on positive animals were also received from slaughter plants outside of Illinois. There were four positive samples out of 82,429 samples reported. Testing was done in two of the trace back herds with no positive animals disclosed. One herd did not require testing and one animal was traced to an out-of-state herd. Tracing of negative slaughter samples was performed during the year to show that the entire state is being sampled through slaughter surveillance. A total of 31,457 negative samples were traced, primarily from the Illinois slaughter facilities. These samples traced back to 93 out of 102 counties in the state. Statewide, there were no cases of pseudorabies confirmed by laboratory diagnosis in FY08.

SWINE BRUCELLOSIS

Illinois continued as a validated brucellosis-free state. There were 158 validated Brucellosis free swine herds as of June 30. Identification of slaughter swine continued and 202,271 tags were applied to 177,000 sows, 8,036 boars and 17,235 swine of unknown sex.

REPORTABLE DISEASES

As required under the Illinois Diseased Animals Act and regulations, all suspected cases of listed reportable diseases shall be reported to the Bureau. No confirmed cases of the following reportable diseases were received during FY08: avian influenza; anthrax; cattle scabies; Mycoplasma gallisepticum; and Mycoplasma synoviae (turkeys). The Bureau of Animal Health and Welfare continues to participate in the National Animal Health Reporting System, (NAHRS), in which the incidence of many diseases is being tracked nationwide.

WEST NILE VIRUS

The year was quiet insofar as equine West Nile Virus cases were concerned. Only one equine case of West Nile virus was reported in Madison County on August 5. The lower incidence of disease may have been attributable to better vector control and sound vaccination practices.

CHRONIC WASTING DISEASE (CWD)

Two chronic wasting disease (CWD) herd monitoring programs are available for deer and elk herds; the certified and the contained monitored herd programs. Herds are required to submit an annual herd inventory to the Department, submit for CWD examination the brains of any animals that die or are slaughtered, and either uniquely identify each animal in certified herds, or uniquely identify each animal entering or leaving contained monitored herds. Chronic wasting disease is a fatal, neurological disease found in deer and elk. The disease attacks the brains of infected animals, causing them to become emaciated, display abnormal behavior, lose coordination and eventually die. CWD continued to be diagnosed in wild deer in Illinois. A total of 38 native whitetail deer in Boone, De Kalb, Stephenson, and Winnebago counties had been diagnosed with CWD during the fiscal year.

LIVE ANIMAL EXPORTS

During FY08, 4,134,605 animals were approved for export out of state. The table below shows a breakdown of those exports by species.

| Species | Number of Animals | Shipments |
|----------------------|--------------------------|------------------|
| Cattle | 61086 | |
| Bison | 112 | |
| Equine | 10071 | |
| Swine | 4041765 | |
| Goats | 1957 | |
| Sheep | 4331 | |
| Cervidae | 372 | |
| Poultry | 247 | |
| Dogs and Cats | 5545 | |
| Misc. | 9119 | |
| Total | 4134605 | 21344 |

AVIAN INFLUENZA

Funding assistance from the United States Department of Agriculture was made available to increase the surveillance for avian influenza (AI). The goal of the project was to help ensure that eggs and poultry that are raised for the dressed-bird market, sold in retail markets or restaurants are free of avian influenza. Importance was placed on maintaining consumer confidence in Illinois poultry and poultry products. To enhance the ability to detect high pathogenic avian influenza (HPAI) in the U.S., the voluntary program enabled the Department to pay for necropsies (autopsies) of poultry and appropriate testing for surveillance of Avian Influenza. Flock owners could submit up to 10 birds per flock every 6 months for necropsy, with no charge if the birds were submitted to the Animal

Disease Laboratory in Centralia or Galesburg or the University of Illinois, College of Veterinary Medicine's Diagnostic Laboratory. In addition, the agreement also included blood sampling for AI. The flock owner was reimbursed for the trip charge for a licensed veterinarian to travel to the farm. In addition, \$3 was paid per bird tested, with the blood sample submitted for testing at the Animal Disease Laboratory in Galesburg. The flock owner could submit up to 30 blood samples per flock every six months. The Department was able to provide reimbursement funding for these and other Low Pathogenic Avian Influenza (LPAI) and High Pathogenic Avian Influenza (HPAI) surveillance activities within the poultry industry throughout Illinois through a series of Cooperative Agreements with USDA/APHIS/VS. A total of 693 birds were tested for avian influenza.

NATIONAL ANIMAL IDENTIFICATION SYSTEM (NAIS)

The Bureau continued to enroll livestock premises and related industries in the voluntary National Animal Identification System (NAIS). The goal of the NAIS is to have the capability to identify and trace all animals and premises that have had direct contact with a foreign animal disease or a domestic disease of concern within 48 hours after discovery. Identifying premises that allow commingling of animals (production points) is the foundation of the NAIS and must be established before animals can be tracked. As of June 30, 2008, 12,792 accounts had been established in Illinois, and 13,758 individual premises had been registered. This accounts for approximately 46% of the livestock premises in Illinois.

SCRAPIE

There were 41 flocks enrolled in the Voluntary Scrapie Certification Program at the end of FY08. There were no source flocks and one infected flock located in the state. Illinois is a "consistent state" under the Scrapie Uniform Methods and Rules.

VETERINARY ACCREDITATION

During the year, 125 veterinarians received their accreditation under the cooperative veterinary accreditation program of the United States Department of Agriculture and the Illinois Departments of Agriculture.

IDOA EMERGENCY PROGRAMS ACTIVITY FOR FY2008

IDOA continued to work on emergency preparedness and response issues during the year, which included avian influenza exercises, assisting with county planning, regional emergency animal disease training, taking part in IEMA exercises, as well as actual disaster response as a result of severe flooding in the Midwest. This year's annual Illinois Veterinary Emergency Response Team (IVERT) conference featured an exercise involving a simulated foot and mouth disease outbreak. IDOA remained an active partner with the Multi-State Partnership for Security in Agriculture (MSP) and received funding from the Partnership to add \$30,000 worth of personal protection equipment (PPE) and other emergency response equipment to Illinois' response inventory. IDOA

continued to be active participants in Illinois Terrorism Task Force's (ITTF) Bioterrorism, IT and Food and Water Security subcommittees. As a result of IDOA's work through these committees, the ITTF awarded Homeland Security Department (HSD) grants for the MSP, IVERT and Illinois Livestock Emergency Response Tool (ILERT). This year, IDOA also worked to update the "Emergency Animal Disease/ Animals in Disaster" annex to address animal care and sheltering of household pets and service animals during mass evacuations. The Department also developed a brochure titled "Emergency Preparedness Planning for Pets and Livestock", which has been widely distributed.

COUNTY FAIRS AND HORSE RACING

The Bureau of County Fairs and Horse Racing administers and distributes almost \$7.3 million in funds to 104 county fairs, 100 4-H Clubs and 25 vocational agriculture sections (Ag.Ed.). The program funds are for premium and/or rehabilitation reimbursement. About 400,000 entries at county fairs are eligible for premium reimbursement annually.

In addition, approximately 30,000 4-H club members and about 300 high schools benefit from the agricultural education program for premium reimbursement. About 4,400 acres in the state are eligible to receive rehabilitation reimbursement for maintenance and/or construction at county fair sites. The following are all considered eligible projects under the rehabilitation program: equipment purchases and repairs, fuel, racetrack maintenance, casualty and liability insurance (not including personal liability), construction or purchase of permanent facilities and systems stored on fairgrounds, labor, interest on building/construction/real estate loans, building materials and supplies, and initial "one-time" purchases of computers and accessories.

The Department's horse racing and breeding are known throughout the country. Illinois' standardbred, quarter horse, and thoroughbred breeding and racing programs Return more than \$33 million to horse racing participants through horse racing purses and awards. IDOA registers nearly 2,000 foals, 3,500 mares and 300 stallions annually that participate in the Bureau's racing and breeding programs. Illinois-bred races occur at five Illinois pari-mutuel racetracks, two state fairs and 37 county fairs. One of the best known races is the World Trotting Derby held at the DuQuoin State Fair and attracting the world's best trotters for an estimated purse of \$550,000. The 2008 World Trotting Derby winner was Deweycheatumhowe.

EGG AND EGG PRODUCTS INSPECTIONS

Division inspectors perform inspections and quality grading of eggs and egg products sold in Illinois in accordance to the Illinois Egg and Egg Products Act, ILCS, Ch. 410, Par. 615/1 et seq. Over 3800 inspections are performed annually. The Act requires anyone who grades, packs, sells or barter eggs to be licensed with the Illinois Department of Agriculture with over 900 licenses issued. Eggs sold for human consumption must be candled, graded, and refrigerated.

Inspectors check the eggs at the display case and storage areas. Eggs must be kept below 45 degrees F and are weighed and checked for proper weight, damage, sanitation, labeling, rotation, and are candled for quality. Candling an egg consists of examining an egg with an egg candler to reveal the interior quality and characteristics of the egg. Candling is by no means an exact science or art, but it is the best method available for determining the condition of eggs without breaking them, and the use is almost universal. Eggs not meeting standards are taken off sale. Enforcement action was taken on more than 600 violations last year.

Egg cartons must be labeled to identify day of pack, grade, size, name, address, and identification of the packer. Inspectors perform inspections at all points of the distribution channel including packing plants, distribution centers, delivery trucks, grocery stores, schools, hospitals, nursing homes, restaurants and bakeries.

The Department provides assistance to the (United States Department of Agriculture (USDA) under a cooperative agreement to perform Federal Shell Egg Surveillance on a quarterly basis as mandated by federal law. Inspectors perform grading service on a fee or resident basis as requested under the USDA voluntary program providing more than 55 requests per year.

The Illinois Department of Agriculture cooperates with the Food and Drug Administration, the Food Safety and Inspection Service, and the Illinois Department of Public Health to provide uniform enforcement of temperature requirements for eggs at all locations.

BUREAU OF ENVIRONMENTAL PROGRAMS

Mission Statement

To license, register, and inspect agri-businesses and producers in order to protect the public and the State's natural resources.

Description of Programs

Pesticide Applicator/Operator Certification and Licensing

Pursuant to the Illinois Pesticide Act, individuals wishing to purchase and/or apply restricted use pesticides in Illinois are required to successfully complete a competency examination and receive a license from the Illinois Department of Agriculture. Currently, the Department licenses approximately 18,224 private applicators and 19,978 commercial applicators or operators.

Economic Poison Registration Program

All products offered for sale within the State of Illinois that make a "pesticidal" claim must be registered with the State of Illinois. In 2008, 13,028 products and 1,085 companies were registered with the Department of Agriculture as part of the economic poison registration program (290 products from 53 companies were registered via the internet).

Nursery Inspection Program

Pursuant to the State's Insect Pest and Plant Disease Act, nursery stock products within Illinois must be annually inspected to aid in the control of various injurious pests and diseases. The Department's staff annually inspects approximately 43,000 acres of nursery stock from about 1,000 nurseries (43,110.55 acres from 1,044 nurseries in 2008). In addition, the Department annually licenses more than 4,000 nursery dealers, allowing them to sell nursery stock on a commercial basis. The Department's personnel also make inspections and issue phytosanitary certificates (more than 7,000 annually) to allow the shipment of nursery stock to other states as well as other nations.

Invasive Species Detection and Control Program

The Department's efforts relative to the detection and eradication or control of exotic pests are conducted under the Nursery Inspection Program. The Department currently works to control the spread of the Gypsy Moth through an annual trap-based detection and limited treatment control program in cooperation with the USDA. The Department also works cooperatively with local units of government and the USDA in efforts to detect and eradicate the Asian Long-horned Beetle that was found in northeastern Illinois in 1998.

Most recently, the Department is working with the USDA and various local units of government to detect, control, and eradicate the Emerald Ash Borer, another invasive species that has been recently discovered in Illinois. Two infestations were initially discovered in the state in 2006, one in Kane County and the other in north Cook County. Since that time, detections have been made in several counties throughout northeastern Illinois. An internal state quarantine effecting all or parts of 18 counties has been established to limit the artificial spread of the pest. The Department, in cooperation with the USDA, completed a destructive bark peeling survey of ash trees throughout northern Illinois in early 2008 and also conducted an attractant-bated adult trap survey throughout the state during the adult EAB flight season this past year. The Department also conducted extensive EAB awareness outreach activities throughout the state this past year.

Agrichemical Facility and Lawncare Containment Programs

Pursuant to the Illinois Pesticide Act and the Lawncare Products Application and Notice Act, the Department issues permits for the design, construction, and operation of containment structures and systems intended to prevent the release of pesticides and fertilizers at retail agrichemical and lawncare facilities across the state. Over 1,400 permitted facilities currently operate within Illinois under this program. In addition, facilities are annually inspected to insure that permitted structures are properly maintained.

Pesticide Container Recycling Program

The Department annually cooperates with various segments of the agrichemical industry to operate a plastic pesticide container-recycling program. Single-day

collection sites at agrichemical facilities are scheduled near the end of the application season. Pesticide users can bring containers for granulation and shipment to a national contractor that utilizes the plastic for the manufacture of other agrichemical-related products. In addition, the Department has established 4 permanent collection sites that are open throughout the year for the collection and granulation of plastic containers. In 2007, the Department collected and recycled approximately 61,400 small containers and 229 mini-bulk containers at single-day collections through the program.

Agrichemical Facilities Response Action Program (AFRAP)

The Department, in cooperation with a governor-appointed board, has developed and implemented a remediation program specifically designed for retail agrichemical facilities. The Department also administers a review and approval program for the land application of pesticide and fertilizer contaminated soil and water resulting from remediation activities at agrichemical facilities or spills during the transport of such products from the agrichemical facility to the site of application.

Livestock Management Facilities Program

Pursuant to the Livestock Management Facilities Act, the Department administers a certified livestock manager training and testing program, reviews setback compliance for proposed new facilities, processes lagoon registrations and final certifications, reviews waste management plans, and reviews construction plans for waste hauling facilities. In addition, amendments to the Act require that the Department annually inspect anaerobic lagoons that have been registered and certified, as well as conduct informational meetings at the county level for certain proposed facilities. As of the end of September 2008, the Department had received and evaluated 1,261 proposed projects (144 in 2006 and 138 in 2007) including 96 that qualified for a public informational meeting, and conducted 38 such meetings since the inception of the program in 1996.

Illinois Bees and Apiaries Program

Designed to assist beekeepers throughout Illinois with the management and protection of honeybee colonies, the Illinois Bees and Apiaries Act directs the Illinois Department of Agriculture (IDOA) to inspect honeybee colonies as a service to the beekeeping industry. The purpose of the inspections is to determine the general health of honeybee colonies and to detect any diseases and pests. Treatment options are offered to the respective beekeeper for combating the diseases and pests.

Inspections are provided free of charge. During 2008, the IDOA inspected 1523 honeybee colonies. The Act also requires beekeepers to register their colonies with the IDOA. Registration is as simple as completing a brief one-page form and mailing it to the IDOA. A registration certificate is provided to beekeepers that register with the IDOA. There is also no charge for registering honeybee colonies with the IDOA.

Colony Collapse Disorder (CCD) is a problem that affected mostly large commercial beekeeping operations in some parts of the United States in 2008. With CCD, most of the adult bees in the colony actually disappear, oftentimes leaving behind the queen, bee brood and large honey stores. With this disorder, there are no signs of the traditional diseases and pests of the honeybee that can cause significant damage to colonies. CCD gained a high level of media attention at the national level during 2007, due to its devastating affects on honeybee colonies and due to the overall importance of honeybees for plant and crop pollination. The cause(s) of CCD is currently unknown and the scientific community is conducting a great deal of research on the problem. There were no confirmed cases of CCD in Illinois in 2008. The IDOA is closely monitoring for CCD symptoms in honeybee colonies as part of all apiary inspections.

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Legislative Initiatives

Emerald Ash Borer Laws

Three bills were passed and became law in 2007 regarding the Emerald Ash Borer (EAB). Public Acts 95-0183, 95-0309, and 95-0588 each passed by the Illinois General Assembly and signed into law by Governor Blagojevich to help communities cope with this invasive species. Public Act 95-0183 amended the Illinois Municipal Code to allow municipalities to remove EAB-infested ash trees from property not owned by the municipality when the landowner refuses to remove an EAB-infested tree. Public Act 95-0309 mandated the Illinois Department of Agriculture to develop administrative rules regarding the importation of firewood into Illinois. Public Act 95-0588 established a revolving loan program administered by the Illinois Finance Authority to assist municipalities with the cost of tree replanting in EAB quarantined areas. T

In response to Public Act 95-0309, the Department of Agriculture has developed and submitted proposed rules to the General Assembly's Joint Committee on Administrative Rules (JCAR) which would require all firewood importers to annually apply for and receive from the Department a firewood importer's certificate. This will allow the Department to more directly work with importers to reduce the potential for introduction of exotic pests, such as the Emerald Ash Borer, into the state.

Livestock Management Facilities Act amendment

The Livestock Management Facilities Act was amended by the passage of Public Act 95-0038 in 2007 reduce the required manure storage volume to less than 6 months of operation at small livestock facilities (<300 animal units) which could

demonstrate that the facility would have access to adequate land application areas during the appropriate times of the year. The provisions of the amendment became effective on January 2, 2008.

THE BUREAU OF LAND AND WATER RESOURCES

(BLWR) implements the Department's natural resource conservation programs, including the Erosion and Sediment Control Program, the Soil and Water Conservation Districts' Grants-In-Aid Program, the Partners for Conservation Program (formerly the Conservation-2000 Program), the Farmland Protection Program and the Mined Land Reclamation Program.

In 2008, the BLWR distributed nearly \$15 million in funds to Illinois' 98 Soil and Water Conservation Districts (Districts) for programs aimed at reducing soil loss, enhancing agricultural productivity and protecting water quality. Districts provide valuable technical assistance to rural and urban landowners/customers on a variety of natural resource issues.

These Districts offer help on any of the following topics: soil conservation, water quality protection, wetlands management, flood control, soil erosion control at urban construction sites, stream bank stabilization, land use, site suitability and conservation education.

The Partners for Conservation program (PCP) is a long-term, state-supported initiative to protect natural resources and enhance outdoor recreational opportunities in Illinois. Several state agencies share responsibility for administering PCP funds. The Illinois Department of Agriculture oversees the agriculture resource enhancement portion PCP, which includes: the sustainable agriculture grant program, the conservation practices cost-share program, the stream bank stabilization and restoration program, the water well decommissioning program and the nutrient management program.

The following conservation projects were completed in 2008 under PCP:

830 Conservation Structures
16 Sustainable Agriculture Projects
81 Water Well Decommissioning Projects
125 Nutrient Management Plans Written
142 Nutrient Management Plans Implemented
34,875 Linear Feet of Stream Bank Stabilization

The BLWR also administers Illinois' Farmland Protection Program under the auspices of the Illinois Farmland Preservation Act. In accordance with the Act, when state agency development projects (e.g., highways, airports, facility planning areas, enterprise zones, and wildlife habitat acquisition proposals) will lead to the conversion of farmland to non agricultural uses, the sponsoring agency is required to provide written notice to the Department of Agriculture. The

Department works with the sponsoring agency to minimize the anticipated farmland conversion impacts that will be generated by the proposed project. In 2007, 316 projects were reviewed for compliance with the Farmland Preservation Act.

Much of the BLWR's effort in 2008 was devoted to working with various utility companies on plans to construct large crude oil and natural gas pipelines across agricultural land. Specifically, the Department worked with these utility companies to ensure that the Department's standards for pipeline construction are followed to protect farming operations and agricultural land from unnecessary damage. Aside from the BLWR working with the utility companies on these projects, the Department also participated in numerous meetings to help acquaint landowners with issues related to pipeline construction. Armed with this information, landowners were well positioned to negotiate their own easement agreements with the utility companies.

Bureau personnel also provided technical assistance to landowners and local units of government wishing to develop farmland protection programs. Since most projects that convert agricultural land are private sector actions, local farmland protection programs are critical to farmland protection success across Illinois. Specifically, the Department helps on the development of Land Evaluation and Site Assessment Systems (LESA) and Agricultural Areas under the Agricultural Areas Conservation and Protection Act, both of which can help to guide non agricultural development in a manner that protects farmland from needless conversion. As of 2008, there were a total of 38 county LESA Systems and 57 Agricultural Areas in 23 counties throughout Illinois with 118,539 acres.

As provided by an agreement with the Illinois Department of Natural Resources-Office of Mines and Minerals, the BLWR reviews coal mining permit applications to help facilitate the reclamation of agricultural land affected by coal mining operations. The Department also tests crop yields at reclaimed agricultural land sites to ensure that pre-mining productivity levels have been restored. In 2008, 17 coal mine permit applications were reviewed and 4,723 acres of reclaimed ground were tested for crop yield success.

Education is an important component to all of the Department's programs and the services offered to constituents. When discussing education, it is often assumed it is in regard to educational programs designed for youth. Actually, the Department offers programs to all Illinois citizens.

The Department's Henry White Experimental Farm, near Belleville, offers numerous education opportunities. The farm essentially serves as an outdoor laboratory for sustainable agriculture and the conservation of natural resources in general. The farm has 94 acres containing agricultural crops, wetlands, evergreen and deciduous groves, and restored prairie and wildlife habitat. Research conducted on the farm involves conservation projects for corn and

soybeans, prairie, wetlands and woodlands. Sixty-five of the farm's 94 acres are devoted to the cultivation of crops, mainly corn and soybeans, which demonstrate various sustainable agriculture practices. In addition to providing valuable research information for farmers, the site also hosts an annual field day where specialists explain how practices showcased at the farm benefits the environment. At the September 6, 2008 annual field day, roughly 162 individuals attended the event.

The Department also provides public educational opportunities at Watershed Park, located at the Illinois State Fairgrounds. Watershed Park is an interactive educational exhibit on water quality protection. Featured in the park are numerous exhibit stations where the public learns about water quality issues in a watershed. Watershed Park is open during the Illinois State Fair and by appointment at other times during the year. In 2008, 6,022 individuals visited Watershed Park.

MARKETING AND PROMOTION

Technological advances, improvements to efficiency and increased competition continue expanding the boundaries impacting Illinois agriculture. Headquartered in Springfield, with trade directors in Mexico City and Hong Kong, Illinois Department of Agriculture Bureau of Marketing & Promotion staff provide daily assistance to Illinois farmers, food processing and agribusiness companies, commodity organizations, foreign buyers looking for new product suppliers, agritourism partners, farmers markets and ag education professionals.

The Bureau has strong working relationships with the U.S. Department of Agriculture's Foreign Agriculture Service (USDA-FAS), Food Export Midwest and the U.S. Livestock Genetics Export (USLGE) organizations which help staff leverage federal dollars to assist Illinois companies with export promotion activities. IDOA also partners with the American Egg Board to promote the egg industry in Illinois through trade shows, informational workshops, advertising, distribution of educational resources and cooking demonstrations. Stakeholders involved in the state's food, feed and fiber industry work closely with Bureau staff to educate consumers about Illinois agriculture's contributions to every day life from food safety measures implemented to safeguard the state's food supply to the implementation of numerous domestic and international marketing activities to help increase access to new markets for agricultural products produced in Illinois.

In an effort to provide Illinois farmers and food and agribusiness companies with information on various market development activities, IDOA has created new online communications tools. This includes a new page on the Department's website that is devoted to farmers markets. Over the course of the Marketing and Promotions last year staff has also been involved in the organization of buyers' events for Illinois food companies. Companies are given the opportunity

in a unique showcase format to share company information and products with buyers. This format has proven successful as participating companies have reported gaining access to new stores and business opportunities. Marketing staff is also responsible for oversight of the Centennial and Sesquicentennial Farm Programs and the Illinois Product Logo Program.

The Centennial and Sesquicentennial Farm Programs honor generations of farmers that have maintained ownership of farms for 100 and 150 years respectively. More than 8,700 Illinois Farms have been designated as Centennial Farms since the program began in 1972. There is at least one Centennial Farm in each county in Illinois. More than 450 farms have registered as Sesquicentennial Farms since that program began in 2001. Ninety-five farms were certified as Centennial Farms and 19 were certified as Sesquicentennial Farms in 2008.

The Illinois Product Logo Program helps consumers quickly identify Illinois products in their retail establishments whether it is a major grocery store or a local farmers' market. This registered trademark is being used by 487 food and agribusiness companies in Illinois. In addition to domestic marketing activities, the Bureau is actively involved in assisting Illinois food companies, farms and agribusinesses in promoting and selling their products abroad. Industry tours, trade missions, buyers' missions and 124 trade shows are just some of the ways the Bureau accomplishes this. Industry tours are broad-based tours in which the Department brings buyers from around the globe to Illinois in order to showcase a specific agricultural industry, primarily livestock, dairy, grains, oilseeds, feed ingredients and equipment.

The Bureau also participated in 334 IDOA-sponsored activities and more than 600 cooperator activities (Beef Expo, Pork Exp, Organic Show, etc.).

The Department of Agriculture's foreign trade offices recruit buyers. Buyer's Missions are usually smaller groups that are focused on specific products for a specific purchase, i.e. processed or value-added food products, food grade soybeans, breeding swine, cattle, sheep etc. Buyers' missions are sometimes a result of previous industry tours or trade missions, and are sometimes requested by USDA-FAS personnel or foreign posts.

The Bureau of Marketing & Promotion also organizes and participates in both domestic and international trade shows. Staff recruits Illinois food and agribusiness companies to participate in the Illinois Products Expo, a consumer-focused food show in Springfield, IL, and international food and agribusiness shows in Chicago and around the world.

As a result of staff's efforts to facilitate marketing events both in Illinois and internationally, the Bureau hosted more than forty industry tours, buyers' missions and trade shows; facilitated more than 7,649 buyer-seller introductions;

thirty companies were approved to use the Illinois Product logo; and nearly 600 small and medium-sized food and agribusiness companies accessed the Bureau's programs and activities.

THE BUREAU OF MEAT AND POULTRY INSPECTION

BMPI is responsible for administration of the Meat and Poultry Inspection Act which protects consumers when it comes to ensuring the quality of meat and poultry products and making sure labels are written truthfully. Inspection coverage includes all aspects of intrastate slaughter and processing from ante mortem (before death) inspection through slaughter and processing and to the retail level. Inspection personnel assure each licensed plant complies with Sanitation Performance Standard Operating Procedures (SSOP) and Hazard Analysis Critical Control Points (HACCP). This Bureau provided slaughter and/or processing inspection for 261 establishments and 37 exempt poultry raisers during the fiscal year.

The Meats Chemistry Laboratory in Centralia analyzes meat and poultry samples to determine compliance of the products with the Illinois Meat and Poultry Inspection Act and Regulations. The tests include analyses for the presence of water, fat, antibiotic residues and bacterial contamination. Pathologic exams are also performed on tissues submitted. The Animal Disease Laboratory in Galesburg performs pathologic examinations of formalized tissue sent by IDOA employees and contract veterinarians.

COMPLIANCE PROGRAM: The function of the Compliance Section, as its name implies, involves ensuring compliance with meat and poultry regulations when the meat product leaves the licensed plant. Compliance officers visit warehouses, restaurants, and brokerage firms to inspect meat products used or stored there. They inspect labeling of the products and do follow up investigations concerning consumer complaints. The compliance section is also in charge of licensing activities for exempt poultry raisers, brokers, and refrigerated warehouses. In fiscal year 2007 the following was accomplished:
5,899 Reviews 628 Broker

Reviews 186 Warning letters and hearings written 110 Seizures resulting in 32,423 pounds of meat product seized, 22,774 pounds destroyed and 1,879 pounds of product released.

TRAINING: Training of inspection personnel is carried out on a continuing basis as needed. Training is provided by designated management personnel, by one of three Consumer Safety Officers, or online/CD's provided by USDA/FSIS. Three new meat and poultry inspectors were trained in slaughter and processing in 2007.

There are approximately 261 meat packing plants, 75 state field meat inspectors and 12 supervisors provide regulatory oversight. Current law require inspectors

to check each and every carcass or bird during the slaughter and slaughter establishments can not operate with out inspectors being present. In 2007 state inspected plants slaughtered 1,092,156 head representing 111,645,095 lbs of meat and poultry. Facilities that process meat products for wholesale are required to be inspected daily by BMP inspectors . The Operating budget of BMPI is ~\$10mln on annual basis

Despite limited resources and shortages in staffing there were no reported outbreaks of food borne diseases traced to the state licensed/inspected establishments.

In response to new provisions in Illinois Meat and Poultry Inspection Act BMPI has implemented new requirements for Type II (custom slaughter) plants which included the formulation and following Standard Sanitary Operating Procedures and testing for generic e.coli, further strengthening food safety for custom exempt product. These requirements were in place for Type I (wholesale slaughter facilities) and were expanded to include custom exempt plants.

Implemented the new regulations for the Halal Food Act, BMPI is registering all facilities selling food labeled as Halal.

Secured federal certification after completing on site USDA Audit

WEIGHTS & MEASURES

The Bureau of Weights and Measures ensures equity in the marketplace through the inspection of commercial weighing and measuring devices. The Bureau is responsible for enforcing regulations contained in the Weights and Measures Act and the Motor Fuel and Petroleum Standards Act. Twenty-seven inspectors are headquartered throughout the State. Administrative and laboratory staff are located in Springfield.

The bureau ensures fair and equitable trade practices by the business community with Illinois consumers, by inspecting and testing all measuring devices used in commercial transactions. Evaluate the quality of gasoline, diesel fuel, kerosene, propane and other petroleum products offered for sale.

Device Inspection Programs:

The Bureau of Weights and Measures is responsible for the annual inspection of over 130,000 weighing and measuring devices used in commerce. Illinois adopts the specifications and tolerances contained in the National Institute of Standards and Technology (NIST) Handbook 44 for the inspection of commercial weighing and measuring devices. Devices which do not meet the accepted tolerances are rejected and cannot be used commercially. Rejected devices must be repaired and may be placed back into service by a registered service company. Inspection fees are charged to support the operating costs of the Bureau.

Scale Inspection Program

The Bureau of Weights and Measures inspects scales used commercially to ensure accuracy of the devices. Types of scales inspected include small capacity scales used in grocery stores, delicatessens, and hardware stores; large capacity scales used at grain elevators and livestock facilities; railroad scales and law enforcement scales.

There are nearly 21,000 small capacity retail scales which are inspected by thirteen field inspectors annually. These inspectors spend about a quarter of the year testing small scales; the remainder of the year is dedicated to the inspection of retail motor fuel dispensers. Eight Bureau inspectors are responsible for the annual inspection of approximately 8,000 large capacity scales.

Inspectors use calibrated standards ranging from ½ gram to 1,000 pounds to conduct tests to ensure the accuracy of the scales. Large scale testing units are equipped with 25,000 pounds of calibrated test weights and a motorized, remote-controlled cart.

Meter Inspection Program

The Bureau of Weights and Measures inspects meters used commercially to ensure accuracy of delivery. Types of meters inspected include liquid petroleum gas (LPG) meters, vehicle tank meters used for delivery of petroleum products and large fuel meters used in petroleum terminals.

Six Bureau inspectors are responsible for the annual inspection of approximately 4,100 meters.

Inspectors use calibrated standards to conduct tests to ensure the accuracy of the product being dispensed. Each testing unit is equipped with a 150-gallon volumetric prover for the inspection of small fuel meters, a 100-gallon LPG prover and a 20-gallon LPG prover for the inspection of LPG meters. The Bureau has a 1,500-gallon trailer-mounted volumetric prover used for the inspection of meters at petroleum terminals and refineries.

Retail Motor Fuel Dispenser Inspection Program

The Bureau of Weights and Measures inspects all retail motor fuel dispensers (gas pumps) each year. Thirteen Bureau inspectors are responsible for the inspection of approximately 95,000 gas pumps. These inspectors inspect all pumps in the state with the exception of the city of Chicago and a few other municipalities which operate their own weights and measures inspection program.

Inspectors conduct tests to ensure the accuracy of the product being dispensed. Using calibrated standards, inspectors determine if the pump is within tolerance. In addition to inspecting devices for accuracy, inspectors ensure that the station is in compliance with regulations for advertising as well as the appropriate

posting of labels for octane, ethanol, or biodiesel. Through an intergovernmental agreement with the Illinois Environmental Protection Agency (IEPA), inspectors also conduct Stage I and II vapor recovery inspections in several collar counties. This includes visual inspections as well as the review of records at approximately 750 stations. The Bureau receives funding from IEPA for these inspections.

Bureau inspectors investigate consumer complaints regarding the accuracy of gas pumps. The majority of complaints received by the Bureau involve either accuracy or quality of gasoline. Inspectors take samples of gasoline on a random and complaint basis for quality analysis at a contract laboratory.

City Sealer Program

The Bureau of Weights and Measures administers the City Sealer Program per the Weights and Measures Act. The City Sealer Program allows cities with a minimum population of 25,000 to operate their own weights and measures program. For cities with less than 200,000 population, inspections are limited to retail devices only.

The following municipalities certify commercial weighing and measuring devices within their jurisdiction: Chicago, Cicero, Des Plaines (small scales only), Evanston, Granite City, Oak Park, Schaumburg, and Skokie (small scales only). With the exception of Chicago, the city sealers are limited to retail devices which include small scales and retail motor fuel dispensers (gas pumps).

City sealers are required to attend annual training conducted by the Bureau of Weights and Measures. Field standards used in inspections must be inspected and calibrated in the Bureau's Metrology Laboratory each year. Sealers must also submit a report of inspections to the Department each year.

Registered Service Program

The Bureau of Weights and Measures licenses companies who sell, install or repair commercially used weighing and measuring devices. Service persons must pass an examination before becoming certified as a registered service technician. There are approximately 1,300 service companies and technicians registered by the Bureau of Weights and Measures.

Registered service technicians may place commercial devices into service. Technicians may also repair devices that have been rejected by state inspectors and place back into service. Technicians affix a serviceperson decal to devices to indicate that the device has been placed into service. Service companies are required to submit "Placed in Service Reports" to the Bureau for all new and repaired devices.

Service companies must have their standards tested and calibrated in a NIST-accredited laboratory every two years. Companies must submit Reports of Test

for all equipment with their annual license renewal application. Bureau managers review the applications and Reports of Test to ensure that all standards have current calibration dates and that the companies possess the proper equipment for the devices that they service.

Weights & Measures Laboratories

The Bureau of Weights and Measures maintains laboratories for the calibration of metrology standards and grain moisture measurement.

The Bureau's Metrology Laboratory maintains custody of the Illinois primary standards for mass and volume. The laboratory is recognized by the United States Department of Commerce National Institute of Standards and Technology (NIST) by maintaining standards that are traceable to NIST. An annual review is conducted by NIST to verify measurement proficiency. The NIST Certificate of Measurement Traceability recognizes that the laboratory meets the requirements for quality systems, technical systems, facilities, standards and trained staff. The laboratory is staffed with a Chief Metrologist and two assistants.

The Metrology Laboratory consists of two separate facilities. The main laboratory is housed in the basement of the Department's Administration Building. The main laboratory includes the small volume laboratory, the large mass laboratory, the small mass tolerance laboratory and the small mass precision laboratory. Environmental conditions are closely monitored in all of the laboratories because fluctuations in temperature and humidity can affect calibrations. The large volumetric laboratory is housed in a separate building west of the administration building. Large volumetric provers (50-1500 gallon) are calibrated in this laboratory.

Instruments used in the laboratory for testing and calibration include mass comparators and volume standards. The Bureau has nine comparators capable of measurements ranging from 1 milligram to 2,000 kilograms. The Ultra-Micro, the laboratory's smallest comparator, is capable of measuring to 0.0001 milligrams. Volume standards used for calibration range from 1 gallon to 500 gallons.

The laboratory tests and calibrates standards used by inspection staff, city sealers, registered service companies and private industry. Private industry customers include nuclear power plants, defense contractors, pharmaceutical companies and hospitals which rely on accurate measurements in their respective industries. Standards calibrated include five-gallon test measures used for the inspection of gas pumps, test weights used for the inspection of small and large capacity scales and weight carts used in the inspection of vehicle scales. Large volumetric provers are calibrated for major petroleum refineries and the liquid propane gas industry.

Illinois farmers depend upon the accurate measurement of the moisture content

of grain to determine the fair market value for their product. The Bureau's Moisture Meter Laboratory prepares grain samples for the inspection of moisture meters which are used to determine the moisture content of grain. Bureau inspectors collect corn, soybeans, and wheat from throughout the state. The grain is cleaned and known moisture contents are determined for the grain samples using the official United States Department of Agriculture air-oven method. Bureau inspectors utilize these grain samples to certify the accuracy of the moisture measuring devices.

Due to escalating fuel costs this summer, Governor Blagojevich announced the creation of the Illinois Gas State Wide Action Team (SWAT). The team is comprised of the thirteen Bureau of Weights and Measures Inspectors who are responsible for the inspection of gas pumps plus an additional five inspectors who were temporarily re-assigned from other inspection duties. The SWAT team inspected gas pumps during the July 4th holiday weekend to assure consumers that they receive the accurate measure of fuel for the amount purchased. The SWAT team continues to focus on gas pump inspections and will complete the inspection of approximately 95,000 dispensers in 2008, as mandated. In addition to annual inspections, inspectors investigated approximately 1,200 complaints concerning the accuracy of gas pumps.

Two large scale trucks were purchased to replace aging vehicle fleet. The existing testing equipment will be removed from the old trucks and re-installed in the new scale trucks which will save a considerable amount compared to replacing the whole unit. The existing scale trucks have been very costly to operate due to the high cost of maintenance. The newer trucks are also equipped with a semi-automatic transmission for increased fuel mileage.

The Bureau added two employees to the inspection staff. One of the employees successfully passed the training requirements and was promoted to the inspector title. A trainee was hired in August 2008 for Cook County and will complete training in 6-12 months. Both of these positions are responsible for the inspection of large capacity scales in the northeastern part of the state. The addition of inspection staff is necessary in order to complete mandated inspections.

Legislative initiatives (changes requested and approved through legislature/JCAR)

A rule was adopted which defines the maintenance requirement contained in the General Code of NIST Handbook 130. Pumps are not considered properly maintained if the majority of errors are in the station's favor. The rule gives the Bureau the authority to schedule administrative hearings to impose penalties on stations with pumps which are not properly maintained.

Construction will be completed in 2008 for the addition to the Metrology

Laboratory. The addition to the large mass laboratory will resolve issues with humidity and temperature. Maintaining strict environmental conditions is necessary in order to receive continued recognition from the National Institute of Standards and Technology.

BUREAU OF WAREHOUSES

(BOW) administers both the Illinois Grain Code and the Personal Property Warehouse Act and also manages the Illinois Grain Insurance Fund (GIF).

The Bureau of Warehouses is the licensing and regulatory authority for all grain dealers and state licensed grain warehouses operating in Illinois. The bureau's regulation of the Illinois grain trade provides protection to the industry's direct customers including farmers and bankers. During FY2008, the department paid 289 grain claims against foiled grain dealers and warehouseman in excess of \$11.5 million. IDOA's Bureau of Warehouses also provides protection to all indirect parties that have a beneficial interest in the farmer's ability to receive payment for grain.

The financial security of grain transactions is guaranteed with licensees through the administration of the state's Grain Insurance Fund. Another function of the BOW is to license and regulate personal property warehouses. These storage warehouses include companies storing household goods or business records and commercial distribution warehouses.

The bureau's nineteen field examiners are responsible for the annual examination of the 329 grain licensees with a combined total of 1,027 locations, which represents the largest grain handling infrastructure in the United States. The 329 companies hold 322 Grain Dealer licenses, 281 State Warehouse license and 25 Federal Warehouse licenses with a storage capacity of 1,193,392,000 bushels. A licensee that violates any provisions of the Grain Code may be subject to suspension or revocation of their license, and/or a hearing, which may result in the licensee posting collateral if found guilty of the alleged violation.

The bureau also regulates the state's 430 licensed companies that have 638 locations under the Personal Property Storage Act. The 430 companies are comprised of 380 commercial and 50 governmental fairs.

Besides performing routine examinations, bureau employees are also charged with the responsibility of investigating complaints regarding unlicensed grain dealers and warehouses that store grain and/or warehouses that store personal property.

ILLINOIS AND DUQUOIN STATE FAIRS

2008 was the most highly-attended fair in the past six years. Attendance totaled 737,052, 123,942 -- or 20 percent -- more visitors than a year ago, when

attendance was 613,110.

The attendance of 737,052 was the most since 2002, when an estimated 1.265 million visitors attended the fair. Interestingly, gate and parking receipts in 2002 totaled \$693,510, \$94,336 less than the \$787,846 collected in 2008.

According to the Illinois Department of Revenue, fair vendors collectively reported a 49 percent increase in sales. Sales volume was \$3.75 million or \$1.25 million more than a year ago. Sales taxes collected from the fair totaled \$234,930. Last year, \$157,435 in taxes was collected.

The Governor's Sale of Champions raised \$196,000 in 2008 to further career aspirations of young producers and support the educational programs of 4-H and FFA, two very important agricultural youth organizations. The previous high was \$112,000 in 2007.

The DuQuoin State Fair is held on 750 acres of ground in DuQuoin, Illinois. In 2007-2008, the fairgrounds utilized a newly built multi-purpose facility to help positively impact the Southern Illinois economy and provide a new venue to host local, regional and national events. During 2008, DuQuoin State Fair personnel have worked hard to increase the number of non-fair events held on the grounds in order to increase the revenue generating potential of the grounds. The fair annually holds the World Trotting Derby on the mile track.

Non-Fair Events

The Illinois State Fairgrounds is host to a variety of non-fair events. The fairgrounds is the home of the world's fastest dirt track, more than 150 buildings, a grandstand, four indoor arenas, a covered outdoor arena, and over 1,000 stalls for livestock or horses. Events that take place on the fairgrounds include: festivals, meetings, concerts, weddings, galas, trade shows, car shows, athletic events, and horse and livestock shows. Non-fair event participants have the opportunity to camp on the Illinois State Fairgrounds from April-October. The campground can accommodate up to 301 RV's and approximately 35-40 tents. Campground amenities include water, electricity, limited sewer spots, three comfort stations, and one dump station available to all campers.

Summary

While the Illinois Department of Agriculture has a primary responsibility to regulate the food, feed, seed and chemical industries, we are still an agency with a mission to promote Illinois' agri-"culture"—through education, grants, international and domestic trade activities, fairs and expositions.

Particularly at this time, in 2008, when Illinois state government faces the herculean task of restoring public trust in government and tackling an historic budget deficit, the Illinois Department of Agriculture has proven itself to be an effective partner in providing services to the agriculture community and Illinois

consumers while being responsible to the taxpayers of Illinois.

Printed by the authority of the State of Illinois (03 /09 ~ 500)