

Wisconsin Ag Coalition 2023-25 Biennial Budget Priorities

Wisconsin farmers and agribusiness are a critical economic driver in the State of Wisconsin contributing \$104.8 billion annually to our state’s economy. Farmers and food processors are in every Wisconsin county. They not only drive our local and state economies, but they are also feeding Wisconsin citizens and people around the world. Support for this key industry is critical to the economic health of our state and countless rural and urban communities.

Accordingly, the farm and agribusiness groups listed below are members of the Ag Coalition who are working together to inform and shape Wisconsin policy to support farming and agriculture in Wisconsin.

We jointly urge Governor Evers and the Wisconsin State Legislature to support the following programs as a part of the 2023-25 biennial budget bill.

**AgCountry Farm Credit Services
Agricultural Retailers Association
Compeer Financial Services
Cooperative Network
CropLife America
Dairy Business Association
GreenStone Farm Credit Services
Midwest Food Products Association
Wisconsin Agri-Business Association
Wisconsin Association of Professional
Agricultural Consultants
Wisconsin BioFuels Association**

**Wisconsin Biomass Energy Association
Wisconsin Cattlemen’s Association
Wisconsin Cheese Makers Association
Wisconsin Corn Growers Association
Wisconsin Farm Bureau Federation
Wisconsin Pork Association
Wisconsin Potato & Vegetable Growers
Association
Wisconsin Soybean Association
Wisconsin State Cranberry Growers
Association
Wisconsin Veterinary Medical
Association**



FARMER-LED CONSERVATION PROGRAMS

- **Producer-Led Watershed Grant Program (DATCP).** DATCP provides funding to agricultural producer-led groups that focus on nonpoint source pollution abatement activities through the Producer-Led Watershed Protection Grant Program (PLWPG). Grants are used to support improvements to soil and water quality through farmer-led solutions in local watersheds. We support the continued funding for the Producer-led Watershed Grant program of \$1 million (GPR) in each year of the 2023-25 biennium (\$2 million total). https://datcp.wi.gov/Pages/Programs_Services/ProducerLedProjects.aspx
- **Cover Crop Insurance Premium Rebate Program (DATCP).** The legislature provided \$800,000 over the 2021-23 biennium for DATCP to partner with the U.S. Department of Agriculture (USDA) Risk Management Agency (RMA) to establish \$5 per acre crop insurance rebates for planting cover crops. Cover crops are critical to stemming runoff on farmland. We support increasing funding for this program to encourage farmers to plant cover crops by providing \$1,000,000 (GPR) in each year of the 2023-25 biennium (\$2 million total). https://datcp.wi.gov/Pages/Programs_Services/CropInsuranceRebatesforPlantingCoverCrops.aspx
- **Nitrogen Optimization Grant Program (DATCP).** The legislature provided \$1.6 million over the 2021-23 biennium for this farmer-led nitrogen optimization grant program. This program provides grants of up to \$50,000 to farmers to engage in 2-year nitrogen conservation research projects on their farms working with UW System researchers. This farmer-led conservation is critical to driving improved agricultural innovation. We support funding this grant program with \$1 million (GPR) in each year of the 2023-25 biennium (\$2 million total). We further support expanding eligibility to projects utilizing nitrogen from any source. https://datcp.wi.gov/Pages/News_Media/20221114NOPPAplicationOpens.aspx

RURAL ECONOMIC DEVELOPMENT INITIATIVES

- **Critical Agricultural Road Improvement Grants (DOT).** Direct DOT to identify critical agricultural routes using the 2019 WisDOT Critical Freight Corridors Report and establish a grant program to provide local road improvement grants to towns and counties to improve critical agricultural routes on town and county roads and bridges. Grants shall be used to improve roads and bridges and bring them up to standards commensurate with current use. Roads that are improved using these grant funds cannot be weight-restricted based on spring thaw restrictions. Grants shall be awarded to towns and counties for road improvements in accordance with highest agricultural route importance. Grants shall not require a local match.

- **Dairy Processor Grants (DATCP).** The 2021-23 budget provided \$400,000 for DATCP's dairy processors grant program for the purpose of supporting industry innovation and development. In 2022, forty-three Wisconsin businesses applied for funding totaling \$1.7 million. We support an expansion of the Dairy Processor Grant program to \$1 million (GPR) in each year of the biennium (\$2 million total).
<https://datcp.wi.gov/Pages/AgDevelopment/DairyProcessorGrants.aspx>
- **Wisconsin Initiative for Agricultural Exports (DATCP).** The Wisconsin Initiative for Agricultural Exports (WIAE) was funded with \$2 million over the 2021-23 biennium. This initiative aims to increase dairy, meat, crop, and other Wisconsin commodity exports by 25 percent by June 2026. Due to the strong success of this grant program, we support providing \$2 million (GPR) in each year of the 2023-25 biennium (\$4 million total) in continued funding for this program.
<https://datcp.wi.gov/Pages/AgDevelopment/WisconsinInitiativeForAgriculturalExports.aspx>
- **Wisconsin Cooperative Feasibility Grant Program (WEDC).** The WEDC Wisconsin Cooperative Feasibility Grant Program provides for the development of new cooperatives or the conversion of existing businesses to the cooperative model. \$400,000 was provided in the 2021-23 biennial budget bill for feasibility studies. The first round of grant recipients went to a wide range of different types of cooperatives all of which will benefit rural Wisconsin including a rural daycare, a new veterinary clinic, meat processing facilities and grocery stores. We support \$200,000 (GPR) in each year of the biennium (\$400,000 total) for the continuation of this important rural development program.
<https://ruralwi.com/resources/wisconsin-cooperative-feasibility-grant/>
- **Wisconsin Commodity Food Bank Food Purchasing Program (DATCP).** Over the past two years, DATCP has created and administered a state commodity food purchasing program to supply Wisconsin foodbanks with Wisconsin commodities. This program was funded with federal funds during the pandemic. We support the continuation of this Wisconsin commodity food purchasing program and support \$10 million annually (\$20 million over the biennium) to continue the partnership between DATCP, Wisconsin's network of food banks and pantries and the Wisconsin agricultural producers and processors who are providing food to Wisconsin families experiencing food insecurity.

ANIMAL HEALTH / ZOO NOTIC DISEASE

- **Wisconsin Livestock Identification Consortium (WLIC) – Livestock Premises Registration Program (DATCP).** The legislature provided \$350,000 (GPR) in each year of the 2021-23 biennium (\$700,000) for Wisconsin's livestock premises registration program administered by the WLIC. WLIC is experiencing greater workload, greater staff needs and additional costs related to the need to accommodate for additional Certificate of Veterinary Inspection for additional species. Accordingly, we support providing an additional \$100,000 in each year of the 2023-25 biennium (\$200,000 total) to maintain this critical animal disease outbreak prevention and traceability system.
<https://wiid.org/>

NONPOINT SOURCE POLLUTION PROGRAMS

- **Farmland Preservation Program Update (DATCP).** Wisconsin's Farmland Preservation Program was established in 1978 to help preserve Wisconsin's vibrant agricultural economy. The program provides incentives, through tax credits, to farmers to maintain their land in production while requiring them to meet soil and water conservation standards. However, the program needs simplification and modernization. We support adjusting the Farmland Preservation tax credits and eligibility standards as drafted in 2021 Senate Bill 68, which would provide \$5.4 million additional funding in each year of the biennium (\$10.8 over the biennium):
<https://docs.legis.wisconsin.gov/2021/proposals/reg/sen/bill/sb68>
- **County Conservation Staff (DATCP).** County conservation staff are critical to maintaining and implementing state conservation and agricultural programs. These positions are funded through DATCP's Soil and Water Resources Management Program budget. We support funding for county conservation staff in order to fulfill the state's obligation under Wis. Stat. s. 92.14(6)(b) nonpoint source pollution grant program.
- **Agricultural Nonpoint Source Pollution Program (DNR).** The Department of Natural Resources (DNR) administers several grant programs to prevent or reduce nonpoint source water pollution. The targeted runoff management (TRM) program provides financial assistance to projects addressing water quality concerns or impairments, primarily in rural or agricultural settings. TRM projects are funded mostly through general obligation bonding revenues (BR) by the nonpoint account of the segregated (SEG) environmental fund. We support continued funding of the TRM program in the 2023-25 biennial budget bill.
<https://dnr.wisconsin.gov/aid/TargetedRunoff.html#:~:text=The%20Targeted%20Runoff%20Management%20%28TRM%29%20Grant%20Program%20offers,diffuse%20source%2C%20also%20called%20%E2%80%9Cnonpoint%20source%20%28NPS%29%E2%80%9D%20pollution.>

RENEWABLE ENERGY PROGRAMS

- **Biofuels Higher Blends Infrastructure Program.** In order to compete with the massive subsidies flowing to electric vehicles and electric vehicle charging stations, we support reviving a program to provide matching grants to fuel retailers to upgrade their equipment (tanks and pumps) to be compatible with higher blends of ethanol and biodiesel. Owners would have to fund at least 50% of the costs of upgrade and agree to sell E15 or the equivalent biodiesel blend at each location for 5 years. Ethanol and biodiesel are made in Wisconsin from corn grown in Wisconsin, unlike electric vehicles which are mostly powered by coal and natural gas imported from other states and countries. Retailers would not be eligible if they have received any Federal funds for the same project. Demand would indicate that the program should be funded at \$8 million per year (\$16 million over the biennium).

- **Carbon Scoring and Carbon Trading System (DATCP).** 2021 AB 1072 contained two provisions dealing with carbon for Wisconsin agriculture. The first requires DATCP to promulgate rules that establish voluntary and market-driven standards for quantifying the carbon score derived directly and indirectly from agricultural activities. The second requires DATCP to facilitate trade in products and services related to transactions between agriculture operators and other parties for carbon emission offsets and may operate an electronic marketplace for selling and purchasing carbon emission offsets. We support the reintroduction and passage of these provisions along with adequate funding for DATCP to implement these programs.
<https://docs.legis.wisconsin.gov/2021/proposals/SB1072>

CAPITAL BUDGET

- **Food+Farm Exploration Center (Plover, WI).** The Food+Farm Exploration Center will be a groundbreaking agricultural education center located in Plover, WI. The goal of this project is to help citizens understand the many components of agriculture and how they intersect to bring food to the table. The Center will provide hands-on learning experiences, workforce development training for K-12, technical college, university students, and the public; as well as, research plots and event and meeting spaces. To date, the Farming for the Future Foundation has raised \$26 million in private sector funding to support this \$36 million project. We support \$10 million in state funding to help this project be completed and open in 2023. <https://foodandfarm.us/home>