



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-4560/1  
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## 2001 SENATE BILL 445

February 20, 2002 - Introduced by Senators BURKE, BAUMGART and SHIBILSKI, cosponsored by Representatives MILLER, HEBL and SCHNEIDER. Referred to Committee on Labor and Agriculture.

1     **AN ACT** *to repeal* 421.202 (10) and 422.210; *to renumber and amend* 92.07 (2),  
2           92.105 (1), 234.92, 283.91 (3) and 424.208 (1); *to amend* 92.05 (3) (k), 92.14 (6)  
3           (gm), 92.15 (4), 281.16 (3) (e), 281.16 (4), 283.55 (2) (title), 283.91 (2), 421.301  
4           (17), 422.203 (4) (c), 422.207 (1), 422.209 (2) (b) 1., 422.209 (2) (b) 2., 422.411 (1),  
5           422.412, 422.413 (1), 422.417 (1) (c), 422.417 (1) (d), 422.417 (2), 422.418 (2),  
6           422.501 (3), 423.201 (1) (intro.), 425.103 (2) (a), 425.206 (1) (b), 425.206 (1) (c),  
7           425.207 (2), 425.208 (1) (intro.), 425.208 (1) (cm), 427.102, 427.103 (1), 427.104  
8           (1) (intro.) and 560.17 (5c) (a) (intro.); and *to create* 20.115 (4) (cm), 20.115 (7)  
9           (cm), 20.115 (7) (he), 20.285 (1) (eb), 20.370 (4) (ai), 36.25 (16), 92.03 (5m), 92.07  
10          (2) (a) 1. to 3., 92.105 (1) (a) 1. to 3., 92.22, 93.07 (3m), 93.45, 93.46 (3), 100.185,  
11          234.92 (2), 234.93 (2) (am), 281.17 (11), 281.18, 283.01 (6s), 283.31 (1m), 283.31  
12          (9), 283.38, 283.43 (1) (am), 283.43 (1m), 283.55 (1s), 283.55 (2) (am), 283.60,  
13          283.91 (3) (b), 422.201 (12), 422.413 (2), 422.417 (1) (e), 424.208 (1) (b), 424.301  
14          (1) (b) 4., 425.114, 425.206 (1) (d), 560.17 (5c) (am) and 560.17 (5g) of the

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1 statutes; **relating to:** regulation of large animal feeding operations,  
2 agricultural nutrient management planning, water pollution discharge  
3 permits for certain livestock operations, construction and operation of certain  
4 animal waste storage facilities, controlling emissions of ammonia and  
5 hydrogen sulfide; including agricultural consumer transactions within the  
6 general scope of the Wisconsin Consumer Act; documentation of agricultural  
7 credit transactions; grants relating to agriculture and rural economic  
8 development; marketing agricultural products, rural economic development  
9 loans, sustainable agriculture research, dairy profitability, assistance for  
10 beginning farmers; a study of the dairy and livestock industries; prohibiting an  
11 application fee for applying to the agricultural production loan guarantee  
12 program and requiring lenders making loans that are guaranteed by the  
13 Wisconsin Housing and Economic Development Authority to employ certain  
14 policies before foreclosing on security interests obtained in connection with the  
15 loans granting rule-making authority; and making appropriations.

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***Analysis by the Legislative Reference Bureau***

This bill makes numerous changes in the laws relating to agriculture and the environment. Some of the provisions apply to large animal feeding operations. A “large animal feeding operation” is defined as a feedlot or facility, other than a pasture, where 1,000 animal units or more are, or will be, fed, confined, maintained, or stabled for a total of 45 consecutive days or more in any 12-month period. An animal unit is a measure determined by the department of natural resources (DNR) to equate different kinds of animals. One thousand animal units are equivalent to 1,000 beef cattle.

***Water pollution discharge permits***

Current law prohibits the discharge of pollutants into the waters of this state from a point source (such as a pipe) without a discharge permit from DNR. A large animal feeding operation is considered a point source. This bill prohibits a person from establishing a large animal feeding operation or expanding a smaller operation so that it becomes a large animal feeding operation until the person has obtained a discharge permit. If a livestock integrator exercises substantial control over the

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operations of a livestock operation for which a discharge permit is required, the bill requires DNR to issue the discharge permit in the name of the livestock integrator as well as the operator of the livestock operation. A "livestock integrator" is a person who provides livestock to the operator of a livestock operation and either has an ownership interest in the livestock or establishes management and production standards that must be followed by the operator for the care of the livestock. Under the bill, the operator and the livestock integrator are jointly responsible for violations of the discharge permit.

Current law establishes a minimum penalty of \$10 per day of violation for violations of the laws relating to pollution discharge permits, except that the minimum penalty does not apply to violations by animal feeding operations. The maximum civil and criminal monetary penalties range from \$10,000 to \$50,000 per day. This bill eliminates the exception from the minimum penalty for violations by animal feeding operations and reduces the maximum penalty for violations by animal feeding operations to \$1,000 per day of violation. The bill requires DNR to promulgate rules specifying requirements for periodic reports by operators of large animal feeding operations about compliance with discharge permits. The bill requires DNR to make specified information about large animal feeding operations available to the public.

The bill establishes a \$250 application fee to be paid by every applicant for a pollution discharge permit. The bill requires DNR to use the proceeds of the fee for permitting animal feeding operations and monitoring their compliance with permits.

This bill requires DNR to promulgate rules establishing best management practices for controlling air emissions of ammonia and hydrogen sulfide at large animal feeding operations. The bill requires DNR to condition issuance of a water pollution discharge permit to a large animal feeding operation on compliance with the best management practices.

***Other provisions related to water quality***

This bill prohibits a person from beginning to operate an animal waste storage facility with a capacity greater than 3,000,000 gallons before the person provides DNR with proof of financial responsibility ensuring the availability of funds to cover the costs of cleaning up a spill of animal waste from the animal waste storage facility.

The bill prohibits a person from constructing an animal waste storage lagoon on land that is hydraulically connected to a stream that is classified by DNR as a trout stream.

Current law requires DNR to promulgate rules prescribing performance standards and prohibitions that are designed to achieve water quality standards by limiting pollution from agricultural facilities and practices that are nonpoint sources of water pollution. The law requires the department of agriculture, trade and consumer protection (DATCP) to prescribe conservation practices and technical standards to implement DNR's performance standards and prohibitions. Under current law, these nonpoint source requirements may not be applied to an agricultural facility or practice that was constructed or begun before October 14, 1997, unless financial assistance is available to the owner or operator. This bill

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provides that the requirements may be applied to a large animal feeding operation that was constructed or begun before October 14, 1997, without regard to whether financial assistance is available to the owner or operator.

Current law requires DATCP to promulgate rules to improve agricultural nutrient management. This bill requires DATCP to establish a nutrient management certification program and to require a person who prepares a nutrient management plan to be certified. This bill also establishes a program under which DATCP provides grants to pay a portion of the cost of developing and implementing agricultural nutrient management plans required by state or federal law. The bill requires DATCP to give priority to grants for agricultural operations that have never had a nutrient management plan.

***Soil and water resource management program***

Under current law, DATCP administers a soil and water resource management program. The program provides funds to counties which may use the funds to provide grants for land and water resource management projects and for the construction of animal waste management systems. This bill prohibits counties from providing grants of more than \$50,000 under the soil and water resource management program.

***Wisconsin Consumer Act coverage and documentation of agricultural credit transactions***

Under current law, a transaction in which a consumer is granted credit in an amount of \$25,000 or less and which is entered into for personal, family, or household purposes (consumer credit transaction) is generally subject to the Wisconsin Consumer Act (consumer act). The consumer act provides obligations, remedies, and penalties that current law generally does not require for other transactions. With certain limited exceptions, the consumer act currently does not apply to a transaction that is entered into primarily for an agricultural purpose.

This bill expands the coverage of the consumer act to generally include any transaction which is entered into for agricultural purposes and in which a consumer is granted credit in an amount of \$25,000 or less. The bill also creates provisions that apply specifically to certain transactions that are entered into for agricultural purposes and that relate to the calculation of unearned finance charges that must be rebated upon prepayment of the transaction; charges for taking and holding collateral and preparing collateral for sale; limits on security interests granted under the transaction; permissible amounts of credit life insurance and insurance against loss or damage to collateral or leased goods; the determination of whether a customer is in default; repossession of certain farm products that are used as collateral; the customer's right to redeem after default; and prohibiting any part of the transaction from requiring the consumer to pay attorney fees.

Under this bill, certain transactions that are entered into for agricultural purposes continue to be excluded from provisions of the consumer act relating to methods of calculating finance charges; limits on delinquency charges; required notices regarding preservation of collateral; limits on a customer's liability upon expiration of a consumer lease; determination of security interests in consolidated

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transactions; the right to cancel certain transactions that are entered into following mail, telephone, or other specified solicitations; and repossession of collateral.

This bill also requires every document that is signed by a person and that evidences the person's obligation to pay under an agricultural credit transaction to be executed in duplicate original copies. The bill requires the person that extends the agricultural credit to provide one of the duplicate original copies to the person that obtains the credit.

***Agricultural grants, education, research, and promotion***

Under current law, DATCP makes agricultural diversification grants to fund projects directed toward new or alternative technologies and practices that will stimulate agricultural development and economic activity. This bill increases the funding for agricultural diversification grants. This bill also requires DATCP to conduct education and outreach to promote the use of managed grazing, organic dairying, and other organic agricultural production practices and to make grants to help farmers adopt these practices.

Under current law, the department of commerce and the rural economic development board administer a program to provide grants for starting, expanding, or modernizing a dairy farm or other agricultural business. This bill requires the rural economic development board to award grants for starting, expanding, or modernizing dairy farms in such a manner that the average herd size of the recipients of the grants does not exceed the average herd size of dairy farms operating in this state. This bill also expands the rural economic development program by authorizing the rural economic development board to award loans to individuals for farm operating costs and for the costs of starting agricultural businesses.

This bill establishes a sustainable agricultural research grant program to be administered by the center for integrated agriculture systems of the University of Wisconsin System and provides funding for the center to increase enrollment in short courses for beginning dairy farmers and beginning market gardeners and for research on effective strategies for beginning farmers. The bill provides funding for the center for dairy profitability of the University of Wisconsin System for research on low-capital strategies for improving the profitability of moderate scale dairy farms. The bill also provides funding to the technical college system board for improving and expanding programs for beginning farmers.

Various provisions in current law require DATCP to promote the agricultural products of this state. This bill requires DATCP to administer, and provides funding for, a Buy Wisconsin market development program to promote this state's farm-raised food products and to assist state agencies and local governmental units to purchase products directly from Wisconsin producers, producer organizations, and speciality food companies.

This bill requires the Program on Agricultural Technology Studies of the University of Wisconsin-Madison to conduct a study of the degree of concentration in the dairy and livestock industries and of the social and economic impacts of that concentration on consumers, small farms, and small communities. The bill also

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requires the department of justice to determine what efforts should be taken to deal with antitrust and unfair trade practices in agriculture.

***WHEDA loan guarantee programs***

The Wisconsin housing and economic development authority (WHEDA) administers a number of loan guarantee programs under which WHEDA guarantees repayment of a percentage of the outstanding principal amounts of loans made by private lenders to qualified borrowers for various business and agricultural purposes. WHEDA enters into guarantee agreements, addressing such issues as default procedures and procedures for determining the percentage of loan principal that WHEDA will guarantee, with private lenders wishing to participate in the loan guarantee programs. WHEDA is authorized to charge fees for providing financial assistance under the loan guarantee programs.

This bill provides that, in every guarantee agreement, the private lender must agree to use loan servicing and forbearance policies to the fullest extent allowed under state and federal law before initiating proceedings to foreclose on any security interest obtained by the private lender to secure repayment of a guaranteed loan. The bill also prohibits WHEDA from charging an application fee to a farmer applying for a loan guarantee under the agricultural production loan guarantee program, under which WHEDA guarantees loans made to farmers to finance the production of agricultural commodities.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
2 the following amounts for the purposes indicated:

					2001-02	2002-03
4	<b>20.115</b>	<b>Agriculture, trade and consumer</b>				
5		<b>protection, department of</b>				
6	(4)	AGRICULTURAL ASSISTANCE				
7	(cm)	Organic agricultural production	GPR	A	-0-	2,000,000
8	(7)	AGRICULTURAL RESOURCE MANAGEMENT				
9	(cm)	Nutrient management grants	GPR	A	2,000,000	2,000,000

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2 (1) UNIVERSITY EDUCATION, RESEARCH AND PUBLIC  
3 SERVICE

4 (eb) Sustainable agriculture research

5 grants GPR A 200,000 200,000

6 **SECTION 2.** 20.115 (4) (cm) of the statutes is created to read:

7 20.115 (4) (cm) *Organic agricultural production.* The amounts in the schedule  
8 for organic agricultural production education, outreach, and grants under s. 93.45.

9 **SECTION 3.** 20.115 (7) (cm) of the statutes is created to read:

10 20.115 (7) (cm) *Nutrient management grants.* The amounts in the schedule for  
11 nutrient management grants under s. 92.22.

12 **SECTION 4.** 20.115 (7) (he) of the statutes is created to read:

13 20.115 (7) (he) *Agricultural nutrient management.* All moneys received under  
14 s. 92.05 (3) (k), for activities related to agricultural nutrient management.

15 **SECTION 5.** 20.285 (1) (eb) of the statutes is created to read:

16 20.285 (1) (eb) *Sustainable agriculture research grants.* The amounts in the  
17 schedule for sustainable agriculture research grants under s. 36.25 (16).

18 **SECTION 6.** 20.370 (4) (ai) of the statutes is created to read:

19 20.370 (4) (ai) *Water resources — animal feeding operations.* From the general  
20 fund, all moneys received under s. 283.38 for permitting and monitoring compliance  
21 of concentrated animal feeding operations.

22 **SECTION 7.** 36.25 (16) of the statutes is created to read:

23 36.25 (16) **SUSTAINABLE AGRICULTURE RESEARCH GRANTS.** The board shall  
24 administer a sustainable agriculture research grant program through the center for

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1 integrated agriculture systems to make grants for applied research and on-farm  
2 demonstration projects concerning managed grazing, organic agricultural  
3 production, other environmentally and socially responsible agricultural production,  
4 and related enterprises.

5 **SECTION 8.** 92.03 (5m) of the statutes is created to read:

6 92.03 (5m) "Large animal feeding operation" has the meaning given in s. NR  
7 243.04 (13), Wis. Adm. Code.

8 **SECTION 9.** 92.05 (3) (k) of the statutes is amended to read:

9 92.05 (3) (k) *Nutrient management rules.* The department shall promulgate  
10 rules to improve agricultural nutrient management in this state. The rules shall be  
11 consistent with rules promulgated under s. 281.16 (3) and shall include incentives,  
12 educational and outreach provisions, and compliance requirements. In the rules  
13 promulgated under this paragraph, the department shall provide for a nutrient  
14 management certification program, shall require a person who prepares a nutrient  
15 management plan to be certified by the department, and shall authorize farmers who  
16 choose to prepare their own nutrient management plans to become certified. The  
17 department may impose fees for nutrient management planning certification.

18 **SECTION 10.** 92.07 (2) of the statutes is renumbered 92.07 (2) (a) (intro.) and  
19 amended to read:

20 92.07 (2) (a) (intro.) Each land conservation committee may develop and adopt  
21 standards and specifications for management practices to control erosion,  
22 sedimentation, and nonpoint source water pollution. The standards and  
23 specifications for the following agricultural facilities and practices ~~that are~~  
24 ~~constructed or begun on or after October 14, 1997, and, if cost-sharing is available~~  
25 ~~to the owner or operator under s. 92.14 or 281.65 or from any other source, for~~



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1 ~~agricultural facilities and practices that are constructed or begun before that date~~  
2 shall be consistent with the performance standards, prohibitions, conservation  
3 practices, and technical standards under s. 281.16 (3);

4 (b) The land conservation committee shall use the rules promulgated under s.  
5 281.16 (3) (e) to determine whether cost-sharing is available under par. (a) 3.

6 **SECTION 11.** 92.07 (2) (a) 1. to 3. of the statutes are created to read:

7 92.07 (2) (a) 1. Large animal feeding operations.

8 2. Agricultural facilities and practices that are constructed or begun on or after  
9 October 14, 1997.

10 3. Agricultural facilities and practices, other than large animal feeding  
11 operations, that are constructed or begun before October 14, 1997, if cost-sharing is  
12 available to the owner or operator under s. 92.14 or 281.65 or from any other source.

13 **SECTION 12.** 92.105 (1) of the statutes is renumbered 92.105 (1) (a) (intro.) and  
14 amended to read:

15 92.105 (1) (a) (intro.) A land conservation committee shall establish soil and  
16 water conservation standards. The standards for the following agricultural facilities  
17 and practices ~~that are constructed or begun on or after October 14, 1997, and, if~~  
18 ~~cost-sharing is available to the farmer under s. 92.14 or 281.65 or from any other~~  
19 ~~source, for agricultural facilities and practices that are constructed or begun before~~  
20 ~~that date~~ shall be consistent with the performance standards, prohibitions,  
21 conservation practices, and technical standards under s. 281.16 (3). ~~It;~~

22 (b) A land conservation committee shall submit these the standards under par.  
23 (a) to the board for review.

24 **SECTION 13.** 92.105 (1) (a) 1. to 3. of the statutes are created to read:

25 92.105 (1) (a) 1. Large animal feeding operations.

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1           2. Agricultural facilities and practices that are constructed or begun on or after  
2           October 14, 1997.

3           3. Agricultural facilities and practices, other than large animal feeding  
4           operations, that are constructed or begun before October 14, 1997, if cost-sharing is  
5           available to the owner or operator under s. 92.14 or 281.65 or from any other source.

6           **SECTION 14.** 92.14 (6) (gm) of the statutes is amended to read:

7           92.14 **(6)** (gm) A county may not provide cost-sharing funds using funds  
8           provided under this section in an amount that exceeds 70% of the cost of a project,  
9           except in cases of economic hardship, as defined by the department by rule. A county  
10          may not provide cost-sharing funds using funds provided under this section in an  
11          amount that exceeds \$50,000 per project.

12          **SECTION 15.** 92.15 (4) of the statutes is amended to read:

13          92.15 **(4)** A local governmental unit may not apply a regulation under sub. (2)  
14          or (3) to a livestock operation that exists on October 14, 1997, and that is not a large  
15          animal feeding operation unless the local governmental unit determines, using the  
16          rules promulgated under s. 281.16 (3) (e), that cost-sharing is available to the owner  
17          or operator of the livestock operation under s. 92.14 or 281.65 or from any other  
18          source.

19          **SECTION 16.** 92.22 of the statutes is created to read:

20          **92.22 Nutrient management grants. (1)** The department shall establish  
21          and administer a program to provide grants to pay a portion of the costs of developing  
22          and implementing agricultural nutrient management plans required under s. 92.05  
23          (3) (k) or ch. 283 or required by federal law. The department shall give priority to  
24          grants for agricultural operations that have never had a nutrient management plan.

25          **(2)** The department shall promulgate rules for the program under this section.

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1           **SECTION 17.** 93.07 (3m) of the statutes is created to read:

2           **93.07 (3m) BUY WISCONSIN PROGRAM.** To administer a market development  
3 program to do all of the following:

4           (a) Promote a Wisconsin identity for farm-raised food products through  
5 producer directories and other promotions for Wisconsin producers, producer  
6 organizations, and specialty food companies.

7           (b) Assist state agencies and school districts and other local governmental units  
8 to purchase products directly from Wisconsin producers, producer organizations,  
9 and specialty food companies in order to expand markets for farm products and  
10 improve the quality and freshness of food served.

11           **SECTION 18.** 93.45 of the statutes is created to read:

12           **93.45 Organic agricultural production. (1) EDUCATION AND OUTREACH.** The  
13 department shall conduct education and outreach to promote the use of managed  
14 grazing, organic dairying, and other organic agricultural production practices as  
15 profitable and environmentally sound practices.

16           **(2) GRANTS.** The department shall make grants to pay a portion of the costs for  
17 farmers to adopt managed grazing, organic dairying, and other organic agricultural  
18 production practices.

19           **SECTION 19.** 93.46 (3) of the statutes is created to read:

20           **93.46 (3)** The department shall annually report to the legislature under s.  
21 13.172 (2) concerning the results of each grant made under this section.

22           **SECTION 20.** 100.185 of the statutes is created to read:

23           **100.185 Documentation of agricultural credit transactions. (1)**

24           **DEFINITIONS.** In this section:

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1           (a) "Agricultural purpose" means a purpose related to the production, harvest,  
2           exhibition, marketing, transportation, processing, or manufacture of farm products  
3           by a person that cultivates, plants, propagates, or nurtures those farm products.

4           (b) "Credit" means the right to defer payment of debt, to incur debt, and defer  
5           its payment or to purchase goods, services, or interests in land on a time price basis.

6           (c) "Credit transaction" means a transaction under which real or personal  
7           property, services or money is acquired by a person, on credit, and under which the  
8           person is required to pay a charge for the credit or is required to pay his or her  
9           obligation in installments.

10          (d) "Farm creditor" means a person that extends credit to another person that  
11          obtains the credit primarily for an agricultural purpose.

12          (e) "Farm product" means an agricultural, horticultural, viticultural, dairy, or  
13          forest product; livestock; wildlife; poultry; bees; fish; shellfish; a product raised or  
14          produced on a farm; and any processed or manufactured product that is derived from  
15          any of these items.

16          **(2) DOCUMENTATION REQUIRED.** A farm creditor shall ensure that each document  
17          that is signed by a person and that evidences the person's obligation to pay under a  
18          credit transaction that the person enters into primarily for an agricultural purpose  
19          is executed in duplicate original copies. Except as provided under sub. (3), the  
20          duplicate original copies shall consist of a signed copy and an identical carbon copy  
21          containing the carbon impression of all signatures on the signed copy. The farm  
22          creditor shall provide the person that receives the credit with one of the duplicate  
23          original copies.

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1           **(3) RULES.** The department may, by rule, authorize the production of duplicate  
2 original copies as required under sub. (2) by any method that is at least as effective  
3 at preventing fraud as the method specified under sub. (2).

4           **SECTION 21.** 234.92 of the statutes is renumbered 234.92 (1) and amended to  
5 read:

6           234.92 (1) The authority may establish premiums, fees, or other charges for  
7 providing financial assistance under programs guaranteed by the Wisconsin  
8 development reserve fund.

9           **SECTION 22.** 234.92 (2) of the statutes is created to read:

10           234.92 (2) Notwithstanding sub. (1), the authority may not charge a farmer  
11 applying for a loan guarantee under the program under s. 234.90 an application fee.

12           **SECTION 23.** 234.93 (2) (am) of the statutes is created to read:

13           234.93 (2) (am) Under every guarantee agreement entered into under par. (a),  
14 the lender shall agree to use loan servicing and forbearance policies to the fullest  
15 extent required or permitted under state and federal law before initiating  
16 proceedings to foreclose on any security interest obtained by the lender to secure  
17 repayment of a guaranteed loan. The authority may determine, and the agreement  
18 may specify, applicable loan servicing and forbearance policies.

19           **SECTION 24.** 281.16 (3) (e) of the statutes is amended to read:

20           281.16 (3) (e) An owner or operator of an agricultural facility or practice that  
21 is in existence before October 14, 1997, and that is not a large animal feeding  
22 operation, as defined in s. NR 243.04 (13), Wis. Adm. Code, may not be required by  
23 this state or a municipality to comply with the performance standards, prohibitions,  
24 conservation practices, or technical standards under this subsection unless  
25 cost-sharing is available, under s. 92.14 or 281.65 or from any other source, to the

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1 owner or operator. For the purposes of this paragraph, sub. (4) and ss. 92.07 (2),  
2 92.105 (1), 92.15 (4), and 823.08 (3) (c) 2., the department of natural resources shall  
3 promulgate rules that specify criteria for determining whether cost-sharing is  
4 available under s. 281.65, and the department of agriculture, trade and consumer  
5 protection shall promulgate rules that specify criteria for determining whether  
6 cost-sharing is available under s. 92.14 or from any other source. The rules may not  
7 allow a determination that cost-sharing is available to meet local regulations under  
8 s. 92.07 (2), 92.105 (1), or 92.15 that are consistent with or that exceed the  
9 performance standards, prohibitions, conservation practices, or technical standards  
10 under this subsection unless the cost-sharing is at least 70% of the cost of compliance  
11 or is from 70% to 90% of the cost of compliance in cases of economic hardship, as  
12 defined in the rules.

13 **SECTION 25.** 281.16 (4) of the statutes is amended to read:

14 281.16 (4) APPLICATION TO ANIMAL FEEDING OPERATIONS. If the department issues  
15 a notice of discharge under ch. 283 for an animal feeding operation, the performance  
16 standards, prohibitions, conservation practices, and technical standards under sub.  
17 (3) apply to the animal feeding operation, except that if the animal feeding operation  
18 is in existence before October 14, 1997, and is not a large animal feeding operation,  
19 as defined in s. NR 243.04 (13), Wis. Adm. Code, the performance standards,  
20 prohibitions, conservation practices, and technical standards only apply if the  
21 department determines that cost-sharing is available to the owner or operator of the  
22 animal feeding operation under s. 92.14 or 281.65 or from any other source.

23 **SECTION 26.** 281.17 (11) of the statutes is created to read:

24 281.17 (11) No person may begin to operate an animal waste storage facility  
25 with a capacity greater than 3,000,000 gallons before the person provides to the

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1 department proof of financial responsibility ensuring the availability of funds to  
2 cover the reasonably anticipated costs of remedial action that would be required as  
3 the result of the most harmful discharge of animal waste from the animal waste  
4 storage facility that could possibly occur. A person may establish proof of financial  
5 responsibility required under this subsection by obtaining any of the following made  
6 payable to or established for the benefit of the department and approved by the  
7 department:

- 8 (a) A bond.
- 9 (b) A deposit.
- 10 (c) An established escrow account.
- 11 (d) An irrevocable letter of credit.

12 **SECTION 27.** 281.18 of the statutes is created to read:

13 **281.18 Location of animal waste storage lagoons.** No person may begin  
14 construction of an animal waste storage lagoon after the effective date of this  
15 subsection .... [revisor inserts date], on land that is hydraulically connected to a  
16 stream that is classified as a Class I, Class II, or Class III trout stream under s. 23.09  
17 (2) (m).

18 **SECTION 28.** 283.01 (6s) of the statutes is created to read:

19 283.01 (6s) "Large animal feeding operation" has the meaning in s. NR 243.04  
20 (13), Wis. Adm. Code.

21 **SECTION 29.** 283.31 (1m) of the statutes is created to read:

22 283.31 (1m) No person may establish a large animal feeding operation after  
23 the effective date of this subsection .... [revisor inserts date], or expand an animal  
24 feeding operation after the effective date of this subsection .... [revisor inserts date],

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1 so that it becomes a large animal feeding operation until the person has obtained a  
2 permit under this subsection.

3 **SECTION 30.** 283.31 (9) of the statutes is created to read:

4 283.31 (9) (a) In this subsection:

5 1. "Livestock integrator" means a person who provides livestock to the operator  
6 of a livestock operation and who either has an ownership interest in the livestock or  
7 establishes management and production standards to be followed by the operator for  
8 the maintenance, care, and raising of the livestock.

9 2. "Livestock operation" has the meaning given in s. 281.16 (1) (c).

10 3. "Ownership interest" includes a right or option to purchase.

11 (b) 1. If a livestock integrator exercises substantial control over the operations  
12 of a livestock operation for which a permit is required under this section, the  
13 department shall issue the permit in the name of the livestock integrator and the  
14 owner or operator of the livestock operation, and the livestock integrator and the  
15 owner or operator of the livestock operation are jointly responsible under s. 283.91  
16 for any violation of the permit.

17 2. The owner or operator of a livestock operation for which a permit is required  
18 under this section shall provide the department with any information that the  
19 department determines is necessary to determine whether subd. 1. applies.

20 **SECTION 31.** 283.38 of the statutes is created to read:

21 **283.38 Application fee.** An applicant for issuance or reissuance of a permit  
22 shall pay a fee of \$250.

23 **SECTION 32.** 283.43 (1) (am) of the statutes is created to read:



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1           283.43 (1) (am) The department shall make accessible to the public all of the  
2 following concerning large animal feeding operations and proposed large animal  
3 feeding operations:

- 4           1. Permit applications under s. 283.37.
- 5           2. Public notices under s. 283.39.
- 6           3. Draft permits.
- 7           4. Permits issued by the department under s. 283.31.
- 8           5. Reports submitted under s. 283.55 (1s).

9           **SECTION 33.** 283.43 (1m) of the statutes is created to read:

10           283.43 (1m) Notwithstanding sub. (2) and s. 283.55 (2) (c), the department may  
11 not treat as confidential any information contained in permit applications, draft  
12 permits, permits, or reports described in sub. (1) (am).

13           **SECTION 34.** 283.55 (1s) of the statutes is created to read:

14           283.55 (1s) REPORTING REQUIREMENTS. The department shall promulgate rules  
15 specifying requirements for the submission to the department of periodic reports by  
16 the owner of a large animal feeding operation concerning animal waste storage and  
17 disposal and other aspects of compliance with the conditions of the permit under s.  
18 283.31 of the large animal feeding operation.

19           **SECTION 35.** 283.55 (2) (title) of the statutes is amended to read:

20           283.55 (2) (title) ACCESS TO PREMISES, MONITORING EQUIPMENT, AND RECORDS.

21           **SECTION 36.** 283.55 (2) (am) of the statutes is created to read:

22           283.55 (2) (am) A duly authorized officer, employee or representative of the  
23 department may enter the premises of an animal feeding operation at reasonable  
24 times to determine whether the animal feeding operation is a large animal feeding,

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1 operation and may inspect records of animal stabling, confinement, feeding, and  
2 maintenance for that purpose.

3 **SECTION 37.** 283.60 of the statutes is created to read:

4 **283.60 Best management practices for large animal feeding**  
5 **operations.** (1) The department shall promulgate rules specifying best  
6 management practices for controlling air emissions of ammonia and hydrogen  
7 sulfide at large animal feeding operations. The department shall design the best  
8 management practices to achieve all of the following:

9 (a) Elimination of substantially all emissions of ammonia.

10 (b) Elimination of substantially all odors detectable beyond the boundaries of  
11 the parcel of land on which a large animal feeding operation is located.

12 (c) Elimination of substantially all releases of disease-transmitting organisms  
13 and airborne pathogens.

14 (2) The department shall condition the issuance of a permit to a large animal  
15 feeding operation on compliance with the best management practices specified under  
16 sub. (1).

17 **SECTION 38.** 283.91 (2) of the statutes is amended to read:

18 283.91 (2) Any person who violates this chapter, any rule promulgated under  
19 this chapter, any term or condition of a permit issued under this chapter, or any rule  
20 promulgated or order issued under s. 200.45 (1) or (2) shall forfeit not less than \$10  
21 nor more than \$10,000 for each day of violation, except that the ~~minimum~~ maximum  
22 ~~forfeiture does not apply~~ is \$1,000 for each day of violation if the point source at which  
23 the violation occurred is an animal feeding operation.

24 **SECTION 39.** 283.91 (3) of the statutes is renumbered 283.91 (3) (a) and  
25 amended to read:

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1           283.91 (3) (a) Any person who ~~wilfully~~ willfully or negligently violates this  
2 chapter, any rule promulgated under this chapter, or any term or condition of a  
3 permit issued under this chapter shall be fined not less than \$10 nor more than  
4 \$25,000 per day of violation, or imprisoned for not more than 6 months or both. If  
5 the conviction is for a violation committed after a first conviction of such person  
6 under this subsection, the person shall be fined not less than \$10 nor more than  
7 \$50,000 per day of violation, or imprisoned for not more than one year in the county  
8 jail or both. ~~The minimum forfeiture does not apply if the point source at which the~~  
9 ~~violation occurred is an animal feeding operation.~~ In determining the amount of the  
10 fine under this subsection, the court shall assess an amount which represents an  
11 actual and substantial economic deterrent to the action which was the basis of the  
12 conviction.

13           **SECTION 40.** 283.91 (3) (b) of the statutes is created to read:

14           283.91 (3) (b) Notwithstanding par. (a), the maximum fine for a violation  
15 described in par. (a) is \$1,000 per day of violation if the point source at which the  
16 violation occurred is an animal feeding operation.

17           **SECTION 41.** 421.202 (10) of the statutes is repealed.

18           **SECTION 42.** 421.301 (17) of the statutes is amended to read:

19           421.301 (17) "Customer" means a person other than an organization (s.  
20 421.301 (28)) who seeks or acquires real or personal property, services, money, or  
21 credit for personal, family or household purposes, or, for purposes of ch. 427 only, for  
22 agricultural purposes. A person other than a customer may agree to be governed by  
23 chs. 421 to 427 with respect to all aspects of a transaction and in such event such  
24 person shall be deemed a customer for all purposes of chs. 421 to 427 with respect  
25 to such transaction.

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1           **SECTION 43.** 422.201 (12) of the statutes is created to read:

2           422.201 (12) Except for sub. (8), this section does not apply to a consumer credit  
3 transaction that is entered into primarily for an agricultural purpose.

4           **SECTION 44.** 422.203 (4) (c) of the statutes is amended to read:

5           422.203 (4) (c) With respect to a consumer credit transaction other than a  
6 transaction that is entered into primarily for an agricultural purpose, interest after  
7 the final scheduled maturity date shall not exceed the greater of either 12% per year  
8 or the annual rate of finance charge assessed on that transaction if the transaction  
9 is entered into on or after November 1, 1981, but if interest is charged no delinquency  
10 charge may be taken on the final scheduled instalment.

11           **SECTION 45.** 422.207 (1) of the statutes is amended to read:

12           422.207 (1) With respect to a consumer credit transaction the parties may, to  
13 the extent not prohibited by chs. 421 to 427 and 429, agree that the customer will  
14 perform certain duties with respect to preserving or insuring collateral or goods  
15 subject to a motor vehicle consumer lease, if such duties are reasonable in relation  
16 to the risk of loss of or damage to the collateral or goods. If the customer fails to so  
17 perform the creditor may, if authorized by the agreement, pay for the performance  
18 of such duties on behalf of the customer. The amount paid may be added to the  
19 unpaid balance of the customer's obligation, if, in the absence of performance, the  
20 merchant has made all expenditures on behalf of the customer in good faith and in  
21 a commercially reasonable manner and, except in the case of a transaction that was  
22 entered into for an agricultural purpose where the collateral is perishable and  
23 threatens to decline speedily in value, the merchant has given the customer written  
24 notice of the nonperformance and reasonable opportunity after such notice to so  
25 perform.

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1           **SECTION 46.** 422.209 (2) (b) 1. of the statutes is amended to read:

2           422.209 (2) (b) 1. The portion of the finance charge which is allocable to all  
3 unexpired payment periods as scheduled or deferred. A payment period is unexpired  
4 if prepayment is made within 15 days after the payment's due date. The unearned  
5 finance charge is the finance charge which, assuming all payments are made as  
6 scheduled or deferred, would be earned for each unexpired payment period by  
7 applying to unpaid balances of principal, according to the actuarial method, the  
8 annual percentage rate disclosed to the customer under subch. III or, in the case of  
9 a transaction that was entered into for an agricultural purpose, the annual  
10 percentage rate based on the finance charge. The creditor may decrease the annual  
11 interest rate to the next multiple of 0.25%.

12           **SECTION 47.** 422.209 (2) (b) 2. of the statutes is amended to read:

13           422.209 (2) (b) 2. The finance charge less the amount determined by applying  
14 to the unpaid balances of principal, according to the actuarial method, for the time  
15 those balances were unpaid up to the date of prepayment, the annual percentage rate  
16 disclosed to the customer under subch. III, ~~according to the actuarial method, to the~~  
17 ~~unpaid balances for the actual time those balances were unpaid up to the date of~~  
18 ~~prepayment~~ or, in the case of a transaction that was entered into for an agricultural  
19 purpose, the annual percentage rate based on the finance charge.

20           **SECTION 48.** 422.210 of the statutes is repealed.

21           **SECTION 49.** 422.411 (1) of the statutes is amended to read:

22           422.411 (1) Except as provided in subs. (2) and (2m), with respect to a consumer  
23 credit transaction no term of a writing may provide for the payment by the customer  
24 of attorney fees. Notwithstanding subs. (2) and (2m), a consumer credit transaction

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1 that is entered into for an agricultural purpose may not provide for the payment by  
2 the customer of attorney fees.

3 **SECTION 50.** 422.412 of the statutes is amended to read:

4 **422.412 Restriction on liability in consumer lease.** In a consumer lease  
5 other than a lease that is entered into for an agricultural purpose, the obligation of  
6 a customer upon expiration of the lease may not exceed the average payment  
7 allocable to a monthly period under the lease. This limitation does not apply to  
8 charges for damages to the leased property occasioned by other than normal use or  
9 for other default.

10 **SECTION 51.** 422.413 (1) of the statutes is amended to read:

11 422.413 (1) Except as provided in ~~sub.~~ subs. (2) and (2g), no term of a writing  
12 evidencing a consumer credit transaction may provide for any charges as a result of  
13 default by the customer other than reasonable expenses incurred in the disposition  
14 of collateral or goods subject to a motor vehicle consumer lease and such other  
15 charges as are specifically authorized by chs. 421 to 427 and 429.

16 **SECTION 52.** 422.413 (2) of the statutes is created to read:

17 422.413 (2) In the case of a consumer credit transaction that is entered into for  
18 an agricultural purpose, a writing evidencing the transaction may provide for the  
19 creditor's recovery of expenses of taking and holding collateral and in the case of  
20 collateral other than automobiles, as defined in s. 340.01 (4), and trucks other than  
21 farm trucks, as defined in s. 340.01 (18), for the expenses of preparing the collateral  
22 for sale.

23 **SECTION 53.** 422.417 (1) (c) of the statutes is amended to read:

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1           422.417 (1) (c) Real property to which the property sold is affixed, or which is  
2 maintained, repaired or improved as a result of the sale of the property or services,  
3 if the obligation secured is \$1,000 or more; ~~and~~

4           **SECTION 54.** 422.417 (1) (d) of the statutes is amended to read:

5           422.417 (1) (d) Goods of the consumer which were the subject of a prior  
6 transaction with the seller which is consolidated (s. 422.206) with the consumer  
7 credit sale, or if the consumer credit sale is made pursuant to an open-end credit  
8 plan, goods previously purchased by the consumer pursuant to the plan, subject  
9 however to s. 422.418. ; and

10          **SECTION 55.** 422.417 (1) (e) of the statutes is created to read:

11          422.417 (1) (e) Agricultural products or agricultural equipment then owned by  
12 the customer or acquired or to be acquired in the future.

13          **SECTION 56.** 422.417 (2) of the statutes is amended to read:

14          422.417 (2) With respect to a consumer lease, except as otherwise provided in  
15 s. 429.205 with respect to a motor vehicle consumer lease, a lessor may not take a  
16 security interest in any property owned or leased by the customer other than the  
17 leased goods to secure the lessor's obligations under the lease. This subsection does  
18 not prohibit a security interest in a cash security deposit for a consumer lease of  
19 motor vehicles or agricultural equipment.

20          **SECTION 57.** 422.418 (2) of the statutes is amended to read:

21          422.418 (2) For the purpose of determining the extent to which a consolidated  
22 obligation is secured after a consolidation of consumer sales other than sales that are  
23 primarily for an agricultural purpose, and after a consolidation of consumer loans in  
24 which one or more of the loans consolidated is secured by a purchase money security  
25 interest in property of the type described in s. 422.417 (3) (a), payments received by

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1 the creditor after a consolidation agreement are deemed to have been first applied  
2 to the payment of obligations arising from the transactions first made. To the extent  
3 that obligations are paid pursuant to this section, security interests in items of  
4 property terminate as the obligation originally incurred with respect to each item is  
5 paid.

6 **SECTION 58.** 422.501 (3) of the statutes is amended to read:

7 422.501 (3) "Extension of credit" means the right to defer payment of debt or  
8 to incur debt and defer its payment, that is offered or granted for debt that is incurred  
9 primarily for personal, family ~~or~~, household, or agricultural purposes.

10 **SECTION 59.** 423.201 (1) (intro.) of the statutes is amended to read:

11 **423.201 (1)** (intro.) "Consumer approval transaction" means a consumer  
12 transaction, other than a sale or lease or listing for sale of real property ~~or~~, a sale of  
13 goods at auction, a sale or lease of goods for an agricultural purpose, or a loan made  
14 to finance a sale of goods at auction for an agricultural purpose, that:

15 **SECTION 60.** 424.208 (1) of the statutes is renumbered 424.208 (1) (intro.) and  
16 amended to read:

17 424.208 (1) (intro.) The initial amount of credit life insurance shall not exceed  
18 the total amount repayable under the contract of indebtedness however the  
19 indebtedness may be repayable, ~~but in~~ except as follows:

20 (a) In cases where an indebtedness is repayable in substantially equal  
21 instalments, the amount of insurance shall at no time exceed the scheduled or actual  
22 amount of unpaid indebtedness, whichever is greater.

23 **SECTION 61.** 424.208 (1) (b) of the statutes is created to read:

24 424.208 (1) (b) In cases where credit life insurance is provided on a consumer  
25 credit transaction that is entered into for an agricultural purpose, the insurance may



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1 be written up to the amount of the loan commitment on a nondecreasing or  
2 level-term plan.

3 **SECTION 62.** 424.301 (1) (b) 4. of the statutes is created to read:

4 424.301 (1) (b) 4. The amount of the creditor's commitment to lend to the  
5 customer in transactions that are entered into for an agricultural purpose.

6 **SECTION 63.** 425.103 (2) (a) of the statutes is amended to read:

7 425.103 (2) (a) With respect to a transaction other than one pursuant to an  
8 open-end plan; if the interval between scheduled payments is 2 months or less, to  
9 have outstanding an amount exceeding one full payment which has remained unpaid  
10 for more than 10 days after the scheduled or deferred due dates, or the failure to pay  
11 the first payment or the last payment, within 40 days of its scheduled or deferred due  
12 date; if the interval between scheduled payments is more than 2 months, to have all  
13 or any part of one scheduled payment unpaid for more than 60 days after its  
14 scheduled or deferred due date; ~~or~~, if the transaction is scheduled to be repaid in a  
15 single payment, to have all or any part of the payment unpaid for more than 40 days  
16 after its scheduled or deferred due date; or, in the case of a transaction that is entered  
17 into for an agricultural purpose, the failure to pay the first or the only installment  
18 when due or to pay any other installment within 40 days after its original or deferred  
19 due date. For purposes of this paragraph the amount outstanding shall not include  
20 any delinquency or deferral charges and shall be computed by applying each  
21 payment first to the instalment most delinquent and then to subsequent instalments  
22 in the order they come due;

23 **SECTION 64.** 425.114 of the statutes is created to read:

24 **425.114 Repossession of farm products.** Sections 425.103, 425.104, and  
25 425.105 do not apply to the recovery of farm products, as defined in s. 409.109 (3),

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1 that are collateral in a transaction that is entered into for an agricultural purpose,  
2 if the merchant reasonably believes the customer to be in default because of the  
3 customer's failure, without justification under any law, to observe a covenant of the  
4 transaction, breach of which covenant materially impairs the condition, value, or  
5 protection of, or the merchant's right in, the collateral. The rights and obligations  
6 of the merchant and the customer with respect to collateral described in this section  
7 are governed by ss. 409.501 to 409.507, except that the customer's right to redeem  
8 is governed by s. 425.208 and the restrictions on deficiency judgments contained in  
9 s. 425.209 apply to transactions described in that section.

10 **SECTION 65.** 425.206 (1) (b) of the statutes is amended to read:

11 425.206 (1) (b) Judgment for the merchant has been entered in a proceeding  
12 for recovery of collateral or leased goods under s. 425.205, or for possession of the  
13 collateral or leased goods under s. 425.203 (2); ~~or~~

14 **SECTION 66.** 425.206 (1) (c) of the statutes is amended to read:

15 425.206 (1) (c) The merchant has taken possession of collateral or leased goods  
16 pursuant to s. 425.207 (2); or

17 **SECTION 67.** 425.206 (1) (d) of the statutes is created to read:

18 425.206 (1) (d) The merchant has taken possession of collateral in accordance  
19 with s. 425.114.

20 **SECTION 68.** 425.207 (2) of the statutes, as affected by 2001 Wisconsin Act 10,  
21 is amended to read:

22 425.207 (2) A merchant who reasonably believes that a customer has  
23 abandoned collateral or goods subject to a consumer lease may take possession of  
24 such collateral or leased goods and preserve it. However, the customer may recover  
25 such collateral or leased goods upon request unless at the time of request the

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1 customer has surrendered the collateral or leased goods, or judgment for the  
2 merchant has been entered in a proceeding for recovery of collateral or leased goods  
3 under s. 425.205 or in a judgment described in s. 425.203 (2). A merchant taking  
4 possession of collateral or leased goods pursuant to this section shall promptly send  
5 notification to the customer's last-known address of such action and of the  
6 customer's right to recover such collateral or leased goods under this section. If the  
7 collateral or leased goods are recovered by the customer pursuant to this section, it  
8 shall be returned to the customer at the location where the merchant took possession  
9 of such collateral or leased goods pursuant to this section or, at the option of the  
10 merchant, at such other location designated by the customer; and any expense  
11 incurred by the merchant in taking possession of, holding and returning the  
12 collateral or leased goods to the customer shall be borne by the merchant. If after  
13 taking possession of collateral or leased goods pursuant to this subsection, the  
14 merchant perfects the right to possession through a surrender by the customer or a  
15 judgment under s. 425.203 (2) or 425.205, the customer is liable for the expenses set  
16 forth in s. 409.615 (1). In determining such expenses, leased goods shall be  
17 considered collateral under s. 409.615 (1). However, a customer is not liable for  
18 expenses of holding the collateral or leased goods from the time the merchant takes  
19 possession until the merchant perfects the right to possession in the manner  
20 provided in this subsection. This subsection does not apply to collateral recovered  
21 in accordance with s. 425.114.

22 **SECTION 69.** 425.208 (1) (intro.) of the statutes is amended to read:

23 425.208 (1) (intro.) For Except when the parties to a transaction that is entered  
24 into for an agricultural purpose agree otherwise in writing after default, for a period  
25 of 15 days following exercise by the a creditor of nonjudicial enforcement rights (s.

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1 425.206) or issuance of process (s. 425.205) with regard to the collateral, the customer  
2 shall be entitled to redeem the goods by tendering:

3 **SECTION 70.** 425.208 (1) (cm) of the statutes is amended to read:

4 425.208 (1) (cm) If a writing evidencing the consumer credit transaction so  
5 provides, expenses the creditor is entitled to recover under s. 422.413 (2) and (2g) (a)  
6 and (b); plus

7 **SECTION 71.** 427.102 of the statutes is amended to read:

8 **427.102 Scope.** This chapter applies to conduct and practices in connection  
9 with the collection of obligations arising from consumer transactions, ~~including~~  
10 ~~transactions that are primarily for an agricultural purpose.~~

11 **SECTION 72.** 427.103 (1) of the statutes is amended to read:

12 427.103 (1) "Claim" means any obligation or alleged obligation arising from a  
13 consumer transaction, ~~including a transaction that is primarily for an agricultural~~  
14 ~~purpose.~~

15 **SECTION 73.** 427.104 (1) (intro.) of the statutes is amended to read:

16 427.104 (1) (intro.) In attempting to collect an alleged debt arising from a  
17 consumer credit transaction or other consumer transaction, ~~including a transaction~~  
18 ~~primarily for an agricultural purpose,~~ where there is an agreement to defer payment,  
19 a debt collector may not:

20 **SECTION 74.** 560.17 (5c) (a) (intro.) of the statutes is amended to read:

21 560.17 (5c) (a) (intro.) Subject to ~~par. pars.~~ par. (am) and (b), the board may award  
22 a grant under this subsection to a person or business proposing to start up,  
23 modernize, or expand in this state a dairy farm, as defined in s. 97.22 (1) (a), or other  
24 agricultural business if all of the following apply:

25 **SECTION 75.** 560.17 (5c) (am) of the statutes is created to read:

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1           560.17 (5c) (am) The board shall award grants under this subsection for the  
2 start-up of dairy farms so that the average proposed herd size of the new dairy farms  
3 for which grants are awarded in a fiscal year does not exceed the average herd size  
4 of dairy farms operating in this state during the preceding fiscal year. The board  
5 shall award grants under this subsection for the modernization or expansion of dairy  
6 farms so that the average herd size at the time of application of the dairy farms for  
7 which grants are awarded in a fiscal year does not exceed the average herd size of  
8 dairy farms operating in this state during the preceding fiscal year.

9           **SECTION 76.** 560.17 (5g) of the statutes is created to read:

10           560.17 (5g) The board may award a loan to an individual under this subsection  
11 for any of the following purposes:

12           (a) Farm operating costs.

13           (b) The costs of starting an agricultural business.

14           **SECTION 77. Nonstatutory provisions.**

15           (1) STUDY OF ANIMAL WASTE DISPOSAL. The program on Agricultural Technology  
16 Studies of the University of Wisconsin-Madison shall study the use of wastewater  
17 treatment facilities for treating animal waste and alternatives to the use of animal  
18 waste storage lagoons and to the spraying of animal waste using aerial irrigation  
19 systems. In conducting the study, the program shall investigate the best available  
20 control technology, maximum available control technology, and lowest achievable  
21 emission reduction. No later than the first day of the 12th month beginning after the  
22 effective date of this subsection, the program shall submit a report on the results of  
23 its study, including a proposal for phasing out the use of animal waste storage  
24 lagoons that do not meet the standards of the federal natural resources conservation

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1 service, to the legislature in the manner provided under section 13.172 (2) of the  
2 statutes.

3 (2) **MONITORING AND ENFORCEMENT.**

4 (a) In this subsection, "large animal feeding operation" has the meaning given  
5 in section 283.01 (6s) of the statutes, as created by this act.

6 (b) No later than July 1, 2002, the department of natural resources shall  
7 determine the levels of staffing and funding that the department would need to  
8 adequately monitor permits issued under section 283.31 of the statutes for large  
9 animal feeding operations and to enforce other environmental requirements that  
10 apply to large animal feeding operations.

11 (c) In its request under section 16.42 of the statutes for the 2003-05 biennial  
12 budget, the department of natural resources shall include a request for staffing and  
13 funding at the levels determined under paragraph (b) for monitoring permits issued  
14 under section 283.31 of the statutes for large animal feeding operations and  
15 enforcement of other environmental requirements that apply to large animal feeding  
16 operations.

17 (3) **ORGANIC AGRICULTURAL PRODUCTION PROGRAM POSITION.** The authorized FTE  
18 positions for the department of agriculture, trade and consumer protection are  
19 increased by 1.0 GPR position, to be funded from the appropriation under s. 20.115  
20 (4) (cm) of the statutes, as created by this act, for the organic agricultural production  
21 program.

22 (4) **STUDY OF CONCENTRATION IN THE DAIRY AND LIVESTOCK INDUSTRIES.** The  
23 Program on Agricultural Technology Studies of the University of  
24 Wisconsin-Madison shall conduct a study of the degree of concentration in the dairy  
25 and livestock industries and of the social and economic impacts of that concentration

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1 on consumers, small farms, and small communities. In conducting the study, the  
2 program shall investigate how processing companies compete, or fail to compete, for  
3 supplies of livestock and livestock products by using forward contracts, marketing  
4 agreements, and other forms of captive supply. No later than June 30, 2003, the  
5 program shall report the results of the study to the standing committees of the  
6 legislature with jurisdiction over agriculture, in the manner provided under section  
7 13.172 (3) of the statutes, and to the attorney general.

8 (5) ANTITRUST AND UNFAIR BUSINESS PRACTICES. The department of justice shall  
9 do all of the following:

10 (a) Assess its capacity to enforce antitrust and unfair business practice laws  
11 as they relate to agriculture.

12 (b) Review and assess efforts in other states to deal with antitrust and unfair  
13 business practices in agriculture.

14 (c) Determine what efforts would be appropriate in this state to deal with  
15 antitrust and unfair business practices in agriculture and how the department could  
16 become aware of complaints in these areas.

17 (d) Determine the staff, funding, and legal authority that the department  
18 would need to implement the efforts under paragraph (c).

19 (e) No later than June 30, 2003, report the results of its assessments and  
20 determinations under paragraphs (a) to (d) to the legislature, in the manner provided  
21 under section 13.172 (2) of the statutes.

**SECTION 78. Appropriation changes.**

22 (1) STUDY OF ANIMAL WASTE DISPOSAL. In the schedule under section 20.005 (3)  
23 of the statutes for the appropriation to the board of regents of the University of  
24 Wisconsin System under section 20.285 (1) (a) of the statutes, as affected by the acts  
25

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1 of 2001, the dollar amount is increased by \$50,000 for fiscal year 2002-03 to provide  
2 funding for a study of animal waste disposal.

3 (2) AGRICULTURAL INVESTMENT AIDS. In the schedule under section 20.005 (3) of  
4 the statutes for the appropriation to the department of agriculture, trade and  
5 consumer protection under section 20.115 (4) (c) of the statutes, as affected by the  
6 acts of 2001, the dollar amount is increased by \$1,600,000 for fiscal year 2002-03 to  
7 increase funding for agricultural research and development grants.

8 (3) MARKET DEVELOPMENT. In the schedule under section 20.005 (3) of the  
9 statutes for the appropriation to the department of agriculture, trade and consumer  
10 protection under section 20.115 (3) (a) of the statutes, as affected by the acts of 2001,  
11 the dollar amount is increased by \$1,000,000 for fiscal year 2001-02 and the dollar  
12 amount is increased by \$1,000,000 for fiscal year 2002-03 to fund a buy Wisconsin  
13 market development program and to increase the authorized FTE positions by 2.0  
14 GPR positions for marketing assistance.

15 (4) RURAL ECONOMIC DEVELOPMENT. In the schedule under section 20.005 (3) of  
16 the statutes for the appropriation to the department of commerce under section  
17 20.143 (1) (er) of the statutes, as affected by the acts of 2001, the dollar amount is  
18 increased by \$1,000,000 for fiscal year 2001-02 and the dollar amount is increased  
19 by \$1,000,000 for fiscal year 2002-03 to provide loans for farm operating costs and  
20 for starting agricultural businesses.

21 (5) DAIRY PROFITABILITY. In the schedule under section 20.005 (3) of the statutes  
22 for the appropriation to the board of regents of the University of Wisconsin System  
23 under section 20.285 (1) (a) of the statutes, as affected by the acts of 2001, the dollar  
24 amount is increased by \$100,000 for fiscal year 2001-02 and the dollar amount is  
25 increased by \$100,000 for fiscal year 2002-03 to increase funding for the center for



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1 dairy profitability for research on low-capital strategies for improving the  
2 profitability of moderate scale dairy farms.

3 (6) BEGINNING FARMERS; UNIVERSITY OF WISCONSIN SYSTEM. In the schedule  
4 under section 20.005 (3) of the statutes for the appropriation to the board of regents  
5 of the University of Wisconsin System under section 20.285 (1) (a) of the statutes, as  
6 affected by the acts of 2001, the dollar amount is increased by \$100,000 for fiscal year  
7 2001-02 and the dollar amount is increased by \$100,000 for fiscal year 2002-03 to  
8 increase funding for the center for integrated agriculture systems to increase  
9 enrollment in short courses for beginning dairy farmers and beginning market  
10 gardeners and for research on effective strategies for beginning farmers.

11 (7) BEGINNING FARMERS; TECHNICAL COLLEGE SYSTEM. In the schedule under  
12 section 20.005 (3) of the statutes for the appropriation to the technical college system  
13 board under section 20.292 (1) (a) of the statutes, as affected by the acts of 2001, the  
14 dollar amount is increased by \$100,000 for fiscal year 2002-03 to increase funding  
15 for education programs for beginning farmers.

16 (8) FUNDING FOR STUDY OF CONCENTRATION IN THE DAIRY AND LIVESTOCK INDUSTRY.  
17 In the schedule under section 20.005 (3) of the statutes for the appropriation to the  
18 board of regents of the University of Wisconsin system under section 20.285 (1) (a)  
19 of the statutes, as affected by the acts of 2001, the dollar amount is increased by  
20 \$50,000 for fiscal year 2001-02 and the dollar amount is increased by \$50,000 for  
21 fiscal year 2002-03 to provide funding for a study of the degree of concentration in  
22 the dairy and livestock industries.

**SECTION 79. Initial applicability.**

23  
24 (1) WISCONSIN CONSUMER ACT. The treatment of sections 100.185, 421.202 (10),  
25 421.301 (17), 422.201 (12), 422.203 (4) (c), 422.207 (1), 422.209 (2) (b) 1. and 2.,

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1 422.210, 422.411 (1), 422.412, 422.413 (1) and (2), 422.417 (1) (c), (d), and (e) and (2),  
2 422.418 (2), 422.510 (3), 423.201 (1) (intro.), 424.301 (1) (b) 4., 425.103 (2) (a),  
3 425.114, 425.206 (1) (b), (c), and (d), 425.207 (2), 425.208 (1) (intro.) and (cm),  
4 427.102, 427.103 (1), and 427.104 (1) (intro.) of the statutes, the renumbering and  
5 amendment of section 424.208 (1) of the statutes, and the creation of section 424.208  
6 (1) (b) of the statutes first apply to transactions entered into on the effective date of  
7 this subsection.

8 (2) APPLICATION FEE PROHIBITION. The treatment of section 234.92 (2) of the  
9 statutes first applies to applications submitted on the effective date of this  
10 subsection.

11 **SECTION 80. Effective dates.** This act takes effect on the day after  
12 publication, except as follows:

13 (1) RURAL ECONOMIC DEVELOPMENT GRANTS. The treatment of section 560.17 (5c)  
14 (a) (intro.) and (am) of the statutes takes effect on July 1, 2002.

15 (2) WISCONSIN CONSUMER ACT. The treatment of sections 100.185, 421.202 (10),  
16 421.301 (17), 422.201 (12), 422.203 (4) (c), 422.207 (1), 422.209 (2) (b) 1. and 2.,  
17 422.210, 422.411 (1), 422.412, 422.413 (1) and (2), 422.417 (1) (c), (d), and (e) and (2),  
18 422.418 (2), 422.510 (3), 423.201 (1) (intro.), 424.301 (1) (b) 4., 425.103 (2) (a),  
19 425.114, 425.206 (1) (b), (c), and (d), 425.207 (2), 425.208 (1) (intro.) and (cm),  
20 427.102, 427.103 (1), and 427.104 (1) (intro.) of the statutes, the renumbering and  
21 amendment of section 424.208 (1) of the statutes, the creation of section 424.208 (1)  
22 (b) of the statutes, and SECTION 79 (1) take effect on the first day of the 6th month  
23 beginning after publication.

24

**(END)**