



2003 ASSEMBLY BILL 931

March 4, 2004 - Introduced by Representatives VRUWINK, PLOUFF, HEBL, KREUSER, TAYLOR, RICHARDS, TURNER, HUBLER, HAHN, ZEPNICK, BERCEAU, MCCORMICK, POCAN, SERATTI and FREESE, cosponsored by Senators LASSA and ROESSLER. Referred to Committee on Rural Development.

1 **AN ACT to create** 15.135 (2), 20.115 (4) (cm) and 93.65 of the statutes; **relating**
2 **to:** assisting farmers in this state to develop, produce, and market products that
3 add value to agricultural commodities, creating a Value-Added Farm Product
4 and Market Development Board, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates a Value-Added Farm Product and Market Development Board (board) attached to the Department of Agriculture, Trade and Consumer Protection (DATCP). The bill requires the board to organize a nonprofit corporation to assist farmers in this state to develop, produce, and market products that add value to agricultural commodities. The bill authorizes DATCP to provide grants to the corporation to enable the corporation to assist farmers in this state to develop, produce, and market products that add value to agricultural commodities if the corporation enters into a contract with the department under which the corporation agrees to do certain things including all of the following:

1. Provide technical and financial assistance in developing products that add value to agricultural commodities, in developing methods to produce such products, and in marketing such products.
2. Establish and maintain laboratory facilities for testing products and for other activities to promote its purposes.
3. Refer farmers to other sources of assistance for developing, producing, and marketing products that add value to agricultural commodities and provide help in applying for grants from such sources.

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4. Avoid duplication of services by working in conjunction with the board, DATCP, the regional Resource Conservation and Development Councils established under the federal Department of Agriculture's Resource Conservation and Development Program, the University of Wisconsin-Extension, and others involved in agriculture.

5. Seek federal funding for the operation of the corporation.

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

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

1 **SECTION 1.** 15.135 (2) of the statutes is created to read:

2 15.135 (2) VALUE-ADDED FARM PRODUCT AND MARKET DEVELOPMENT BOARD. There
3 is created a value-added farm product and market development board attached to
4 the department of agriculture, trade and consumer protection under s. 15.03
5 consisting of the following members:

6 (a) Two members representing the department of agriculture, trade and
7 consumer protection, appointed by the secretary of agriculture, trade and consumer
8 protection.

9 (b) Two members representing resource conservation and development
10 councils, under 16 USC 3451 to 3460, appointed by the secretary of agriculture, trade
11 and consumer protection for 5-year terms.

12 (c) Two members representing the agricultural programs of the University of
13 Wisconsin-Extension, appointed by the chancellor of the University of
14 Wisconsin-Extension.

15 (d) Two members representing agribusiness, appointed by the chancellor of the
16 University of Wisconsin-Extension for 5-year terms.

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

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**20.115 Agriculture, trade and consumer
 protection, department of**

(4) AGRICULTURAL ASSISTANCE

(cm) Value-added farm product and

market development GPR B 2,000,000 2,000,000

SECTION 3. 20.115 (4) (cm) of the statutes is created to read:

20.115 (4) (cm) *Value-added farm product and market development.*

Biennially, the amounts in the schedule for grants for value-added farm product and market development under s. 93.65 (3).

SECTION 4. 93.65 of the statutes is created to read:

93.65 Value-added farm product and market development. (1)

DEFINITIONS. In this section:

(a) "Agricultural commodity" means a plant or animal raised by farmers in this state.

(b) "Board" means the value-added farm product and market development board.

(c) "Corporation" means the corporation organized under sub. (2) (a).

(d) "Resource conservation and development council" means a council in this state designated to receive assistance through the federal Resource Conservation and Development Program under 16 USC 3451 to 3460.

(2) DUTIES OF THE BOARD. (a) The board shall organize a nonprofit corporation under ch. 181 with the primary purpose of assisting farmers in this state to develop, produce, and market products that add value to agricultural commodities. The board

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1 shall organize the corporation so that it is exempt from federal taxation under section
2 501 (a) of the Internal Revenue Code.

3 (b) The board shall advise the corporation, the department, the resource
4 conservation and development councils, the University of Wisconsin-Extension, and
5 others concerning their efforts to assist farmers in this state to develop, produce, and
6 market products that add to value agricultural commodities and endeavor to
7 coordinate those efforts.

8 **(3) GRANTS.** The department may make grants, from the appropriation account
9 under s. 20.115 (4) (cm), to the corporation to enable the corporation to assist farmers
10 in this state to develop, produce, and market products that add value to agricultural
11 commodities if the corporation enters into a contract with the department under
12 which the corporation agrees to do all of the following:

13 (a) Provide technical and financial assistance in developing products that add
14 value to agricultural commodities.

15 (b) Provide technical and financial assistance in developing methods to produce
16 products that add value to agricultural commodities.

17 (c) Provide technical and financial assistance in marketing products that add
18 value to agricultural commodities.

19 (d) Establish and maintain laboratory facilities for testing products and for
20 other activities to assist farmers in this state to develop and produce products that
21 add value to agricultural commodities.

22 (e) Provide assistance under pars. (a) to (c) using methods that include
23 providing information and training concerning developing business plans, designing
24 Internet sites, and developing marketing techniques.

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1 (f) Refer farmers to other sources of assistance for developing, producing, and
2 marketing products that add value to agricultural commodities and provide help in
3 applying for grants from such sources.

4 (g) Avoid duplication of services by working in conjunction with the board, the
5 department, the resource conservation and development councils, the University of
6 Wisconsin-Extension, and others involved in agriculture.

7 (h) Identify types of commodities or products for which the corporation will
8 concentrate on providing assistance and develop expertise related to those
9 commodities or products.

10 (i) Evaluate the effectiveness of the corporation's activities and report the
11 results of its evaluations to the department and the board.

12 (j) Seek federal funding for the operations of the corporation.

SECTION 5. Nonstatutory provisions.

13
14 (1) INITIAL TERMS OF BOARD. Notwithstanding the length of terms specified in
15 section 15.135 (2) (b) and (d) of the statutes, as created by this act, for members of
16 the value-added farm product and market development board, the initial members
17 shall be appointed for the following terms:

18 (a) One member appointed under section 15.135 (2) (b) of the statutes, as
19 created by this act, and one member appointed under section 15.135 (2) (d) of the
20 statutes, as created by this act, for terms expiring on May 1, 2007.

21 (b) One member appointed under section 15.135 (2) (b) of the statutes, as
22 created by this act, and one member appointed under section 15.135 (2) (d) of the
23 statutes, as created by this act, for terms expiring on May 1, 2009.

24 (END)