

Wisconsin Ag Coalition

2025-27 Biennial Budget Priorities

Wisconsin farmers and agribusiness are a cornerstone of our state’s economy, contributing an impressive **\$116.3 billion annually**. With nearly **60,000 farms and food processors** operating across the state, in every county, agriculture supports **more than 9.5%** of Wisconsin’s workforce.

Beyond driving local and state economies, our farmers and businesses provide nutritious food for families in Wisconsin and across the globe. Continued support for this vital industry is essential to sustain the economic strength of our rural and urban communities alike.

Accordingly, the farm and agribusiness groups listed below are members of the Ag Coalition who are working together to inform and shape state 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 2025-27 biennial budget bill.



RURAL INFRASTRUCTURE AND MARKET DEVELOPMENT

- **Agricultural Road Improvement Program (DOT).** The 2023-25 state budget invested \$150 million to create the nation’s first agriculture-specific road funding program. The funding provided through this program upgraded local roads that shoulder over 15 million tons of agricultural goods annually. These roads are essential to farms and forestry operations, which employ thousands of Wisconsinites and contribute \$12 billion annually to the state’s economy. The overwhelming need for this funding was clear from the start: the Department of Transportation received nearly 300 applications totaling over \$500 million—more than triple the available funds. Given its success and the continued need, we strongly support funding another round of \$150 million over the 2025-27 biennium in the ARIP program to build on this momentum, address unmet demand, and ensure our agricultural infrastructure keeps pace with the needs of Wisconsin’s farmers. More information: [Agricultural Road Improvement Program](#)
- **Biofuels Incentive Package (DOR & DATCP).** Wisconsin is the only Midwestern state without state-level biofuels support, despite being a top 10 biofuel producing state. We support a package of proposals consisting of biofuels retail infrastructure grants (*see* [2023 SB 454](#)) providing \$8 million for fuel blend compatibility improvements; establishing a requirement for E40 compatible new retail fueling equipment; create a sustainable aviation fuel (SAF) production tax credit of \$1.50 per gallon of SAF produced in Wisconsin from domestic feedstock; and ethanol / biodiesel retailer tax relief.
- **Dairy Processing Grant Program (DATCP).** Dairy is a more than \$50 billion industry in Wisconsin, serving as a cornerstone of the state’s economy and supporting thousands of jobs across farming, processing, and distribution. The 2023-25 budget provided \$500,000 annually for Dairy Processor Grants. We recommend increasing funding to \$1 million annually and providing this as an ongoing base funding amount. These grants are essential for expanding capacity, driving innovation, and improving efficiency in dairy processing. Since 2014, DATCP has supported 128 projects at \$2.9 million, but has received 244 grant proposals totaling over \$10 million. Continued investment is critical to meeting demand and maintaining Wisconsin’s leadership in the dairy industry. More information: [Dairy Processing Grant Program](#)
- **Meat Processing Grant Program (DATCP).** Wisconsin’s Meat Processor Grant Program awarded \$1.8 million to 38 processors in 2024 to support facility upgrades, capacity expansion, and operational improvements. With 70 applications totaling \$3 million in requests, demand far exceeded available funds. Continued investment is essential to meet ongoing demand and sustain the growth of Wisconsin’s meat industry. We would encourage increasing annual funding for this grant program to \$3 million annually to meet industry demand. More information: [Meat Processing Grant Program](#)
- **Wisconsin Initiative for Agricultural Exports (DATCP).** The Wisconsin Initiative for Agricultural Exports (WIAE) was established with an investment of up to \$5 million over five years, aiming to increase the value of Wisconsin’s dairy, meat, and crop exports. Since 2021, the state's export of dairy, meat, and crop products has grown by \$210 million. While the United States saw a 1% decrease in agricultural exports in 2024, Wisconsin saw an increase of 2% in agricultural exports. We would encourage increasing annual funding for this program to \$2 million annually. More information: [Wisconsin Initiative for Agricultural Exports](#)

FARM RESILIENCE AND EMERGENCY PREPAREDNESS

- **Wisconsin Veterinary Diagnostic Laboratory Animal Disease Response Capacity (WVDL).** The Wisconsin Veterinary Diagnostic Laboratory is critical to supporting continued animal health and animal disease response efforts. As such, please support WVDL's requests of \$568,480 for microbiologists to improve responses to chronic wasting disease and high-consequence pathogen disease outbreaks and \$217,283 for salary increases for WVDL veterinary specialists. More information: [Wisconsin Veterinary Diagnostic Laboratory](#)
- **Veterinary Loan Repayment Pilot Program (HEAB).** Wisconsin has experienced a shortage of rural veterinary care over the past several years. This pilot program will provide \$5 million over the biennium through the Wisconsin Higher Educational Aids Board (HEAB) to help qualified veterinarians offset a portion of the debt incurred in pursuit of their veterinary medicine degrees in return for their full-time employment as a veterinarian for at least four (4) years in a rural area in Wisconsin. This program may repay up to \$100,000 per qualified applicant (*i.e.*, up to \$25,000 for each year of employment).
- **Strategic Animal Disease Response and Prevention Support Staff (DATCP).** DATCP's Division of Animal Health (DAH) is essential to protecting Wisconsin's livestock industry and food supply. Mounting disease threats have escalated capacity needs. Recent outbreaks, such as the 2022 avian influenza response that required significant overtime hours, which highlights the need for additional resources. We support additional positions for the DAH to improve disease response capacity and ensure timely inspections.

AGRICULTURAL INNOVATION AND SUSTAINABILITY

- **Producer-led Watershed Grant Program (DATCP).** This program supports farmer-led initiatives to reduce nonpoint runoff and improve soil and water quality in local watersheds. Since its inception, it has positively impacted over 1.58 million acres across Wisconsin. Following the passage of 2023 Act 5, expanding producer-led groups' eligibility to operate in multiple watersheds, the program continues to be oversubscribed, with over \$1.5 million in requests, exceeding available funding. We support permanent funding of \$3 million over the biennium to meet growing demand. More information: [Producer-Led Watershed Protection Grants](#)
- **Cover Crop Insurance Premium Rebate Program (DATCP).** Cover crops play a vital role in improving soil health, reducing runoff, and enhancing water quality in a farm field. Their adoption continues to grow across the state as farmers recognize both the environmental and economic benefits. In the last two state budgets, the legislature allocated \$800,000 for DATCP to partner with the U.S. Department of Agriculture to offer \$5 per acre crop insurance rebates for planting cover crops. To build on this program's success and growing popularity, we support continuing the funding provided in prior state budgets and continuing to incentivize farmers to adopt this practice. More information: [Cover Crop Insurance Premium Rebate Program](#)
- **Nitrogen Optimization Grant Program (DATCP).** The Nitrogen Optimization Pilot Program (NOPP) provides critical funding for farmer-led, on-farm research projects in collaboration with researchers to optimize nitrogen use, improve water quality, and enhance soil health. The legislature allocated \$2 million over the 2023-25 biennium to support these efforts, recognizing the importance of empowering farmers to drive practical, science-based solutions. Continued investment in this program is vital to advancing sustainable nitrogen management practices. We support maintaining

\$1 million in annual funding and further support expanding eligibility to projects utilizing nitrogen from any source. More information: [Nitrogen Optimization Pilot Grant Program](#)

- **Nutrient Loss Reduction Cost-Share Program (DATCP).** Create a nutrient loss reduction cost-share program to assist farmers with the adoption of practices that are beneficial for their nutrient loss reduction or stewardship capabilities. Innovative practices such as Enhanced Efficiency Fertilizers (EEFs), grid soil sampling to support variable rate fertilizer application, and Nutrient Management Plan (NMP) preparation would help offset some of the investment required for implementation, which support improved soil and water quality.
- **Grazing Initiative Pilot Program (DATCP).** We support establishing a three-year pilot program with \$500,000 annually to assist dairy farmers transitioning to managed grazing systems. This pilot program would provide both financial and technical assistance to farmers adopting or expanding managed grazing practices, helping them navigate the transition. By offering this as an available tool, farmers can make informed decisions based on their individual farm goals and circumstances. This pilot program ensures that farmers have access to the resources needed to assess whether managed grazing is a practical choice for their farms.
- **Carbon Calculator (DATCP).** Marketplaces for carbon credits, and in some parts of the world, requirements for data about the carbon footprint of agricultural products create both opportunities and challenges for farmers. One of the challenges is having an affordable and reliable way to measure both the volume of credits they're able to create and the value of those credits. While the marketplace will ultimately determine the cash value of the credits, a state sanctioned online calculator ([2023 AB 419](#)) would provide farmers a reliable resource to understand how much their practices cost and generate. This very modest state investment will help farmers create secondary income streams and comply with export market requirements to give them the best opportunity to succeed in the changing marketplace.
- **County Conservation Staff (DATCP).** County conservation staff are critical to maintaining and implementing state conservation and agricultural programs. Providing technical expertise and conservation planning assistance, they bridge the gap between state conservation goals and on-the-ground farm management. We support continued funding for county conservation staff in the 2025-27 state budget.

WORKFORCE, COMMUNITIES, AND LEGACY

- **Rural and Agricultural Tax Relief (DOR).** Tax relief for farmers is essential to addressing the financial pressures facing today's agricultural industry. Targeted tax incentives for agricultural buildings, relief for farmland transitions to the next generation, and support for new farmers entering the field can help reduce unnecessary financial burdens. These measures allow farmers to focus on maintaining their operations amidst rising input costs and volatile commodity prices, ensuring that farmland remains productive and competitive in a global market.
- **Commodity Purchasing Grants for Wisconsin Food Banks and Food Pantries (DATCP).** We support providing \$30 million in funding over the biennium as a part of DATCP's budget to provide grants to Wisconsin's nonprofit food assistance organizations to purchase Wisconsin-produced farm and food products including fruits, vegetables, meat, milk and other dairy products made and grown in Wisconsin.

- **Career and Technical Student Organization Support (DPI).** Support allocating funding to Career and Technical Student Organizations (CTSOs) that assist with membership dues and workforce development programming. Programs, like FFA, play a vital role in preparing students for careers in agriculture and other industries by building technical skills, leadership abilities, and hands-on experience. Investing in CTSOs ensures students have access to opportunities that strengthen Wisconsin’s future workforce and support the state’s long-term agricultural and economic success. More information: [Wisconsin FFA](#)
- **CDL Driver Training Grants (DWD).** A reliable and well-trained driver workforce is essential to keeping Wisconsin’s agricultural supply chain moving. We support continuing and moderately expanding the Driver Training Grant Program, created by 2023 Wisconsin Act 153, to ensure continued investment in developing skilled drivers to move goods around the state. We recommend continued funding for this program and expanding eligibility to make the program more accessible to Wisconsin employers. More information: [CDL Driver Training Grants](#)
- **Farm Center Mental Health Vouchers (DATCP).** The 2023-25 budget provided \$100,000 in each year of the budget on a one-time basis for farmer mental health assistance through the Farm Center. This support has enabled a 24-hour helpline, tele-counseling services, and in-person counseling vouchers for farmers and their families. It has also funded virtual courses for agricultural service providers, online farmer support groups, and a farm-focused podcast. We support maintaining this level of funding for the 2025-27 budget to ensure farmers and their families have continued access to these critical mental health resources. More information: [Farm Center Mental Health Vouchers](#)
- **Farm and Industry Short Course (UW-River Falls).** New location, new vision, same goal: to produce high-quality graduates prepared for success in agriculture. Last year’s inaugural students at River Falls embraced the opportunity, carrying forward the program’s rich legacy with determination and excellence. We support reestablishing this 139-year-old program at the University of Wisconsin–River Falls so it can return for fall 2025. More information: [Farm and Industry Short Course at UW-River Falls](#)