

**CHAPTER 357, Laws of 1981**  
**(Vetoed in Part)**

**Vetoed in Part** AN ACT to create ~~15.137 (N)~~, 20.115 (4) ~~(f)~~, (fm) and (fn) and 93.40 to 93.44 of the statutes, relating to ~~creating a dairy promotion council~~; creating a dairy promotion program and a commodity promotion program, granting rule-making authority and making appropriations.

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

**Vetoed in Part** SECTION 1. ~~15.137 (1) of the statutes is created to read:~~  
 15.137 (1) DAIRY PROMOTION COUNCIL. There is created in the department of agriculture, trade and consumer protection a dairy promotion council consisting of 9 members representing dairy farmers and various components of the dairy industry appointed for staggered 3-year terms.

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

|                       |  | 1981-82 | 1982-83 |
|-----------------------|--|---------|---------|
| <b>Vetoed in Part</b> | 20.115 Agriculture, trade and consumer protection, department of |         |         |
|                       | (4) AGRICULTURAL ASSISTANCE                                      |         |         |
|                       | (m) Dairy promotion  | 0       | 0       |
|                       | (fm) Dairy promotion marketing                                   | 10,000  | 10,000  |
| <b>Vetoed in Part</b> | (fn) Commodity promotion marketing                               | 15,000  | 15,000  |

**Vetoed in Part** SECTION 3. 20.115 (4) ~~(f)~~, (fm) and (fn) of the statutes are created to read:  
 20.115 (4) ~~(f) Dairy promotion.~~ The amounts in the schedule for the general program operations under ss. 93.40 (1) to (3) and 93.41:

(fm) *Dairy promotion marketing.* Biennially, the amounts in the schedule for the execution of functions under ss. 93.40 (4) and 93.42. Of the amounts under this paragraph, not more than 50% may be set aside to be used to match funds allocated under s. 93.42 by private or public organizations, including dairy promotion corporations, for the promotion of the dairy industry in cooperation with the state.

(fn) *Commodity promotion marketing.* Biennially, the amounts in the schedule for the execution of functions under s. 93.44.

SECTION 4. 93.40 to 93.44 of the statutes are created to read:

**93.40 Dairy promotion.** (1) DUTIES. The department shall:

- (a) Promote the sale of Wisconsin dairy products.
- (b) Stimulate, promote, advertise and publicize the dairy industry in this state.
- (c) Create an accurate national and international image of the state dairy industry.
- (d) Encourage all farmers and dairy businesses to participate in available education programs.
- (e) Encourage and cooperate with communities, groups and individuals in the state in pursuing the dairy promotion objectives of the department.
- (f) Coordinate and stimulate the orderly and ecologically sound development of the dairy industry throughout the state.
- (g) Promote the growth of the dairy industry through research, planning and assistance.

(h) Annually report to the appropriate standing committee in the senate and the assembly as determined by the presiding officer of each house concerning the activities, receipts and disbursements of the department for dairy promotion for the previous fiscal year.

(2) SALES. The department shall annually formulate ~~for review by the council on dairy promotion~~ a plan to encourage the marketing of dairy products and the promotion of the dairy industry of the state for the ensuing year, and shall implement the plan. The department shall cooperate with farmers, dairy businesses and organizations to assure coordination with private plans and programs. **Vetoed in Part**

(3) SERVICES. The department may:

(a) Collect and disseminate information as to the availability and the economic and nutritional advantages of dairy products.

(b) Establish, manage and operate permanent or temporary dairy promotion centers to be operated by the department in cooperation with the department of development tourist information centers along major highways into the state.

(c) Provide advice and service to persons or groups engaged in the dairy industry.

(d) Conduct research into the status and needs of the dairy industry.

(4) ADVERTISING. The department shall plan and conduct a program of advertising designed to promote the dairy industry. Any contracts engaging a private agency to conduct an advertising or promotion program under this subsection shall reserve to the department the right to terminate the contract if the service is unsatisfactory to the department. The department shall encourage and coordinate the efforts of public and private organizations to publicize the dairy industry.

~~93.41 Dairy promotion corporations. (1) A dairy promotion corporation is a nonprofit corporation organized under ch. 181 to promote the dairy industry in this state.~~

~~(2) The department, upon review by the council, shall adopt rules dividing the dairy industry into not less than 6 nor more than 10 components such as cheese production, milk production, dairy farming and similar activities.~~

~~(3) No more than one corporation may represent a component of the dairy industry. If 2 or more corporations, each meeting the requirements of this section, seek to do so, the department, upon advice of the council, shall select the corporation judged most effective and representative.~~

~~(4) Membership in a corporation shall be open to all dairy farmers and persons involved in that component of the dairy industry and to all associations or groups of these persons. The articles or bylaws of the corporation may set forth classes of members for the purpose of determining equitable membership fees and each member shall have equal voting and other rights with all other members of his or her class. The department may promulgate rules establishing additional requirements in order to ensure that each corporation is open to maximum participation by all segments of the dairy industry for the component it represents.~~

~~(5) A corporation which receives funding under s. 93.42 shall keep its books and records in the manner required by departmental rules. The books and records shall be open to the public and subject to inspection and copying by the staff of the legislative audit bureau and legislative fiscal bureau.~~

~~93.42 Cooperative marketing and advertising for dairy promotion. (1) ALLOCATION FORMULA. The department shall promulgate rules allocating cooperating advertising funds equitably among components of the dairy industry. These rules shall provide that not less than one-third of the funds set aside for the execution of functions under this section shall be allocated for qualified projects initiated by dairy promotion corporations. If any component of the dairy industry or any dairy promotion corporation fails to initiate~~

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sufficient projects to exhaust its allocation, the department may distribute the funds to other applicants in a manner it deems equitable.

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(2) ~~EMERGENCY.~~ Any public or private organization not organized or incorporated for profit may apply to the department for cooperative advertising funds under this section. Prior to applying for these funds, each prospective applicant shall submit, at the time and in the manner provided by departmental rule, a plan and budget specifying the media to be used, the market to be approached, the dairy product or component of the dairy industry to be promoted and the applicant's estimated expenditures and receipts for the various projects within the plan. If the plan is coordinated with the statewide marketing strategy, the department shall approve it and the submitting organization shall be eligible to apply for cooperative funds under this section.

(3) ~~WRITTEN AGREEMENTS.~~ Each cooperative promotion project shall be implemented by a written agreement between the department and a dairy promotion corporation or other organization, which shall specify at a minimum:

(a) The name, address and contract person for the applicant and its advertising agency, if any.

(b) A description of the project, including the media to be used, the date or inclusive dates and the geographic market to be reached.

(c) An itemized statement of the estimated total costs of the project.

(d) An itemized statement of the revenues accruing to the applicant from the project through advertising, contributions and other sources.

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(4) ~~LIMITATIONS.~~ (a) No state funds may be released for a project which is not included within an advertising plan and budget submitted by a dairy promotion corporation or other organization and approved by the department.

(b) No funds may be released prior to the satisfactory completion of the project in accordance with the agreement concluded under sub. (3).

(c) Funds released in any given project may not exceed 50% of the total project costs, less that portion of the amounts recovered by the applicant through the sale of advertising or other promotional considerations in connection with the project which exceeds 50% of the total project costs.

(d) No funds may be used to compensate any officer or employe of the applicant for salaries or expenses.

(e) No name or picture of any living state or local public official or candidate for public office may be used in any project for which state funds are received under this section.

(f) No payments may be released except upon presentation of receipted vouchers for project expenditures by the applicant, together with such other documentary evidence substantiating payments and the purposes for which the payments were made as the departmental rules require.

(g) The department may promulgate rules imposing additional requirements to ensure that public funds are efficiently used to promote dairy products and the dairy industry of this state.

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~~93.43 Commodity promotion corporations.~~ (1) A commodity promotion corporation is a nonprofit corporation organized under ch. 181 to promote the agricultural commodities, as defined under s. 96.01 (2) other than dairy products, in this state.

(2) The department shall adopt rules dividing nondairy agricultural commodities into not more than 10 commodity groupings for purposes of forming commodity promotion corporations.

(3) No more than one corporation may represent a commodity grouping established under sub. (2). If 2 or more corporations, each meeting the requirements of this section, seek to do so, the department shall select the corporation judged most effective and representative.

(4) Membership in a corporation shall be open to all producers and persons involved in the processing and marketing of the commodity and to all associations or groups of these persons. The articles or bylaws of the corporation may set forth classes of members for the purpose of determining equitable membership fees and each member shall have equal voting and other rights with all other members of his or her class. The department may promulgate rules establishing additional requirements in order to ensure that each corporation is open to maximum participation by all segments of the commodity grouping it represents.

(5) A corporation which receives funding under s. 93.44 shall keep its books and records in the manner required by departmental rules. The books and records shall be open to the public and subject to inspection and copying by the staff of the legislative audit bureau and legislative fiscal bureau.

**93.44 Cooperative commodity promotion.** (1) **ALLOCATION FORMULA.** The department shall promulgate rules allocating cooperating advertising funds equitably among commodity promotion corporations. If any commodity promotion corporation fails to initiate sufficient projects to exhaust its allocation, the department may distribute the funds to other applicants in a manner it deems equitable.

(2) **ELIGIBILITY.** Any commodity promotion corporation recognized under s. 93.43 (3) may apply to the department for cooperative advertising funds under this section. Prior to applying for these funds, each prospective applicant shall submit, at the time and in the manner provided by departmental rule, a plan and budget specifying the media to be used, the market to be approached, the commodity to be promoted and the applicant's estimated expenditures and receipts for the various projects within the plan. If the plan appears feasible, the department shall approve it and the submitting organization shall be eligible to apply for cooperative funds under this section.

(3) **WRITTEN AGREEMENTS.** Each cooperative promotion project shall be implemented by a written agreement between the department and a commodity promotion corporation, which shall specify at a minimum:

(a) The name, address and contact person for the applicant and its advertising agency, if any.

(b) A description of the project, including the media to be used, the date or inclusive dates and the geographic market to be reached.

(c) An itemized statement of the estimated total costs of the project.

(d) An itemized statement of the revenues accruing to the applicant from the project through advertising, contributions and other sources.

(4) **LIMITATIONS.** (a) No state funds may be released for a project which is not included within an advertising plan and budget submitted by a commodity promotion corporation and approved by the department.

(b) No funds may be released prior to the satisfactory completion of the project in accordance with the agreement concluded under sub. (3).

(c) Funds released in any given project may not exceed 50% of the total project costs, less that portion of the amounts recovered by the applicant through the sale of advertising or other promotional considerations in connection with the project which exceeds 50% of the total project costs.

(d) No funds may be used to compensate any officer or employe of the applicant for salaries or expenses.

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~~(e) No name or picture of any living state or local public official or candidate for public office may be used in any project for which state funds are received under this section.~~

~~(f) No payments may be released except upon presentation of receipted vouchers for project expenditures by the applicant, together with such other documentary evidence substantiating payments and the purposes for which the payments were made as the departmental rules require.~~

~~(g) The department may promulgate rules imposing additional requirements to ensure that public funds are efficiently used to promote commodities produced in this state.~~

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~~SECTION 5. **Initial terms of the dairy promotion council.** Notwithstanding section 15.137 (1) of the statutes as created by this act, the initial members of the dairy promotion council shall serve the following terms: 3 shall serve 3-year terms, 3 shall serve 2-year terms and 3 shall serve 1-year terms. The governor shall determine who shall serve which terms.~~

**SECTION 6. Effective date.** This act takes effect on the first day of first month commencing after its publication.

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