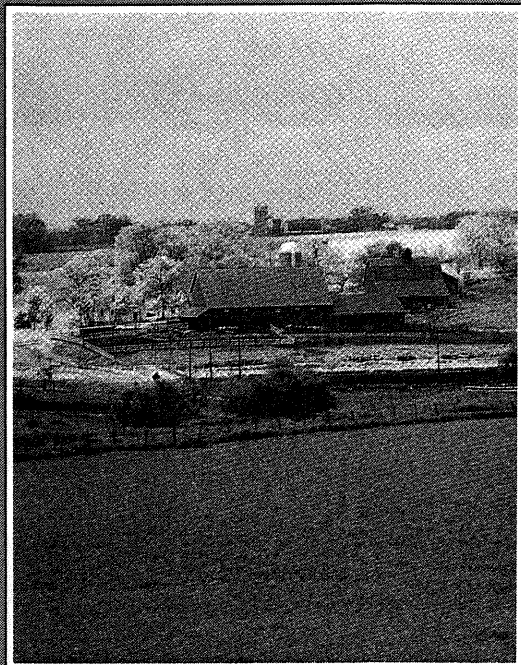


RESOLUTIONS



**NATIONAL FARMERS
ORGANIZATION**

President - Steve Halloran

Policies and Principles recommended and approved by the Resolutions Committee with final approval by the 1993 National Convention body, Des Moines, Iowa.

**National Farmers Organization
National Headquarters
2505 Elwood Drive
Ames, Iowa 50010-2000**

RESOLUTIONS-1994
National Farmers Organization

In keeping with the Bylaws of the National Farmers Organization, these resolutions and statements of position constitute an ongoing expression of the will of the members, as reviewed and modified or reconfirmed in the most recent National Convention.

Preamble

The National Farmers Organization is committed to the bargaining concept authorized for farmers and ranchers by the Capper-Volstead Act of 1922. The American family farm or ranch is the most efficient food producing unit in the world. It is a basic source of support for our social, religious and political traditions in the rural communities throughout our country. We call upon all farmers and ranchers to join in the advancement of our bargaining program as an honorable action in pursuit of an acceptable farm economy.

Bargaining

Agriculture is the largest industry in the nation. The production of all raw food and fiber logically constitutes the base upon which other agricultural sectors are quite dependent. Recognizing that weather, wars, and other factors beyond the producers' control directly affect prices and availability of markets, the capability to bargain for fair prices is of vital importance. Recent persistent efforts of the national government to force American producers into a world market with little or no protection from competitive, subsidized production from other countries clearly illustrates one need to bargain for fair prices for our production.

This commitment to producer bargaining presumes competition among both buyers and sellers in the marketplace and freedom to act without undue interference by any government agency. The Organization continues its steadfast opposition to legislation that would authorize additional federal supervision of bargaining.

The Organization recommends to all our members that they put 100% of their farm production on a proper contract for sale through the National Farmers Organization where our marketing opportunities are available.

Domestic Farm Policy

We look forward to working with the present Administration on agricultural policies and principles which stimulate the broad U.S. farm economy, and which conserve and sustain the natural resources on which agriculture and the family farmer depends.

A farm program should be designed to operate in a supportive fashion while producers seek to balance production with market requirements and bargain collectively for profitable prices. That is a matter of their own responsibility. An acceptable farm program would be one designed primarily to stabilize prices at a reasonable level and assure consumers of an adequate supply of healthful food. It should not be an income relief proposition forcing producers to depend upon checks from the U.S. Treasury.

The taxpayer's cost of a program should be considered carefully in relation to the costs of finished food products available at the retail level. In only one other developed nation does the consumer spend a smaller percentage of average income for food. If we permit elimination of more independent mid-range producers, we risk becoming dependent on imports or large corporate farms for the national food supply.

Environmental considerations are of even more importance to families in the rural community than the high population centers. The scarcity of adequate health facilities, the required availability of pure water and the urgency of avoiding contamination of our soil resources make cooperation with environmental authorities a high priority. Farmers are oriented to protection and improvement of the environment rather than to its destruction. We urge preservation of our national forest resources and protection of the soil, air and water that support life on this planet.

Legislation should be adopted by the federal government giving agriculture the legal ability to market its commodities at 100% of parity, such as was adopted under the Steagall Amendment and other federal laws during World War II. This would contribute substantially to balancing the federal budget and uplifting of the total U.S. economy.

Family farmers and ranchers, agricultural commodity buyers, processors, distributors, retailers, and other segments of the food industry have all been lumped together and called "Agribusiness." We believe that family farmers and ranchers should be classified as a separate and distinct entity from other segments of the food industry and should be called "Production Agriculture" by the USDA, Land-Grant Universities, Commodity Check-off Groups, and other farm organizations.

Grain

Price support levels for major storable commodities should be based on the cost of production. Any mandatory production control program must be submitted to producers for prior approval in a referendum.

A majority of producers have recently favored voluntary programs. The National Farmers Organization has consistently

advocated a program designed to offer the producer price support through non-recourse loans in exchange for the producer's willingness to balance production with market requirements.

A sound grain price support operation is considered to be a necessary base for a healthy farm economy, particularly for stable production and pricing of dairy, livestock and poultry production through a bargaining program.

When properly managed by administrators who want the program to operate favorably for farmers and the rural communities, an acceptable farm program can be operated at little or no cost to the taxpayer.

The National Farmers Organization encourages legislators to enact laws to require buyers to pay for grain within 48 hours of delivery.

Be it resolved, NFO believes that the Commodity Credit Corporation's 9-month loans be changed to 18-month loans, plus raise the loan rate to target prices.

Dairy

The Organization has consistently undertaken to work within the milk marketing order system. It has supported the supply management concept, the use of the M-W Series and administration of these programs in a manner that will improve the price support function. National Farmers Organization members resent the recent efforts of the Administration, and the Congress cooperating in the effort, to lower prices received for milk moving to the processors.

More specifically, the National Farmers Organization:

- * Supports more attentive surveillance of the dairy industry by the Justice Department and others with responsibility for administration of the anti-trust laws.

- * Opposes government attempts to alter the milk pricing formula by changes in yield factors and creation of sub classes such as the Class III-A situation which economically favor the processors at the expense of prices returned to farmers.

- * Encourages our Dairy Department to continue monitoring the activity of USDA and take every measure possible to educate producers on any changes that will have an impact on their personal welfare.

- * Opposes the tendency of some processors to misuse the milk price support system by selling the products through the CCC program as a primary marketing strategy. Administrators of the price support program should establish a fair limit on

purchases of dairy products from each processing entity and monitor purchases to avoid over-utilization and unwarranted gains through the use of CCC as a market.

* Believes that product purchases should be managed in a manner that supports fair prices for producers and fulfills the government's obligation to furnish milk products to the various nutrition programs.

* Urges that prices calculated to implement the CCC purchases should be calculated on a total solids basis.

* Believes that imported dairy products including caseinates should be subjected to the same assessments and check-offs as may be imposed on our own domestic producers.

* Proposes that USDA personnel, state authorities, and milk marketing order administrators coordinate the determination of high standards to be used in all milk testing and administration of those standards in a uniform manner.

* Endorses government action establishing minimum standards for all fluid milk at 12.2% of total solids.

* Endorses government action establishing minimum standards for milk solids and butterfat content in any product labeled "ice cream" and opposes any actions by the FDA that would reduce the amount of milk solids and increase the proportion of caseinates and similar ingredients.

* Urges that there be a minimum of three buyers and three sellers actually trading at the National Cheese Exchange at Green Bay, Wisconsin or dealing in butter on the Chicago Mercantile Exchange at any time such trades are quoted or used to reflect a lower price than those prevailing in the previous week's transactions.

* Opposes National Milk Producers Federation's "self-help plan" as it is written, with its misguided idea of dumping surplus milk on the world market and assessing the farmers for it as simply another way to enrich multi-nationals at the expense of farmers.

* Supports a Dairy Supply Management program based on the following concepts: (1) Each dairy producer will be allowed a franchise to produce a given number of pounds per year. This amount to be based on producer history and the projected commercial needs of the country; (2) A pricing system be implemented which sets the price for the franchised pounds at cost of production plus a reasonable profit and any excess pounds be priced at a level which serves as a production deterrent.

* Continues to support the concept of Marketing Agencies in Common by legally organized cooperatives and farmer associations to increase their collective bargaining power on behalf of their farmer members.

* Believes U.S. dairy farmers have many concerns as to the uses and intents of the monies collected from the nation's dairy farmers by the National Dairy Board.

Livestock

A primary objective of our National Farmers Organization bargaining effort, in addition to obtaining profitable prices for our livestock, is to resist the current trend in packer industry concentration and maintain competitive buyer markets. This must be a high priority consideration for all livestock producers. As competition is destroyed in purchasing fed cattle, hogs and sheep, the negative price influence backs up to feeders and breeding stock.

Accordingly, the Organization supports:

* Any legislative effort that would restrict anti-competitive mergers and acquisitions.

* More attentive surveillance of the packing industry by the Justice Department and others with responsibility for administration of the antitrust laws.

* Continuation of the independent and relatively unbiased administration of the Packers and Stockyards Act. To the extent practicable, corrective actions taken against violators should be published in the "NFO Reporter." Retaining and strengthening the present authority contained in the P & S Act to investigate market irregularities and bring perpetrators thereof to justice.

* The Organization opposes the regulations and idealistic conditions proposed by the animal rights activists. Farmers already recognize that a quality environment for livestock is one of the necessary prerequisites for profitable livestock farming. Unnecessary environmental regulations will result in increased production costs for the farmer and higher food costs for the consumer.

* A congressional investigation and action on the apparent failure of the agencies responsible to enforce meat import quotas and quality standards.

* Legislation and regulatory action to reimburse farmers and ranchers for livestock lost to non-domestic predators, especially in areas where such predators are deliberately introduced.

Check-offs

Promotion check-offs advocated by single commodity organizations tend to pit producers of the separate commodities against each other in competition for the retail market. As a consequence, public relation firms and the media probably attain greater profits from the various check-off arrangements than the producers who are paying the bills. Our membership encourages all producers to make themselves aware of these activities and to study the effectiveness of the promotion programs.

It is urged that:

* Check-offs be authorized only by a referendum of producers affected, before implementation of the check-off.

* Block voting be eliminated on all matters relating to activities covered under the Capper-Volstead Act, governmental referendums, and agricultural promotion plans to give producers an opportunity to vote individually.

* Ideally, commodity check-off programs should provide for a simple refund arrangement.

* If imposed, such check-offs must apply equitably to the imported commodities.

* The Organization urges that a substantial portion of compulsory check-off funds be used to purchase surplus commodities in the market and that such supplies be moved in the most economical manner directly to malnourished people.

* Whereas, the purpose of the Beef Promotion Fund is the advertising of meat products to the consumers, be it resolved the the National Farmers Organization support a one-time check-off per animal assessed at time of slaughter.

International Trade

We support any reasonable effort to expand exports of farm commodities; we are not in agreement, however, with the efforts of any administration and its commercial allies to depress prices for our major commodities and our land value as a means of forcing other nations to join in termination of all subsidies and domestic farm programs.

We support domestic legislation and/or an international agreement that provides for the U.S. to deny entry of any commodity which is produced in a manner that causes deforestation, severe erosion or other severe environmental damage. To hold U.S. producers to environmental, health safety and other standards to which foreign competition are not bound, places U.S. producers at an economic disadvantage.

Be it resolved that National Farmers Organization begin discussions with the producer level groups in the other agriculture exporting nations to develop profitable commodity prices through coordinated negotiative efforts with the manufacturing and processing companies at the international level.

The policy initiated in the 1985 Farm and Food Security Act, the North American Free Trade Agreement, and the current negotiations of the General Agreement on Tariffs and Trade (GATT) could contribute to widespread bankruptcies and loss of many family farms and ranches. We oppose any international agreement which supersedes a country's national, state or regional laws or interferes with its sovereign right to restrict the importation of any commodity which it considers not to be in its best interest or is considered detrimental to its agricultural producers. Specifically, we are opposed to the repeal of "Section 22" and the "Meat Import Act", which currently limits imports of beef and other basic agricultural commodities.

Our members are committed to the Christian concept that such food aid as we may afford should be distributed in other countries on the basis of human need and not primarily as a political tool.

We oppose any hindrance, embargo or other artificial restraint on farm product exports unless such action is directly related to a true national emergency. All imported food products, however utilized, should be labeled as "imported"; the originating country and contents should be identified on the label and be subject to the same stringent quality production standards established for the American producer.

Credit

It has long been recognized that credit is a critical element in modern farming. Availability of funds with reasonable interest rates and favorable terms of repayment are of vital importance. Too often, short term market pressures and government policies have been unfavorable to family farmers' and ranchers' long term economic survival. Such factors as weather and instability in prices paid for farm commodities illustrate the need for credit designed specifically for family farmers and ranchers.

In response to those needs, we have consistently supported competitive availability of both long term and operational funds for production agriculture. These features are necessary:

* The Farm Credit System must be sustained and managed efficiently, keeping in mind the interest of family farmers and ranchers, opportunity for fair prices, and better repayment ability.

* FmHA programs should furnish funds for the smaller borrowers and beginning family farmers as contemplated in the original authorization for the program. Direct loans are vitally important in communities where other lenders will not service these credit needs.

* The new Farmer Mac had our support in the Congress and now promises to become an active program. This activity should now be monitored by the Congress to assure its administration in keeping with congressional intent.

* We anticipate lower net farm income as a result of budgetary mismanagement and congressional policies in the federal government in the 1980s; it will be in the best public interest to strengthen competition among lenders and offer adequate financing to producers who are credit worthy if our traditional family farming patterns are to survive.

* The National Farmers Organization has always given strong support to family farms and rural communities.

* It is known that the "crisis" of the family farm continues and is becoming more intense, resulting in severe economic pressure upon and loss of a great number of family farm operations, thereby resulting in severe economic hardship for rural communities.

* It is strong evidence that the past and continuing farm recession is one of the foremost underlying factors in present national economic difficulties.

* It is known that economic difficulties can be more effectively prevented before recessionary conditions are created.

* There is also much evidence to indicate that the indexing of farm credit to farm income would have prevented much of the past and present economic difficulty of the family farm and the nation in its entirety.

Conservation

National Farmers Organization members are encouraged to install and maintain sound soil and water conservation practices on their farms and ranches. They care deeply about balancing wise use with responsible care and maintenance of our resources in the designated wilderness, park and forest land areas.

The Organization also advocates caution, however, in the following areas, and:

* Opposes addition of large tracts to the National Wilderness without due consideration of the interest of adjoining landowners who are dependent upon grazing rights.

* Federal or State established wetlands that contain public drainage should be managed in such a way as to maintain the public drainage and protect the rights of land owner to public drainage.

* Opposes new law that usurps the power of elected lower levels of government when dealing with resource development and management.

* Supports national and state efforts to minimize the use of the right of eminent domain to matters of national security or health emergencies.

* Recognizes the increasing need for sound stewardship over supplies of agricultural water and urges that responsible authorities handle allocations in a manner that contributes to the survival of viable commercial family farming units.

* Supports the elected ASC county committee system of administration and believes this is a proper local point at which all price support and conservation activities should be coordinated.

* Believes one half of research funding at the land grant universities should be allocated to development and promotion of alternative agricultural production methods.

* Believes that all contractors, business developers and government entities share the same responsibilities toward protecting the environment that farmers do.

* Supports those producers currently enrolled in the CRP (10-year) program. As these contracts mature, producers should be given the option to renew those contracts for a similar 10-year period. The payment should reflect the increase in taxes on the acreage from the time of initial sign-up, or allow the producer to re-bid. No producer should be forced to maintain his CRP commitment.

Land Ownership and Antitrust Action

Members of the National Farmers Organization are deeply concerned that the tax code and the concentration of capital are unfairly favorable to outside investors who are in a position to buy our farmland including foreign investors, insurance companies, money lenders and some buyers of farm commodities.

The Organization supports:

* Policies directed towards the ownership of the land by family farms.

* State legislation prohibiting the investment of pension funds in farmland or livestock production similar to the Iowa statute.

* Legislation designed to obtain comprehensive data on absentee, corporate and foreign ownership.

* Legislation similar to the Family Farm Antitrust Act as a means of promoting fair competition in ownership and operation of American farming.

* State legislative efforts to identify and control conglomerate and non-farm corporate intrusion in agriculture, similar to Initiative 300 in Nebraska.

* More resolute action in the three major branches of government to accomplish effective enforcement of our present anti-trust laws.

* We oppose increased concentration of market share and domination of consumer prices by multi-national corporate giants, corporate monopoly breaks for multi-nationals. We support the need for an investigation and divestiture and separation of those corporate giants who now control - to the extent of monopolizing - several segments vital to both family farmers and consumers.

* The Amendment of Federal and State Tax Codes to allow unincorporated family farmers an adjustment of gross income to deduct the full cost of pension, medical, dental, disability and up to \$100,000 life insurance plans.

* An exemption on the estate of an owner of a family farm or small business, up to \$1 million in value, if the "step up" in basis now permitted is eliminated from the law. The holding period should be a minimum of 5 years and should be determined as the time running between the original acquisition date and the ultimate disposition.

It is also urged that a one time exemption from tax on ordinary or capital gains, up to \$ 1 million, be granted on the sale of a family-owned farm or small business held and operated by the owners for a minimum of 10 years when the selling principals have reached the age of 55 years and do not resume farming or business of similar nature at another location.

Food Quality and Consumer Issues

American farmers and ranchers produce high quality food in great abundance. We continue to support efforts to maintain that quality through effective grading and inspection procedures. As farmers are one of the largest consuming segments of this country's economy, we continue to support truth in lending, advertising and packaging, legislation authorizing class action suits and warranties that provide reasonable protection to the purchasing public.

The Organization has deep concern that use of synthetic Bovine Growth Hormone/Bovine Somatotropin (BGH/BS) or similar agents may induce an unneeded surge in production and reduce consumer confidence in milk quality. We will continue to oppose its use.

The Organization opposes the use of any producer advertising assessments for promotion of synthetic BGH/BS usage or, to encourage consumer acceptance of such products.

The Organization requests dairy production regulations to enforce identification of any synthetic milk enhancing property by the producer/handler to the processor.

Since synthetic growth hormones have been approved by the FDA, the National Farmers Organization recommends:

* Dairy farmers must attend extension classes on the proper use of the product.

* Farmers must receive a registration number to certify eligibility to purchase the product from a licensed veterinarian.

* The dairy farmer must notify his/her dairy plant/handler 14 days prior to the use of the synthetic product.

* That all milk products from cows receiving BGH/BST be labeled so that consumers can make a choice.

The National Farmers Organization goes on record requesting the Congress to restore the school lunch program at the nutritional level funded in 1981 and to make available additional dairy products for our armed forces.

The Organization supports federal legislation requiring all imported seafood and fish type food be inspected and required to meet FDA and USDA consumer food standards and be labeled as to possible contaminants.

The Organization recognizes the need for pesticides, herbicides and food additives but these products should not be utilized until proven safe and accurately labeled.

Transportation

Farm producers' interests are best served by truly competitive, balanced transportation networks, including efficient use of railroad, truck and barge systems. The Organization:

* Seeks to protect the position of the independent trucking operators and resist needless regulatory activities that result in increased transportation costs for farm products;

* Calls for uniform maximum gross vehicle weights in all

states. In addition to an 80,000 pound GVW maximum, a standard maximum length should be adopted for all states. The Organization further recommends and supports that those states having less than the recommended limits adopt temporary uniform standards and supports legislative amendments to the Staggers Act requiring public disclosure of rates and terms of negotiated rail shipper contracts.

We strongly object to any attempt by Congress to grant eminent domain power to private firms for any purpose that would divert critical water from our farms, ranches and waterway navigation because:

- * Water supplies are essential for irrigation and livestock production.

- * Supports a policy that balances the needs of all users of navigable rivers.

- * Power interests seek federal eminent domain powers to move coal through pipelines from mines in the West to utilities in the South and Southeast.

- * Proposed legislation would bar state legislatures and courts from protecting the water rights of farmers and ranchers and other traditional users.

Rural Electrification

The National Farmers Organization supports annual REA electric and telephone loan levels for both the new insured and guaranteed loan programs that adequately meet the capital needs of rural electric and telephone systems in order to insure dependable electric and telephone service in rural areas at reasonable cost.

It also reaffirms its support for supplemental financing through the rural electric's self-help lending institutions, the National Rural Utilities Cooperative Finance Corporation and the Rural Telephone Bank.

The Organization reaffirms its support of the authority of the REA to finance loan requirements through the Federal Financing Bank.

To reduce the interest costs of Rural Electric Generation and Transmission Systems, the National Farmers Organization supports legislation that allows these systems to prepay, without excessive penalty, their high interest, long-term loans with the Federal Financing Bank, and legislation that protects the territory of rural electric co-ops.

Energy

It is of vital importance to our country that we develop a long-range energy policy. Such a policy must reconcile the conflicting interests between environmental concerns and the need for a secure source of energy, with reserves adequate to meet any emergency.

There must be a proper balance of energy sources. A mix of alternative fuels should include grain alcohol, biomass, solar, windmills and the tides to relieve our high dependency on imported petroleum products. We strongly support import fees on imported oil, the income to be earmarked for development of alternative sources of energy.

The Organization opposes the siting of new nuclear plants until the safety standards of existing plants are strengthened and responsibly administered. A safe method of waste disposal must be in place.

We support the creation and maintenance of small hydro-electric plants where feasible.

Social Issues

The National Farmers Organization recognizes the value and the necessity of God's guidance and blessings. Our spiritual resources are as vital to the success of the Organization as they are to our production. Furthermore, the Organization:

- * Strongly opposes any effort which seeks to ban religious broadcasts;

- * Hereby renounces the present permissive abortion policy. We have spent a lifetime in the protection of all life and denounce any legalization for the taking of human life;

- * Opposes any legislation taking away the right of the individual to use force in defending himself, his family and his property from intruders;

- * Recognizes the equality of men and women in the Organization and appreciates the support of all loyal members.

Public Relations and Political Activity

The National Farmers Organization encourages objective analysis and teaching of the values of Collective Bargaining in our educational institutions. The land grant colleges should teach the use of valid contracts for future delivery. National Farmers Organization leaders will cooperate with educators and representatives of the news media in every practical way to expand the public understanding of the purposes and goals of the Organization.

An appropriate amount of time and resources will continue to

be committed to a friendly and productive working relationship with leaders of church organizations, labor unions, rural businesses and other groups who share our concern for the economic welfare of the farm family.

A hand of cooperation is extended to the National Farmers Union, the American Farm Bureau Federation, the Grange, the American Agriculture Movement, W.I.F.E. and other farm producer organizations when their goals and proposals are compatible with ours. We believe the time has come when all farm producer organizations should make every reasonable effort to work together in the best interest of family-operated farms.

The National Farmers Organization supports the enactment of the Northeast Dairy Compact and recommends its approval by Congress.

National Farmers Organization leaders at the state and district levels are urged to establish specific programs for the members to exchange views periodically with members of Congress on issues of vital importance to the membership of this organization, as required in the Bylaws - "...to work for the election of candidates, regardless of party affiliation" (Art. II, Section 3) and "...District Board which shall have under its jurisdiction...coordination of political activity of the farmers on behalf of candidates who are running for public office which have been recommended" (Art. V, Section 2B (1)).

The membership endorses the sponsorship of a political action fund (Grass Roots in Politics) and urges participation in the fund by all National Farmers Organization members and employees. In the interest of maintaining fair and honest elections and a reasonable balance of influences brought to bear on the U.S. Congress, however, we support the policy that all political election expenditures for each candidate should be limited to not more than the total salary for their term of office and all funds should be generated within the political entity which they represent.

The National Farmers Organization will work rigorously at the state, district, and county levels to defeat any legislator who promotes anti-agricultural policies or legislation.

Rural economic development funding should include aiding the development of marketing channels through which producers can achieve cost of production plus a reasonable profit, and providing for the needs of the small privately owned business establishments.

As the number of farmers and ranchers declines and the leadership in government shifts national attention away from domestic problems to such sectors as national defense, space

exploration and international affairs, our influence is reduced accordingly. Various single commodity organizations now find themselves fighting each other for a share of the federal farm program dollar. These problems are expected to multiply rather than diminish in the future.

Consequently, the Organization urges that the leaders of all major producer groups be encouraged to recognize that:

- * Fair prices and improved net farm income must be a primary goal of all agricultural producer organizations.
- * Unity of purpose and cooperation will be required to accomplish worthwhile objectives.
- * Understanding, mutual trust and respect for one another's goals can develop a stronger working relationship with environmental and consumer representatives.

The Organization also urges that the Congress act to prohibit publication or reporting through any news media of exit poll results or other similar federal election returns in the Continental U.S. until all polling places on the West Coast are closed.

Be it resolved that National Farmers Organization contact our representatives and ask them to support legislative action to have the Federal Reserve Bank audited.

Miscellaneous

Members of the National Farmers Organization are deeply concerned that the tax code and the concentration of capital are unfairly favorable to outside investors who are in position to buy up our farmland. The Organization seeks redirection in tax provisions and the credit agencies to assist young farmers to survive in family farming and ranching.

The National Farmers Organization is opposed to:

- * Regional Government;
- * Deregulation of natural gas prices; and
- * Confiscation of farmer-owned commodities in storage in an elevator or warehouse when that facility is taken over in a bankruptcy proceeding.

The National Farmers Organization supports:

- * The principle of various Sunshine Laws and urges a periodic review of the semi-autonomous regulatory agencies and their rulings.

* All reasonable efforts to price raw material above the cost of production.

* The use of the "median" rather than the "mean" when computing the average income of farmers and ranchers.

* Return of control of the monetary systems to the Congress.

Appreciation

The Resolutions Committee compliments the staff on keeping members up-to-date on current issues of agricultural importance through extended articles periodically and recommends that they continue with their good work.

National Farmers Organization members greatly appreciate the hospitality and kindness that the officials and citizens of Des Moines, Iowa, manifested on many occasions during our national convention. We appreciate the efforts made by news media who gave accurate and full accounts of our activities, deliberations and discussions.

The members of the National Farmers Organization in session in Des Moines, Iowa, do hereby commend, express our appreciation and say thank you to the officers of our Organization, to the National Board, to our representatives in Washington, D.C., and to all personnel of our Organization who have worked so diligently and hard to make National Farmers Organization what it is today and for making this convention such an outstanding event. Under their leadership we, the members, will continue to work and strive to keep this the best farm organization in existence today.



call - Joe Murray

WV 33rd / open wmc) at AT
? charge \$ fee

\$ 358-3400

Bark-Dome - 3029

(on dome) SW.

Field House - Facilities

Ag/Rural Issues Summit

Planning Session

6-13-94 - 1 pm

All - Home

John - Debra

Debra - Frances

Brian - Swimming

Bob - Bright - 3-788

Quintis (bear 23rd)

Other - Handicap - ?

Other - Facilities - ?

Paul - Lawrence - 44 Bus

Pat - Stevens - Farm Bus.

1. need to be good listeners
2. should be able not to give opinion/hold
3. reasonably good speaker

Include

Henry

Form, Agriculture, Rural
— setting platform & agenda
for next session

1. Collection, deposit, & disbursement info
1. Resolutions, position statement
source of concern for
constituents

2. Arrange Brent wife &
Laurie — members
D by Comm. Rep members
Bill course —
Farmers, Rural. Soc.

— Brian & Tracy
Ag/Rur

Heavily attended the date.

Communications between
Members and the
Districts •

A Problem

1 Rep. members meeting

2 ~~Formal~~ ~~meeting~~ after meeting

Edwin Stanning ~~had~~ ~~relead~~ - ~~nommed~~
This ~~lead~~ - ~~initiated~~

3. Develop general - ~~Dr. Thomas~~

~~from~~ Special Summit

Ken Westborn by early/mid
July

① These are not

weighted - because
there is a large
variation in membership.

②? List of subject org. ✓

③ - Combine - Retire/ITET.
Cap. Status

④ DARTCP - positions
2020 -
from listing of organizations

New folders -

Rural Economic Model

~~Model~~
Special Rural Org
Census

Formal Group Process
lead by others

Potential (and)
Census students

Tommaso, Agriculture, & Rural

Query 1994 info
for Ag + Rural Summit

OH + QINDWORTH

1. Collector/organizer of info.
Resolutions, position statement
from Ag, Rural Interest
2. Organize information
~~* Ag & Rural Summit - final date~~
Republican Ag Comm - current
Fall calendar - Brian Johnson's
purpose
3. Develop general platform
by July 1-15th

REPUBLICAN ASSEMBLY LEGISLATORS TOP FIVE ISSUES
FACING RURAL WISCONSIN

Taxes/Property Taxes 15

- * Eliminate property taxes as the primary funding source for school operations. 4
- * Establish an equitable system of distributing state aid to public schools. 2
- * Property taxes. 8
- * Taxes. 1

Capital Gains Taxes 7

- * Allow the transfer of assets from the sale of a farm into special accounts similar to IRAs to be sheltered from tax liabilities until funds are actually used. 5
- * Capital gains. 1
- * Farmer retirement transition. 1

Property Owner Rights/Land Use Planning 17

- * Ensure property owners rights to use their property as intended or pay for the "taking" of the property. 2
- * Protect small business and farmers from undue regulations (more strict than federal). 1
- * Environmental citations. 6
- * Review of wetlands regulations. 3
- * Animal waste control and how the DNR addresses this issue. 1
- * Land use planning/regulation. 3
- * Open burning at sawmills. 1

Health Care 12

- * Develop a system of "revenue sharing" among rural and urban health care providers to compensate rural clinics for sending patients to urban hospitals for specialized (and more expensive) care. 1
- * Affordable health care. 4
- * Support development of programs to attract health care providers to rural medically underserved areas. 1
- * Support 100% deduction of health insurance for state and federal taxes. 6

Agriculture Programs/Issues 26

- * Federal changes in the milk pricing structure (regional pricing). 2
- * Support Dairy 2020 program. 1
- * Right to farm. 7
- * BGH. 1
- * Promote ethanol production. 3
- * Animal welfare. 4
- * Farmland Preservation revisions. 1
- * Use value assessments for agricultural land. 5
- * DATCP and cost-sharing of barnyard projects. 1
- * EIA (swamp fever) testing. 1

Rural Economic Development 5

- * Assist rural Wisconsin through establishment of economic development councils. Goals of the council should include seeking grants and technical assistance in development of local infrastructure, expansion of programs and grant to attract private enterprise to economically depressed areas and secure worker training grants. 1
- * Job opportunity. 1
- * Economic viability. 1
- * Developing the necessary infrastructure to retain and expand business. 1
- * Additional funding for community development. 1

8:30 - 8:45 intro
break into groups
9:00 - 10:30 #1
10:45 - 12:15 #2

12:15 - 1 lunch
1 - 2:30 #3
2:30 - 3 wrap up

REPUBLICAN ASSEMBLY LEGISLATORS TOP FIVE ISSUES
FACING RURAL WISCONSIN

② Taxes/Property Taxes 17

- * Eliminate property taxes as the primary funding source for school operations. 4
- * Establish an equitable system of distributing state aid to public schools. 2
- * Property taxes. 9
- * *Create a commission to hear assessment appeals*
- * Taxes. 1
- * *Farmland Preservation*
- * Don't simply shift taxes in the effort to remove education funding from the property tax. 1
- * *Use-value assessments*

Capital Gains Taxes 7

- * Allow the transfer of assets from the sale of a farm into special accounts similar to IRAs to be sheltered from tax liabilities until funds are actually used. 5
- * Capital gains. 1
- * Farmer retirement transition. 1

③ ~~Property Owner Rights/Land Use Planning 19~~

- * Ensure property owners rights to use their property as intended or pay for the "taking" of the property. 3
- * *Farmland Preservation*
- * Protect small business and farmers from undue regulations (more strict than federal). 1
- * *Statutory definition of farmland*
- * Environmental citations. 6
- * *Non-point*
- * Review of wetlands regulations. 3
- * Animal waste control and how the DNR addresses this issue. 1
- * Land use planning/regulation. 3
- * Open burning at sawmills. 1
- * DNR regulations, particularly the definition of a navigable stream and posting signs for pesticide application. 1
- * *Right to farm*

Health Care 12

- * Develop a system of "revenue sharing" among rural and urban health care providers to compensate rural clinics for sending patients to urban hospitals for specialized (and more expensive) care. 1
- * Affordable health care. 4

* Support development of programs to attract health care providers to rural medically underserved areas. 1

* ~~Support~~ 100% deduction of health insurance for state and federal taxes. 6

Agriculture Programs/Issues 34

* Federal changes in the milk pricing structure (regional pricing). 3

* Support Dairy 2020 program. 1

(* Right to farm. 7 *laws to allow farmers to continue as they have despite urban sprawl, etc.*)

* BGH. 1

* Promote ethanol production. 3

* Animal welfare. 4

* ~~Farmland Preservation revisions.~~ 2

* ~~Use value assessments for agricultural land.~~ 6

* DATCP and cost-sharing of barnyard projects. 1

* EIA (swamp fever) testing. 1

* Excessive of state regulations on the dairy industry, especially the strict standards on antibiotic testing. 1

* Excessive costs of the non-point source pollution program. Too much is spent on administration and building structure standards exceed what is needed, making costs higher than necessary. 1

* Create a commission to hear assessment appeals separate from the Board of Review. OR require training for Board of Review members so they are more knowledgeable about the assessment process. 1

* Develop a statutory definition of farmland and include descriptions of the type of wetlands contained within the boundaries of a working farm and breakout those wetlands not associated with agriculture production. 1

* Better protect those who lose their assets due to bankruptcy laws and foreclosure and force lenders to attempt to recoup the value applied at the time a loan was made, and/or preclude lenders from holding individuals accountable for a lifetime for nonrecoverable debt. 1

Ⓟ Rural Economic Development 6

- * Assist rural Wisconsin through establishment of economic development councils. Goals of the council should include seeking grants and technical assistance in development of local infrastructure, expansion of programs and grant to attract private enterprise to economically depressed areas and secure worker training grants. 1
- * Job opportunity. 1
- * Economic viability. 1
- * Developing the necessary infrastructure to retain and expand business. 1
- * Additional funding for community development. 1
- * Access to loans and grants from DATCP, DNR, DOD, and DOA should give high priority to distressed rural communities. 1

Wisconsin Dairies' 1994 resolutions approved by dairy farmers

Legislative Action

1. National Dairy Policy (amended)

We support a national dairy policy which:

a. Maintains the support program with Commodity Credit Corp. (CCC) purchase prices at a workable level instead of a market-setting level.

b. Establishes an inventory management program designed to increase dairy farm income by achieving an improved balance between U.S. milk production and consumption. Such a program should include the use of standby authority for an incentive/penalty program to adjust milk supplies to the level of market needs.

c. Maintains the dairy export enhancement program.

d. Reflects the overall economic welfare of the U.S. dairy industry rather than promoting one area at the expense of another.

2. Repeal of Gramm-Rudman Assessment (amended)

Wisconsin Dairies strongly urges Congress to repeal the federal dairy program assessment that is used to defray dairy's cost of USDA's price support program.

The Administration's budget estimates for fiscal year 1994 show projected dairy program costs at \$256 million. The dairy industry pays 40 percent of its program costs, a far greater share than what other commodity groups pay.

3. Federal Milk Marketing Orders (reaffirmed)

Federal orders were created through the passage of the Agricultural Marketing Act of 1937 to help stabilize dairy markets for dairy farmers and to assure consumers of an adequate supply of milk. They have served their purpose well and continue to be an important facet of milk market stabilization today. However, continual review of present market orders is necessary to meet changing conditions and to maintain their effectiveness.

Revisions in the Federal Milk Marketing Order program should be done by the

administrative hearing process and not be legislative action.

We recommend the following changes:

a. Pricing Grade "A" milk for fluid use from multiple price-basing points rather than from the current, single price-basing point in central Wisconsin.

b. Developing a uniform component pricing program which takes into account the fluid use of milk and places a value on the components of fluid milk as they are currently identified in dairy hard goods.

c. Adjusting Class I differentials so one region of the country does not receive greater economic benefit over another.

4. Animal Care (reaffirmed)

We oppose the enactment of legislation which restricts the necessary confinement of livestock to the extent that it hinders efficient, humane livestock development. We support efforts to educate the public to the realities of farming.

5. Beginning Farmer Assistance Programs (reaffirmed)

We support beginning farmer programs in the states which currently have them. We encourage other state legislatures to establish effective beginning farmer programs which make maximum use of existing farm lenders in implementing and administering the programs and which provide realistic incentives for the farm-seller to participate.

6. Deductible Health Insurance Premiums (reaffirmed)

Wisconsin Dairies urges Congress to amend federal tax laws so self-employed business people can deduct 100 percent of the cost of health insurance from their federal income taxes.

Administrative Action

1. Implementation of New Agricultural Technology (reaffirmed)

We support continuing and expanding research into new agricultural methods (including low-input "sustainable"

agriculture) and new products (including biotechnology).

We believe publicly supported research should equally focus on the effectiveness, application, practicality, economic and social impacts of new methods and products, as well as the risks associated with their use. All research should be completed and the results thoroughly studied before legislative decisions are made concerning the use of these methods and products.

It should be the option of individual farmers and cooperatives to use or not use a particular method or product, except in instances of known risks to public health or the environment.

2. Child Nutrition Programs (amended)

We recognize child nutrition programs as a critical source of essential nutrients. In addition, child nutrition programs use about eight billion pounds of milk each year on a milk equivalent basis. This is an important means of utilizing dairy products. We urge Congress to reject cuts in child nutrition programs.

We encourage schools to use real cheese and to offer a choice of whole, two percent, chocolate and flavored milk in school breakfast and lunch feeding programs. We urge that regulations and, if necessary, the legislation be clarified so that low-nutrient foods not be permitted as a part of the meal service.

The Special Milk Program remains an important, low-cost, easily administered program for American school children. We recommend that the government continue to fund the Special Milk Program for our nation's youth.

We also support the Women, Infants and Children (WIC) program, which has been a successful effort to improve the nutrition available to expectant mothers and to infant children. By doing so, it has improved child development and reduced medical costs for low-income families. Assistance provided through this program is used to increase consumption of milk and dairy products by program participants.

3. State and National Representation (amended)

We urge that farmers be included in appointments to state and national boards and commissions which deal with agricultural policies and programs. The farmers serving on these boards should represent a cross section of farm organizations.

4. Environmental Stewardship (amended)

As stewards of the land, we must take an aggressive approach in preserving our natural resources. We support proactive environmental education programs.

It is imperative that research and regulatory programs to control and reduce pollution and its causes be properly structured and thoroughly understood by all citizens.

We urge those administrative agencies responsible for development of pollution abatement regulations to carefully consider the costs and benefits of such regulations on all segments of the economy. We support continued coordination between various governmental agencies which administer rules.

5. Transportation (amended)

Effective marketing of dairy products requires a healthy, modern transportation system. Private and governmental efforts should all work toward one goal: to efficiently, economically and safely move farm supplies, commodities and food products on our waterways, highways, railways, airways and pipelines.

We support state and federal legislation, as well as regulation reform, that provide appropriate funding to maintain and improve our transportation systems.

We urge removal of obstacles to the free movement of supplies, commodities and food products in domestic as well as world commerce.

We encourage strengthening and expanding transportation systems serving the needs of agriculture and cooperatives.

6. State Dairy Technology and Marketing Programs (reaffirmed)

We urge state post-secondary educational institutions to re-evaluate their dairy technology programs and provide more comprehensive courses in dairy technology and marketing for milk and milk products.

Such educational programs make vital contributions to the dairy industry on a state and national level.

We urge the legislatures, governors, and universities within Wisconsin, Minnesota, Iowa and Illinois to consider the long-term effects of cuts in extension services. We also urge these states to conserve funding for education by working together through reciprocal educational programs.

7. Agricultural Education (amended)

We are concerned about the increasing illiteracy among the general public regarding agriculture. We urge state departments of public instruction to include basic elements of production agriculture in the required curriculum for high school and post-high school educational institutions.

Vo-ag departments and state departments of public instruction should be encouraged to develop ag curriculum courses that could be substituted for science and other required courses.

8. Component Pricing of Milk (amended)

The dairy industry must continually address the issue of equitable payment for milk.

A component pricing program, consistent with Federal Milk Marketing Order classifications, should be developed. This program should take into account the fluid use of milk and place a value on the components of fluid milk as they are currently identified in dairy hard goods.

To implement an equitable system of component pricing, consensus among producers, processors, federal order representatives and state regulatory agencies must be encouraged.

9. Minnesota-Wisconsin (M-W) Price Series Alternative (reaffirmed)

The dairy industry and the USDA continue to work toward finding an alternative to the M-W price series as the federal order base for pricing Class III ("manufacturing") milk.

We will support a decision that accurately reflects the value of Class III milk and that is in the best interests of our members.

10. Administration of Payment Programs (reaffirmed)

Any multiple-component pricing plan or milk quality program that pays premiums for milk above an established standard of composition or quality should deduct for composition and quality below that standard. Appropriate state agencies should monitor payment plans to make sure they are fair. They should have adequate staff to investigate unfair pricing charges and to enforce non-discriminatory pricing where necessary.

11. Inspection and License Fees (reaffirmed)

Because of the tight dairy economy and the high fees already being paid by dairy cooperatives and proprietary plants for plant and farm inspections, we recommend that fees for dairy inspection programs be maintained at 40 percent or less of program costs.

12. Pesticides Export Reform (reaffirmed)

Pesticides which are banned and not registered in the U.S. are showing up in foreign food imported to the U.S.

We support measures to close legal loopholes that allow U.S. chemical companies to manufacture and sell abroad pesticides that are probable carcinogens.

We also support regulations which would ban imports that have been treated with chemicals outlawed in the U.S., require importers to list chemicals used to grow foods shipped from abroad and require labeling of U.S.-made chemicals in the language of the receiving country.

Dairy Promotion and Market Development

1. Dairy Education, Promotion and Research (reaffirmed)

We endorse the following efforts to increase consumption of dairy products:

- a. The REAL Seal program, which informs consumers they are buying genuine dairy products.
- b. Nutrition education programs which provide a balance in the debate about dietary issues involving dairy products.
- c. State, regional and national promotion programs for dairy products and dairy ingredients.
- d. Coordinated research and development programs for dairy products by state and national promotion boards as well as universities.

2. Dairy Promotion Coordination and Consolidation (reaffirmed)

We urge state, regional and national dairy promotion organizations, all of which are funded and directed by milk producers, to work together in coordinating and managing the research and promotional efforts of the dairy industry.

We support modifying the structure of the existing promotion organizations in order to eliminate duplication of costs and services and maximize the promotional efforts of all dairy farmers.

Health and Quality

1. Brucellosis (reaffirmed)

We support vigorous efforts to eliminate brucellosis in the U.S. We recommend continuation of federal funding for the brucellosis eradication program at a level adequate to assure progress.

2. Food Safety and Public Health (reaffirmed)

We urge milk producers and processors throughout the U.S. to follow all the steps needed to supply safe, pasteurized milk and dairy products to the American public.

For our part, we have established an effective quality assurance program to

maintain product quality from the farm to the retail level. We will continue to support programs such as the 10-point milk and dairy beef quality assurance program. They are designed to maintain the safety of milk through the state departments of agriculture and federal agencies charged with monitoring the safety and healthfulness of our food supply.

We also support research to develop approved tests that allow rapid detection of pathogens and inhibitory substances in milk and dairy products.

Inspection of dairy products at the retail level should be rigorously enforced so that consumers receive dairy products of the best quality and flavor.

3. Iowa Farm Inspection Program (amended)

We strongly recommend that the Iowa Department of Agriculture assign their milk inspectors the responsibility of inspecting all dairy farms by area rather than by plant. Inspections by area will enhance the efficiency of inspectors and prevent these individuals from becoming involved in patron solicitation among plants.

Trade

1. Trade Agreements (amended)

We support trade agreements that result in reduced subsidies and market access barriers in world markets and that achieve a level playing field on a commodity-by-commodity basis.

Wisconsin Dairies favors retaining protection for the U.S. dairy industry, such as the special General Agreement on Tariffs & Trade (GATT) waiver for Section 22 quotas on dairy product imports. We support relaxing these protections only after being assured that a negotiated trade agreement puts world dairy trade on a level playing field.

A level playing field also means imports must meet the same quality standards required of U.S. dairy farmers.

2. Dairy Product Imports (amended)

We are opposed to trade programs which would specifically sacrifice the domestic dairy industry in favor of other industries within and outside of agriculture.

Imports of milk protein, including casein and

caseinates, adversely affect dairy farmer income and the dairy price support program. Therefore, we urge immediate restriction of imports of all milk protein.

We support controls which would place predetermined milk equivalent ceilings on the importation of dairy products.

We support more rapid and strict enforcement of the program designed to prevent price undercutting by subsidized, imported dairy products.

With the increase of selected dairy product imports into the U.S., we urge the Secretary of Agriculture to take action to bring these imports under Section 22 import quotas as soon as possible.

All dairy product imports should be labeled as imports and meet the same health, safety and biotechnological standards and quality specifications as those in the U.S.

3. Capper-Volstead (reaffirmed)

The opportunity for farmers to act together to market their products is essential to the strength of American agriculture. We look to our legislators to prevent tampering with the Capper-Volstead and Agricultural Marketing Acts, which would weaken the right of farmers to act together to form and join agricultural cooperatives.

4. Cooperation Among Cooperatives (amended)

Wisconsin Dairies wants to work with cooperatives and other organizations that operate under the same basic values and goals in the areas of procurement and marketing.

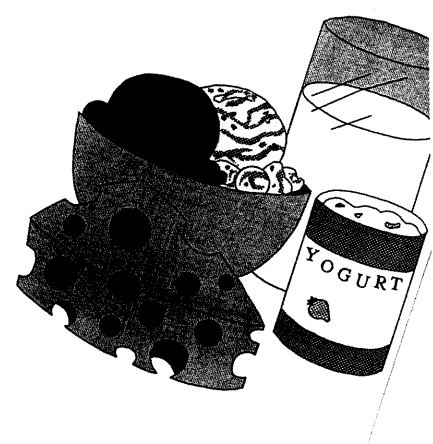
We intend to diligently work with other dairy organizations in exploring all the options available to establish joint marketing efforts on a product-by-product basis for the benefit of dairy farmers.

New Resolution

1. Promotion Contribution from Importers

Dairy product importers should contribute to the national dairy promotion program at the same rate as U.S. dairy producers based on the volume of product they import to the U.S.

AGRICULTURE 1995...



AGRICULTURAL PROFITABILITY

*CO-OPS CALL FOR
MILK ORDER REFORM*

**Dairymen told to
chart own destiny**

BGH Label Bill

**Downward trend in
young farmer numbers**

'Dairy 2020'

Rural health must be addressed

*GOVERNOR SIGNS
PECFA LEGISLATION*

TOP 10 (Plus One)

1. Property Taxes (13 of 15 organizations listed)
 - *Greater farm property tax equity
 - *STOP campaign - School Taxes Off Property
 - *Shift to other sources of school funding based on ability to pay
 - *Property taxes disproportionately burden farm land owners
2. Animal Welfare (9 of 15 organizations listed)
3. Right to Farm (7 of 15 organizations listed)
 - *Develop stronger Right to Farm legislation
 - *Support further legislation to protect the right of livestock producers and agriculturalists to farm and continue to have a livelihood providing the food and fiber supply
 - *Current statute is vague and ineffective in protecting farmers from nuisance suits and governmental actions affecting farming operations
4. Health Care - 100% deduction (6 of 15 organizations listed)
5. Wetlands (6 of 15 organizations listed)
6. Ethanol (5 of 15 organizations listed)
7. Retirement - IRAs (4 of 15 organizations listed)
8. Use-Value Assessment (4 of 15 organizations listed)
9. Capital Gains (3 of 15 organizations listed)
10. DNR Citations (3 of 15 organizations listed)
11. BGH (3 of 15 organizations listed)

TAXES

CATTLEMEN'S ASSOCIATION

- *Property tax fails to distribute tax burden on an equitable basis
Support greater farm property tax equity
Support taking much of school tax off farmers (top priority for legislature)
- *Oppose additional restrictions on existing state farmland preservation participants
- *Support use-value assessment for agricultural land

WI FARM BUREAU FEDERATION

- *Support more reliance on sales and income tax to support education
Support STOP campaign to get school taxes off property
Urge the elimination or significant reduction of the property tax levied for the VTAE System and the substitution of state collected revenues
Support limiting the amount of property taxes that can be levied by all units of government using property tax as a revenue source.
Support legislation that will provide fair market value in agricultural use taxation of agricultural land. Also, classify production agricultural land as a production tool and hence it is tax exempt.
Work to achieve real estate tax parity in county, state and nation
Urge that all materials used directly in farming be tax exempted
Recognize that government owned properties and federal trust lands share in the cost of local services by paying taxes equal to taxes paid on similar privately owned property
Urge that all real estate make a payment for municipal services
Strongly support phase out of inheritance and gift taxes
- *Support continuation and improvements in Farmland Tax Relief Credit
Recommend that the Farmland Preservation Act be revised to provide greater property tax relief to more farm families and family farm corporations and urge that: the income and property tax limits be increased; the \$25,000 ceiling on depreciation be eliminated or increased; the minimum credit be increased; farmers residing in towns that are decertified should be allowed to enter into farmland preservation agreements and receive a portion of the available credit.
Urge that the Farmland Preservation Program Formula be modified to provide additional credits or that tax credits be made available to all farmers who implement or incorporate approved soil conservation erosion and pollution abatement programs.
- *Support use-value assessment
Support eliminating the adding back of depreciation in calculating income and credits under the Homestead Tax Credit Program
Oppose mandating each county to adopt the county assessor system
- *Support a shift to other sources of school funding based on ability to pay
Seek reform of current policies which encourage wealthy non-farm investors to buy into drylot dairy operations and other industrial type agricultural ventures for tax write-off purposes

FARMERS UNION Milk Marketing Cooperative

FARMERS UNION (cont.)	<u>Encourage</u> state legislature to disallow the use of recent sales of agricultural property which has been sold for hunting, recreation and other purposes to set property tax valuations on other agricultural property in the townships
WI FARMERS UNION	<p><u>*Support</u> efforts to remove major portion of school funding from the property tax; raise state's share of funding to 50% or higher with emphasis on income and excise taxes to offset</p> <p><u>Support</u> legislation enabling any farmer who qualifies for the Farmland Preservation Program to be able to receive full credit</p> <p><u>Request</u> that areas be zoned exclusively agricultural with property rights and a lower tax rate since agriculture is still the main industry in Wisconsin</p>
WI PORK PRODUCERS	(nothing stated regarding taxes)
WI WOMEN FOR AGRICULTURE	(nothing stated regarding taxes)
WI FEDERATION OF COOPERATIVES	<p><u>*Recommend</u> that there be less reliance on property taxes to support elementary, secondary and VTAE education systems</p> <p><u>Urge</u> that facilities used in agricultural production be exempt from property taxes</p>
EQUITY COOPERATIVE LIVESTOCK SALES ASSOC.	<p><u>*Urge</u> legislators to continue researching school tax funding from other than land in agricultural production</p> <p><u>Propose</u> the equalized value should more accurately reflect farmland's actual use value</p>
WI SHEEP BREEDERS	<u>*Insist</u> that elected officials institute a process to substantially reduce farm property taxes because Wisconsin's high property tax places sheep producers at a competitive disadvantage to producers in other states and the world
WI POTATO & VEGETABLE GROWERS	<p><u>*Support</u> efforts to fund public schools using a more evenly distributed tax because property tax has placed a disproportionate burden on farm land owners</p> <p><u>Oppose</u> the imposition of sales tax on any farm production inputs including machinery because the original intent of sales tax legislation was to give agriculture an exemption</p> <p><u>*Support</u> a Use Value Assessment based property tax plan that takes into consideration a standard three-year rotation and remove the irrigability of the land as an assessment consideration</p>
WI CORN GROWERS	<u>*Support</u> school funding coming from residential dwellings including farm homes and the balance from an income tax; all property would be taxed for non-school funding for services related to the property (i.e. snow removal, fire, etc.)

- WI SOYBEAN ASSOCIATION *Support fundamental property tax reform because soybean producers in Wisconsin are not as competitive with soybean farmers in neighboring states due to high property taxes
Believe that true property tax reform cannot take place unless state and local government spending and education spending is controlled
- WI TOWNS ASSOCIATION *Provide a major new K-12 school aid funding system to the school districts in distressed rural communities are located to insure at least average per teacher and per student expenditures (also, provide statutory definition of a distressed rural community)
- WI AGRI-BUS. COUNCIL *Revise state taxing policy to more equitably assess taxes as to the amount of services required and to redistribute the education tax base to other methods of financing
 Agricultural property tax puts WI agriculture and its products at an economic disadvantage with other producing areas
- *Agricultural land in WI being valued at the highest use potential rather than at its value for producing agricultural products carries an additional burden of property taxes
- *Request the legislature to review all state laws and actions which require the imposition of higher property taxes due to inadequately and/or unfunded state mandates
- WI LIVESTOCK BREEDERS *Property taxes place an unfair burden on farmers as it has little to do with the ability to pay
 There is a REAL and IMMEDIATE need for greater farm property tax equity and the 1994 Legislature should make their top priority taking much of the school tax off farmers
- *The sales tax on production inputs, including supplies, service and electricity for agriculture and business should not be considered as a replacement for the property tax for these inputs are necessary to create positive growth in our state's economy

ENVIRONMENT

- CATTLEMEN'S ASSOCIATION *Oppose DNR authority to issue environmental citations
Oppose exceeding current federal guidelines for Clean Water Act
Support sound land and water management practices which do not unnecessarily impinge on the farmer's right to earn a living and if legislation is enacted that impinges on this right, the state should bear the cost
- *Urge that any new legislation to regulate wetlands allow and recognize environmentally sound agriculture practices to continue
- *Support the used of ethanol in state owned vehicles

WI FARM BUREAU
FEDERATION

*Urge DILHR & DNR to review PECFA and determine where costs can be cut and duplication of efforts be curtailed
Urge that farm fuel tank regulations be rewritten so they are less expensive to comply with and easier to understand
Support legislation to revise and update drainage laws and believe that DATCP should be given more authority over agricultural drainage matters
Support more flexibility in NR243 (Animal Waste Runoff Program) to allow cost sharing if relocation of an operation is necessary
Urge the formation of an agricultural chemical clean-up fund which is not funded by user fees, but rather by the consumers as a whole, being the ultimate beneficiaries of our food production system
Support a public policy which would require all public agencies to use lands which are less valuable for agricultural use for public projects.
Oppose funding for any more land purchases by DNR and believe that agricultural land currently owned by DNR be leased back to farmers at local rates and under local customs

*Believe that farmer's rights should be recognized in any wetlands legislation, including the right to maintain farm drainage systems and ditches. Any such legislation should compensate (property tax credits) farmers for restrictions placed on any lands classified as wetlands
Believe that a consistent set of definitions and guidelines needs to be adopted for all wetlands and wetlands that have been farmed should be allowed to remain in agricultural production
Urge DOT to treat agricultural land equal to wetlands when obtaining land for building roads

*Support legislation providing direct tax credits to manufacturing plants here in the state producing ethanol and other corn products

FARMERS UNION
Milk Marketing Cooperative

(nothing stated regarding environment)

WI FARMERS UNION

*Support state legislation providing for the maintenance of streams (widening & clearing of brush & debris) in order that there will be adequate capacity to avert flooding of homes and farmlands

*Promote the increased use of ethanol and soy diesel as alternative fuels

WI PORK PRODUCERS

(nothing stated regarding environment)

WI WOMEN FOR
AGRICULTURE

*Support DATCP authority of prevention of groundwater contamination and the use of pesticides

*Support the production of ethanol in Wisconsin plants

WI FEDERATION OF
COOPERATIVES

*Urge that state officials recognize the variety of sources of pollution and request that they more carefully coordinate their efforts and consolidate their resources to identify these sources, the actual impact and damage as well as the realistic remedies
Urge the legislature to use general tax revenues in addition to imposing user fees or surtaxes to establish a compensation program for remediation required to protect groundwater

- (Federation of Coops cont.) *Support incentives for the use of state-produced alternative fuels in the form of fuel tax relief
- EQUITY COOPERATIVE LIVESTOCK SALES ASSOC. *Recommend that if citations are to be issued for environmental violations, regulatory authority be given to the County Land Conservation Committee rather to DNR
- WI SHEEP BREEDERS *Oppose allowing DNR wardens to issue citations for environmental violations on private lands
- *Support the just compensation and respect of individual property rights for producers affected by state mandates to address clean water, air and the preservation of plants and animals
- WI POTATO & VEGETABLE GROWERS *Oppose efforts by the legislature and agencies to expand shoreland zoning authority and delineate wetlands that would preempt federal law because the federal government is in the process of developing a uniform wetland delineation manual that would preempt any state action
- Oppose the confiscation of private wetlands without full value compensation of these same wetlands because the DNR's Wetland Water Quality rules expropriate private wetlands for public use and preclude development of these lands for agricultural use
- WI CORN GROWERS *Support a less restrictive atrazine level in Wisconsin and nationally in response to research data from scientists within and outside EPA that supports changing the Maximum Contaminant Level
- *Urge that, regarding wetlands, farmers be allowed to maintain existing drainage structures and make repairs and improvements to drainage systems as necessary and that exemptions from wetland protection be allowed for lands cropped or considered cropped six out of ten years or converted to agricultural uses prior to 12-23-85 and that proper compensation is provided to property owners if wetlands protection results in an economic loss on a parcel of land
- WI SOYBEAN ASSOCIATION *Believe that any further restrictions on agricultural use of wetlands needs to be clearly defined and that proper analysis be given to the impact on agriculture and the environment
- Strongly oppose state or local environmental standards stricter than those of federal agencies
- WI TOWNS ASSOCIATION *Establish priority project funding for distressed rural communities in the Stream Bank Protection Program
- WI AGRI-BUSINESS COUNCIL *The WI environmental regulations relating to air and water quality, erosion, animal waste and pesticide and fertilizer usage consider the competitive factor in relation to other states and nations. Some environmental costs place a great burden on farmers and they cannot recover their costs in a market where prices are based on a national standard.

(Agri-Business Council cont.) *Oppose laws expanding DNR authority over agricultural practices in wetlands including authority for 404 type programs and any extension of shoreland zoning

*Urge that legislation be enacted to allow farmers to reduce the wildlife population so that crop damage may be lowered to acceptable levels

WI LIVESTOCK BREEDERS

*If land and water management regulations unnecessarily impinge on the farmers' right to earn a living, the state should bear the cost of such regulations

RETIREMENT/FINANCE

CATTLEMEN'S
ASSOCIATION

*Recommend that the federal government restore the Capitol Gains for agriculture to its status prior to the 1987 Federal Tax Reform Program

WI FARM BUREAU
FEDERATION

*Support reinstatement of capital gains treatment for timber, livestock, depreciable assets and land

Support a capital gains exclusion for insolvent farmers on liquidation of farm property

Support a capital gains exclusion for landowners who are forced to sell by condemnation and don't wish to purchase new land to continue agricultural operations

*Support allowing farmers, other business owners or self-employed taxpayers to invest proceeds from the sale of real and personal property in an IRA, Keogh plan, etc.

*Support revisions in Chapter 12 Bankruptcy Law because of its effect on the selling of farm property. Revisions are necessary to protect all parties of property transfer and indebtedness

FARMERS UNION
Milk Marketing Cooperative

(nothing stated)

WI FARMERS UNION

*Support reform of capital gains and inheritance taxes to aid the transfer of family farms from one generation to the next

*Recommend that full-time farmers for a minimum of 5 years in farming be eligible for a decent retirement. Farmer and spouse should be able to accumulate \$10,000 per year with a limit of \$500,000 per farm and be able to put complete amount in and IRA when they sell out. The funding would be from the sale of qualified farm assets such as farm real estate and all capital and non-capital assets. Farmers and self-employed would be allowed to set up their own individual retirement plan thereby deferring income taxes on their investments

*Request that deficiency payments be made at pre-projected rates to all livestock farmers in an area declared a disaster area

WI PORK PRODUCERS

(nothing stated)

WI WOMEN FOR
AGRICULTURE

*Support life-time exemption from capital gains tax of \$200,000 per individual for property used in a trade or business in which the individual or spouse has actively participated

Support the Farm Equity Act of 1994 which would allow for the transfer of assets from a farm sale into special accounts similar to IRAs to be sheltered from tax liabilities until funds are actually used

WI FEDERATION OF
COOPERATIVES

*Urge the Governor and legislature to continue the CROP Program and oppose blanket moratoriums on foreclosures which may reduce the availability and raise the cost of credit to other farm borrowers

EQUITY COOPERATIVE
LIVESTOCK SALES ASSOC.

(nothing stated)

WI SHEEP BREEDERS

(nothing stated)

WI POTATO & VEGETABLE
GROWERS

*Support a revision in the Unemployment Compensation schedule to raise the quarterly \$20,000 gross wage exclusion to reflect the rate of inflation and current minimum wage rate because small agricultural employers that were intentionally excluded by the law when it was written in 1978 are now subject to the law due to increases in the Minimum Wage requirements

Support streamlining credit delivery systems of all lenders to assure the availability of long-term fixed rate financing to improve the economic safety and soundness of agriculture

Support enhancing ag credit methods and policies to enable farmers to effectively compete in world markets

WI CORN GROWERS

*Request that the state and federal governments enact legislation stating that a farmer maintain ownership of his grain until the check from the purchaser clears

Support legislation that allows producers to receive a premium for each point below 15% because corn producers are discounted for each point of moisture over 15% and to store corn long term it must be dried below 15%

WI SOYBEAN ASSOCIATION

*Oppose policies or legislation at the state level which would artificially or arbitrarily set the price of commodities, goods or services

*Support a program that grants tax deferral rollover treatment and privileges to the farm sale proceeds such as are granted to IRAs, 401Ks, Keough, etc. for those who pass the "hands on management test"

WI TOWNS ASSOCIATION

(nothing agriculture related)

WI AGRI-BUSINESS COUNCIL

(nothing stated)

WI LIVESTOCK BREEDERS

(nothing stated)

HEALTH CARE

(Only listed groups which had a position)

WI FARM BUREAU
FEDERATION

*Support a 100% deduction of medical insurance and if this is not granted the cost of all employer provided health care should be taxed

FARMERS UNION
Milk Marketing Cooperative

*Support 100% deductibility of health care premiums for self-employed

WI FARMERS UNION

*Support national health care system
Support 100% deduction of health care premiums for state and federal income tax purposes
Support state rural health education development and promotion efforts

WI WOMEN FOR
AGRICULTURE

*Support 100% deduction of health care premiums
Support voluntary programs which encourage farm safety

WI FEDERATION OF
COOPERATIVES

*Urge that health insurance premiums paid by self employed individuals be fully deductible
Recognize that the maintenance of a decentralized health care system is critical to rural development
Urge the Legislature and Governor to avoid all future efforts to mandate more services on health insurance coverage and urges them to support stricter controls and utilization limits on current mandates

*Supports the formation of a legislative environment which is conducive to the successful operation of HMOs
Supports all legislative efforts to keep competitive closed panel provisions intact for HMOs which permit the HMO to contract with all types of health care providers on a closed panel basis. The bargaining power of HMOs to contract with only certain providers promotes competition, lowers costs and encourages prevention-oriented care
Supports the right of consumer-sponsored HMOs to determine the benefit plans they wish to offer. Expansion of the current benefit structure mandated through insurance laws serves only to interfere with the market place's right to determine the coverage it wishes to purchase and aggravate a competitive inequity between state regulated HMOs and the unregulated self-insured plans of many employers
Opposes any direct or indirect taxation of the premiums of HMOs including HIRSP assessments as a tax on essential health care services required by the citizenry

Supports the immediate development and implementation of a variety of loan forgiveness options, the acceleration of the current loan forgiveness program and other innovative state initiatives to attract health care providers to rural areas

Urges incorporation of successful coop models in health care reform at both the state and federal level and further supports health care reform initiatives which: improve access to health care services particularly in rural and undeserved areas; seek to establish a managed health care environment that facilitates the delivery of affordable, high-quality, cost effective health care;

(Fed. of Coops cont.)

create incentives for employers, individuals, providers and insurers to participate in reform efforts as partners; address issues of insurance reform in order to create more affordable insurance coverage and correct the current imbalance toward specialty providers and specialty care in favor of primary care providers, primary care and prevention of illness

WI CORN GROWERS

*Encourage the state and federal government to allow 100% deductibility of health insurance premiums

WI TOWNS ASSOCIATION

*Amend the Physician Loan Assets Program (560.183) to include distressed rural communities. Increase amounts of loans and grants in these areas

ANIMAL WELFARE

(Only listed those groups which stated a position)

CATTLEMEN'S
ASSOCIATION

*Support programs and accurate information aimed at schools and the general public to show how people benefit from today's farming methods and animal care. Because fewer people have agriculture backgrounds it is necessary to provide information on animal care consistent with commercial livestock raising

WI FARM BUREAU
FEDERATION

*Support animal welfare and reject the concept of animal rights - support the right of farmers to raise livestock in accordance with commonly accepted agricultural practices

FARMERS UNION
Milk Marketing Cooperative

*Deeply concerned about the false claims and actions of animal rights groups based on misinformation on livestock production - Urge the education of the public about up-to-date livestock production

WI FARMERS UNION

*Believe animal rights activists are misinforming the public on the place and care of animals in agriculture - support educational programs to inform the public

*Support efforts to solve the problem of the scarcity of veterinarians in northern counties

WI WOMEN FOR
AGRICULTURE

*Oppose animal rights belief that animals should have the same rights as people and should not be used for any purpose
Support animal welfare belief that animals deserve responsible treatment

WI FEDERATION OF
COOPERATIVES

*Support efforts to educate the public that farmers have a vested interest in keeping their animals healthy, content and well-fed and that farmers deplore cruelty to animals as much as the rest of society
Oppose any legislation that would restrict commonly accepted production practices under the guise of animal welfare

EQUITY COOPERATIVE

*Oppose legislation that would suppress sound livestock management practices under the guise of animal welfare

WI AGRI-BUSINESS COUNCIL *Support appropriate programs and accurate information aimed at schools and the general public to show how people, agriculture and animals benefit from today's farming methods and animal care

WI LIVESTOCK BREEDERS (Exact same words as Agri-Business Council)

AGRICULTURE EDUCATION

(Only listed groups which stated a position)

WI FARM BUREAU *Encourage school districts to revise their agriculture curriculum to a level where credits in agriculture courses can be utilized as a science credit

WI PORK PRODUCERS *Encourage school districts to classify appropriate agriculture courses as science equivalent credits counting toward graduation and encourage DPI and the VTAE and UW Systems to accept appropriate agriculture courses as science equivalent credits

EQUITY COOPERATIVE
LIVESTOCK SALES ASSOC. *Urge school districts to classify appropriate agriculture courses as science-equivalent graduation requirement credits. Also, encourage the UW System and VIAE schools to accept appropriate agriculture courses as science equivalent entrance credits

WI AGRI-BUSINESS COUNCIL *Since 22% of Wisconsin's work force is dependent on agriculture and agriculture has a \$20 billion annual impact on Wisconsin's economy, the UW system should emphasize the importance of agriculture in its research, extension and educational budgets to allow more applied research and applied research personnel

WI LIVESTOCK BREEDERS *Strongly urge the school districts of WI to classify appropriate Ag courses as science equivalent credits counting toward graduation
Encourage DPI, VTAE and the UW System to accept appropriate Ag courses as science equivalent credits
Support a revision of Public Instruction - Law 4 with regards to courses for teacher certification to establish dual certification (Agriculture & Science) of all Agricultural Education teachers graduating from Wisconsin

BGH/DAIRY/MILK PRICING

WI FARM BUREAU
FEDERATION *Oppose mandatory or voluntary labeling of BST milk at the state level - any regulations should be done nationally

*Urge that the frequency and extent of farm inspections be in direct relation to quality of milk being produced on the farm
Don't believe that an existing well producing safe water should, because of its location, force a producer off the Grade A market
Support changes in the dairy plant security program to enhance a producer's ability to recover losses
Support movement toward one standard of milk that equals at least Grade A standards
Support Dairy 2020

(Farm Bureau cont.)

*Support research and development of a milk pricing structure which would include the components of milk in relation to their market value

FARMERS UNION
Milk Marketing Cooperative

*Oppose rBGH (a most unwelcome hormone)

*Oppose present rules for drug storage on dairy farms (unfair, unworkable and do little to help prevent contamination of milk with antibiotics)
Encourage inspectors to announce their arrival prior to entering dairy premises for inspection whenever possible

*Encourage state legislators to work for higher farm milk prices

WI FARMERS UNION

*Support national boycott of Monsanto until they cease efforts to block labeling of rBGH-Free dairy products
Support national standards for labeling milk and dairy products

WI FEDERATION OF
COOPERATIVES

*Urge DATCP to actively continue to study multiple component pricing and to establish state regulations to assure uniform base values
Urge that the certification of the safety and wholesomeness of Grade A milk by the Division of Health be financed by public tax dollars and that the Div. of Health coordinate its program with DATCP to minimize costly duplication of activities - if the Governor and Legislature determine that milk certification will be financed with farm and/or plant user fees, program responsibility should be shifted to DATCP
Provide for an orderly transition to milk produced under a single quality standard

*From the Statehouse
to the
Town Hall*
by *Thomas W. Harnisch*



Well, the Town Parity Bill passed and has been signed into law. Also, we apparently got the SCIP payment increased another \$4 million which should aid poor rural towns.

This SCIP payments means the Town of Cedar Rapids in Rusk County, the smallest and poorest Town per capita in the state, will get some "real" financial help. Also, so will approximately 1,000 other small rural poor towns and small poor villages and cities.

On a personal note, I wish that some of the town officials in these poor small towns would review their actions on town road spending. Apparently between fifty (50) to one hundred (100) small towns do not maximize their state road aids. This means these towns do not get the per-mile minimum established by the legislature. Thousands and thousands of dollars are lost to rural areas because town officials in these towns do not levy a sufficient local tax and spent sufficient amounts to qualify for the per mile minimum. Enough said. Please study this program!

Also, the Room Tax mandate passed. Towns and small villages that currently have motels or hotels should act before the effective date or before May 1, whichever is earlier, to enact or amend their ordinances to meet the changes in AB 690. Frankly, towns and villages that do not act by May 1 will be forced to accept a 70% - 30% split payment of the revenues received with the 70% going to a Commission for tourism promotion or these municipalities must spend that 70 per cent of the revenues received directly on tourism promotion. Please see your Town lawyers immediately on this matter now to discuss the ramifications of this bill (soon to be law).

I mentioned in a previous newsletter that the two biggest direct issues affecting towns in this state are urban sprawl and rural small town development (or lack of development). Certainly other issues like property taxes, crime and school spending equality will and do have real impact on certain of our towns and small villages. Well, I will not in this letter provide a "cook book" of ideas for urban sprawl prevention. I am preparing a "cookbook" on limiting urban sprawl however. I will note a "cookbook" of ideas for state government to aid rural small town development. This list is not exhaustive in scope. It does not address what the federal government can and should do to aid Wisconsin's rural areas.

Without being partisan, the rural development actions in both Madison and Washington are at best minimal and at worst a cruel joke. This is my frontal attack on federal

and state leaders of both parties. Yes, we get a few bucks for SCIP. Yes, the federal government has limited dollars for rural bloc grant programs. Yes, we have also the state Clean Water Fund for small villages and a few towns. Beyond these three limited actions, I am at a loss to mention significant state and federal assistance for rural areas. Certainly, for the real small rural towns nothing exists in grant dollars for community development. The new federal programs appear to focus on, and are geared to aid, unique "poverty" areas primarily in the South. The State's focus for rural development appears focused primarily on business development for cities and villages.

Well, below is my vision and my "cookbook" for rural development at the state level. Hopefully, Senator Feingold (US Senate Agriculture Committee), Representative Gunderson (US House Agriculture Committee) and Representative Obey (Appropriations Committee) can get more rural development efforts going for Wisconsin in Washington D.C. To date, the national effort for rural development financing for Wisconsin is simply meaningless if you exclude dairy programs. ~~So then, what should be done by the Governor and the legislature in Wisconsin?~~

- 1.) Provide a statutory definition of distressed rural communities.
- 2.) Create specific statutory responsibilities for the major state agencies and departments to aid these distressed rural communities (DNR, DOT, DOD, and UW Extension).
- 3.) Create special rural tax incremental financing districts (TIF's) to allow for increased local infrastructure funding in these rural communities.
- 4.) Create new specific state allocated loan and grant dollars in DOD, DNR, DOT, and DHSS "targeted" to aid only these distressed rural communities for their community development. How about ten (10) million dollars for starters?
- 5.) Require priority placement by the State Building Commission of certain state public facilities in or near these distressed communities (assuming these communities desire these facilities).
- 6.) Provide new major state income tax incentives for new private commercial and industrial enterprises to be located in these communities. How about five (5) million dollars for starters?

(OVER)

7.) Subsidize low interest development loans to new commercial and industrial enterprises that locate in these communities. How about five (5) million dollars for starters?

8.) Provide a new major K - 12 school aid funding system to the school districts wherein these distressed communities are located to insure at least average per teacher and per student expenditures. Here, a sum sufficient will be necessary.

9.) Create specific new state subsidies and new grants for skilled trades and professional persons to reside and work in these communities. Here, one (1) million dollars might be sufficient.

10.) Create a special legislative committee to focus on the needs of the distressed rural communities.

11.) Create a distressed community "ombudsman" in DOD whose role it is to only aid these communities.

12.) Create a state public council assigned to DOD whose role it is to suggest action by the Governor, State agencies and the Legislature to aid these communities.

13.) Create a special University of Wisconsin Extension task force to create and distribute community development materials and manuals along with educational and leadership programs geared for the leaders of these communities.

14.) Establish an annual Governor's conference on distressed rural communities to focus attention on the plight and condition of distressed rural communities and to offer new ideas to federal, state and local leaders to aid these communities.

15.) Provide financial aid for the Governors Council on Rural Development to "target" education and leadership training for rural community development in distressed rural communities.

16.) Create a revolving low interest cooperative development loan fund in DOD for community economic development projects in distressed rural communities.

17.) Create a new special community development grant and loan fund in DOD for distressed rural communities to address specific community needs (environmental, social, recreational and political). Specifically, the following needs:

- a.) Pollution reduction
- b.) Public nuisance reduction
- c.) Fewer school dropouts and increased test scores
- d.) Crime reduction
- e.) Better trained public employees/public officers
- f.) Historic and cultural preservation
- g.) Health care services
- h.) Library service

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- i.) Recreational service
- j.) Youth employment grants
- k.) Better transit/communication services
- l.) Community development plans
- m.) Community land use/zoning plans and ordinances
- n.) Job training grants
- o.) Infrastructure improvements

18.) Require the Wisconsin Conservation Corps (WCC) in its selecting conservation projects to consider first the rural distressed communities.

19.) Amend the Housing Rehabilitation Loan Program (234.45) to create a housing loan priority for rural distressed areas.

20.) Amend the Economic Development Loan program (234.65) for economic development loan priority for distressed rural areas.

21.) Amend the Development Fund Grant "targeted" criteria (560.605) to include distressed rural communities.

22.) Amend Development Zone criteria (560.71) to (560.75) to include distressed rural communities.

23.) Amend Community Development Finance Company (234.94) to include as a "target group" or "target area" the distressed rural communities.

24.) Amend the Community Based Economic Development Program under (560.14) to include distressed rural communities.

25.) Amend the Rural Economic Development Program (560.17) to include distressed rural communities. Increase amounts of loans or grants in these areas.

26.) Amend the Physician Loan Assets Program (560.183) to include distressed rural communities. Increase amounts of loans and grants in these areas.

27.) Amend the Hazardous Pollution Prevention Audit Grants Program (560.19) to include distressed rural communities as priority and increase grant amounts.

28.) Amend the Economic and Community Development Planning Program (560.08) to include distressed rural communities.

29.) Amend State Main Street Program (560.081) to include rural distressed communities as a priority area.

30.) Amend Industrial Building Construction Loan Program (560.10) to include rural distressed communities as priority areas for loans.

31.) Amend Export Development Loan Program (560.165) to establish loan priority for small businesses located in a rural distressed area. Increase the amount of these loans.

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- 32.) Amend Blighted Area Law (66.43) to include rural distressed areas.
- 33.) Create Rural Renewal Law similar to Urban Renewal Law (66.435).
- 34.) Allow towns the same powers as villages under (66.436) for rural renewal.
- 35.) Amend the Reinvestment Neighborhoods Act (66.465) to establish criteria to qualify rural distressed communities.
- 36.) Amend Regional Planning Commission Law (66.945) to establish for them a priority planning role to aid distressed rural communities.
- 37.) Amend University of Wisconsin Special programs (36.25) to include recruiting students from distressed rural areas and to establish priority scholarships for students from these areas.
- 38.) Amend University of Wisconsin Special programs (36.25) to create a Center for Rural Communities to attempt to create for distressed rural communities education and leadership.
- 39.) Amend the powers and duties of the Board of Regents (36.11) to require the Board to promote public awareness, access to and training of educators and other professionals for service in rural distressed areas.
- 40.) Amend Incentive Grants Program (38.27) to provide training grants for persons residing in rural distressed areas.
- 41.) Amend Independent Student Grant Program (39.45) to include financially needy resident students from rural distressed communities.
- 42.) Amend Child Care Start Up and Expense Program (46.986) to specifically establish distressed rural communities as the first priority for grants in depressed rural areas in the state.
- 43.) Create Distressed Rural Community Forestry Grant Program similar to the Urban Forestry Grant (23.097).
- 44.) Establish priority project funding for distressed rural communities under the Stewardship program (23.0915) funds.
- 45.) Establish priority project funding for distressed rural communities in Stream Bank Protection Program (23.094).
- 46.) Establish priority project funding for nonprofit conservation organizations property purchases (23.096) in distressed rural communities.

These are my ideas for change to aid distressed rural towns and other rural areas. Hopefully, you have ideas to help these distressed rural towns and rural areas. If you do call or write to share them with me. I always give credit to good and bad ideas. Possibly, a legislator interested in rural areas will decide to lead in this area. With elections coming up in November, should not rural development action be an issue for the Legislative and Gubernatorial elections?

TO: Rep. Al Ott
FROM: Dan McCoy
DATE: 4/21/94
RE: Agriculture Issues

You had earlier requested that I try and predict some of the issues that are likely to occur in many of the resolution and position statements adopted by Wisconsin agri/business groups. The following are the issues that I think will be most important in the coming months.

Use-value Assessment of Farmland -- Although a change in taxation of farmland to include use-value assessment would not benefit all farmers to the same degree, it would result in instant savings for many farm families. In addition, to the degree that a use-value system would help contain urban sprawl, this taxation change can also be portrayed as environmentally friendly.

Non-point Source Pollution -- Recent attempts by Wisconsin's Environmental Decade to force the DNR to more stringently regulate cattle and hog feeding operations give a good indication that environmental groups will continue focusing on this problem. Republicans need to be ready with data and information regarding the impact of urban sewage treatment facilities, urban pesticide use, and other urban sources of water pollution including petroleum and other chemical spills, vehicle emissions and industrial pollution on our state's water resources. Before urban environmentalists come gunning for farmers in Fennimore and Zittau, they had better make sure their own "environmental house" is in order.

Uniform Pesticide Regulations -- Although the debate on this issue has largely subsided, during the coming months, rural legislators need to sell the passage of AB 607 as a major victory for farmers. At a time when farmers are increasingly burdened with an ever-growing web of confusing regulations dreamed up by federal, state, county and local governments, passage of this legislation represented a substantial movement toward more reasonable, standardized regulation of pesticide use in our state. I feel this issue is one that enjoys support from almost all farmers, regardless of their feelings on other issues.

Indirect Agriculture Policies -- In this group I would include items such as health care, banking policies and capital gains taxation. Although there are others, these examples provide an indication of the types of issues that apply to all Wisconsinites, including farmers. All too often farmers are excluded from the traditional classification of "small-businesspeople" or "business owners." Republicans must continually focus on the inclusion of

April 21, 1994

Page two

farmers in the businessperson classification and encourage the farming community to become more actively involved with the debate over these type of issues.

Farm Family Lifestyle -- In my opinion, more than any other factor in Wisconsin agriculture today, the future of farming rests on its attractiveness as a career to today's young people. Focus needs to be given to looking at ways that state government can help provide simple, tangible benefits, not higher credit lines or fancy soil analysis techniques, to help farmers. Examples of this idea may be programs to help provide well-trained hired hands to give farm owners a break from farm duties one day a week. Affordable daycare options for farming parents one or two days a week so the husband/wife can spend some time together like people in other careers do. Until young people see farming as a career where they can make a decent living and lead a decent life, they will continue to run from the rural areas to the cities.

STATUS OF ASSEMBLY REPUBLICAN AGRICULTURE & ENVIRONMENT INITIATIVES, APRIL 1, 1994

COMMITTEE: AGRICULTURE, FORESTRY AND RURAL AFFAIRS

BILL	AUTHOR	SUBJECT	INTRODUCED	FURTHER ACTION
AB 133	Ainsworth	Forest Croplands Conversion to Managed Forest Lands	2/23/93	Signed as Act 131, 3/18/94
AB 233	Foiti	Injuries to Domestic Animals Caused by Dogs	3/17/93	Signed as Act 154, 3/17/94
AB 236	Ourada	Placement of Dry Fire Hydrants on Lakebeds	3/25/93	Signed as Act 132, 3/4/94
AB 271	Hahn	Establishing a Grain Producer Lien	4/1/93	Hearing 6/3/93
AB 517	Ott	Marking of Unguarded Ice Holes	5/25/93	Signed as Act 133, 3/4/94
AB 651	Schneiders	Animal Welfare	7/28/93	Hearing 9/23/93
AB 970	Ott	Farm Mediation and Arbitration	12/15/93	Awaiting Gov. Action
AB 1020	Green	Sale of Timber on State Lands	1/5/94	Senate Organization
AB 1086	Foiti	Regulating the Sale of Dogs by Dog Breeders and Pet Dealers	2/3/94	Rules 3/7/94
AB 1256	Ott	Investigations of Animal Cruelty Complaints	3/14/94	Senate Organization
AJR 78	Ott	Requesting a Study of Farmland Preservation Programs	8/19/93	Rules 10/12/92

COMMITTEE: ENVIRONMENTAL RESOURCES

BILL	AUTHOR	SUBJECT	INTRODUCED	FURTHER ACTION
AB 179	Lorge	Encouragement of Gasohol Usage by State Government	3/8/93	Awaiting Gov. Action
AB 602	Ainsworth	Municipal Electric Company Billing Practices	6/25/93	Hearing 9/15/93
AB 864	Hahn	Creation of an Ethanol Production Incentive Program	10/26/93	Senate Organization
AB 908	Lorge	Requiring the Abandonment of Certain Private Wells	11/17/93	Hearing 1/11/94

STATUS OF ASSEMBLY REPUBLICAN AGRICULTURE AND ENVIRONMENT INITIATIVES, APRIL 1, 1994 (Continued)

COMMITTEE: NATURAL RESOURCES

BILL	AUTHOR	SUBJECT	INTRODUCED	FURTHER ACTION
AB 350	Ourada	Calculation of Recycling Grants	5/4/93	Rules 2/9/94
AB 626	Musser	Operation of All-Terrain Vehicles by Minors	7/16/93	Senate Organization
AB 920	Lazich	Fishing License Requirements for the Developmentally Disabled	11/17/93	Awaiting Gov. Action
AB 1027	Johnsrud	Disposal of Human Waste on DNR-Owned Property	1/12/94	Rules 2/28/94
AB 1065	Johnsrud	Restricting the Sale of Certain Plastic Containers	1/31/94	Hearing 2/16/94
AB 1103	Johnsrud	Label Requirements for Certain Metal Containers	2/9/94	Hearing 3/3/94

Also:
 Dairy 2020
 Use - Value Assessment

died in Senate
 died in Assembly



National Agricultural Statistics Service, USDA

Wisconsin Department of Agriculture, Trade and Consumer Protection

Wisconsin
Agricultural
Statistics Service
P.O. Box 9160 Madison, WI 53715
(608) 264-5317

May 13, 1994

The Honorable Alvin R. Ott
The State Assembly
318 North, State Capitol
Madison, WI 53708

Dear Representative Ott:

Thank you for the opportunity to meet with you to discuss agricultural trends and dairy issues. This certainly is a time of rapid change and a crucial time for many involved in Wisconsin's dairy industry.

Our mission is to provide unbiased information for all to use in their decision-making process. We'll do our best to provide you with the information you need to address those difficult issues and make informed choices.

The agricultural summary that we discussed is enclosed. Copies were also sent to the other agriculture, forestry and rural affairs committee members as per your request.

Best Regards,

LYLE H. PRATT
State Statistician

LHP:dle

Enclosures



AGRICULTURE HIGHLIGHTS

May 10, 1994

Prepared for Wisconsin's Board of Agriculture, Trade and Consumer Protection

Dairy

The April Minnesota-Wisconsin Manufacturing Grade Milk Price jumped 22 cents from March to \$12.99 at 3.5% milkfat. The price climbed to the highest level since August 1990.

Cheese prices fell the last three weeks on the National Cheese Exchange. As of May 6th, barrel price is the lowest since March 4 and the block price is lowest since January 28.

Milk Production - January to March 1994

	Million pounds	94/93 % Chg.
WI	5,326	- 8
MN	2,365	- 6
MI	1,350	n.c.
IA	971	- 6
MO	666	- 8
IL	636	- 5
CA	5,845	+ 8
TX	1,629	+ 8
WA	1,239	+ 3
ID	816	+10
NM	766	+29
AZ	558	+20

U.S. milk production was down slightly and the 21 major states fell 1 percent during January through March compared to a year ago.

Processing Vegetable Contract Intentions for 1994

Snap beans:

WI 78,100 acres, up 4% from 1993 and 10% from 1992

US 203,530 acres, up 5% and 1%

Green peas:

WI 77,600 acres, up 92% from last year but 17% below 1992

US 316,670 acres, up 34% and down 12%

Sweet corn:

WI 160,900 acres, up 12% from 1993 and unchanged from 1992

US 542,100 acres, up 9% and up 2%

Prices Paid Index Up 2%

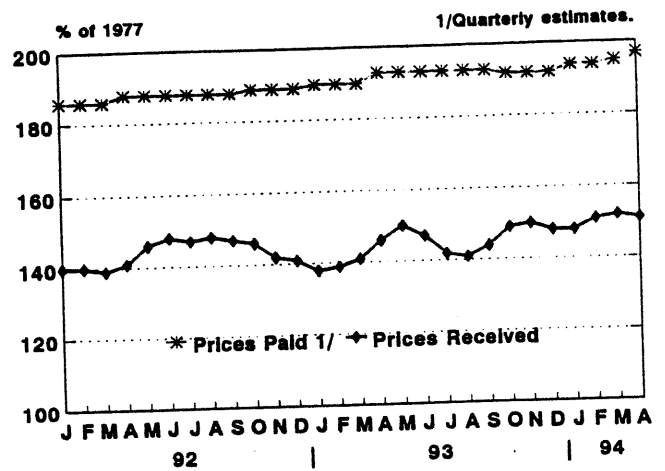
The U.S. index of prices paid by farmers for commodities and services, interest, taxes and farm wage rates increased by 2 percent from last year and 1 percent from January. Changes from last year for these components were fertilizer +6.2%, fuels -3.0%, feed +9.7%, and feeder livestock -5.9%

Prices Received

Commodity	Unit	Wisconsin			U.S.
		April 1993	March 1994	April 15, 1994	April 15, 1994
		Dollars			Dollars
Milk cows 1/	Head	1,160.00	-	1,200.00	1,180.00
Steers and heifers	Cwt.	74.30	65.30	66.20	76.00
Slaughter cows	Cwt.	49.30	47.50	48.40	47.40
Calves 2/	Cwt.	128.00	131.00	130.00	96.90
Barrows & Gilts	Cwt.	44.70	43.60	41.40	42.60
Sows	Cwt.	35.20	35.30	35.50	38.10
Lambs	Cwt.	63.80	52.90	49.90	55.90
Milk, all 3/	Cwt.	12.97	13.87	14.00	13.60
Wheat	Bu.	3.24	2.87	2.80	3.43
Corn	Bu.	2.15	2.68	2.50	2.62
Oats	Bu.	1.43	1.53	1.40	1.40
Soybeans	Bu.	5.58	6.70	6.40	6.46
Potatoes 3/ 4/	Cwt.	5.20	8.00	7.15	8.07
Table stock	Cwt.	n.a.	7.20	n.a.	n.a.
Processing	Cwt.	n.a.	5.40	n.a.	n.a.
Onions	Cwt.	7/	15.50	16.00	11.60
Alfalfa hay, baled 5/	Ton	109.00	102.00	99.00	103.00
Other hay, baled 5/	Ton	91.00	70.00	70.00	71.90
Index 6/ (1977=100)	Pct.	146	152	151	146

1/Milk cow prices are published quarterly for January, April, July and October.
 2/Includes replacements, slaughter bobs, and special feds. 3/Entire month.
 4/Average price of potatoes sold for all uses, including table stocks, processing, seed, and livestock feed. 5/Mid-month. 6/Index of prices received by farmers, unadjusted, all farm products. 7/No sales reported. N.a. = not available.

PRICE INDEXES - WISCONSIN

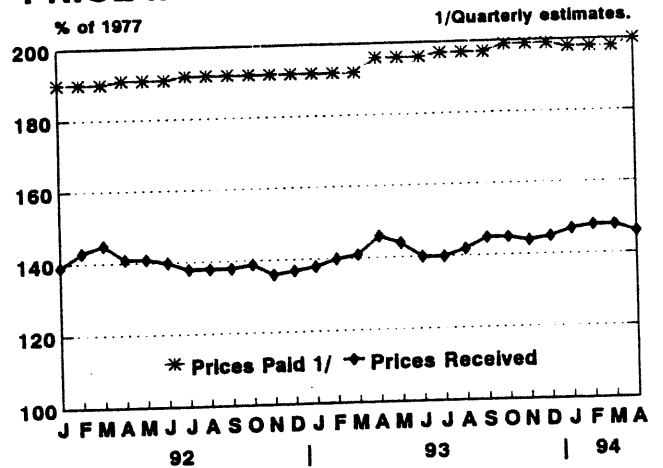


Prices Paid 1/

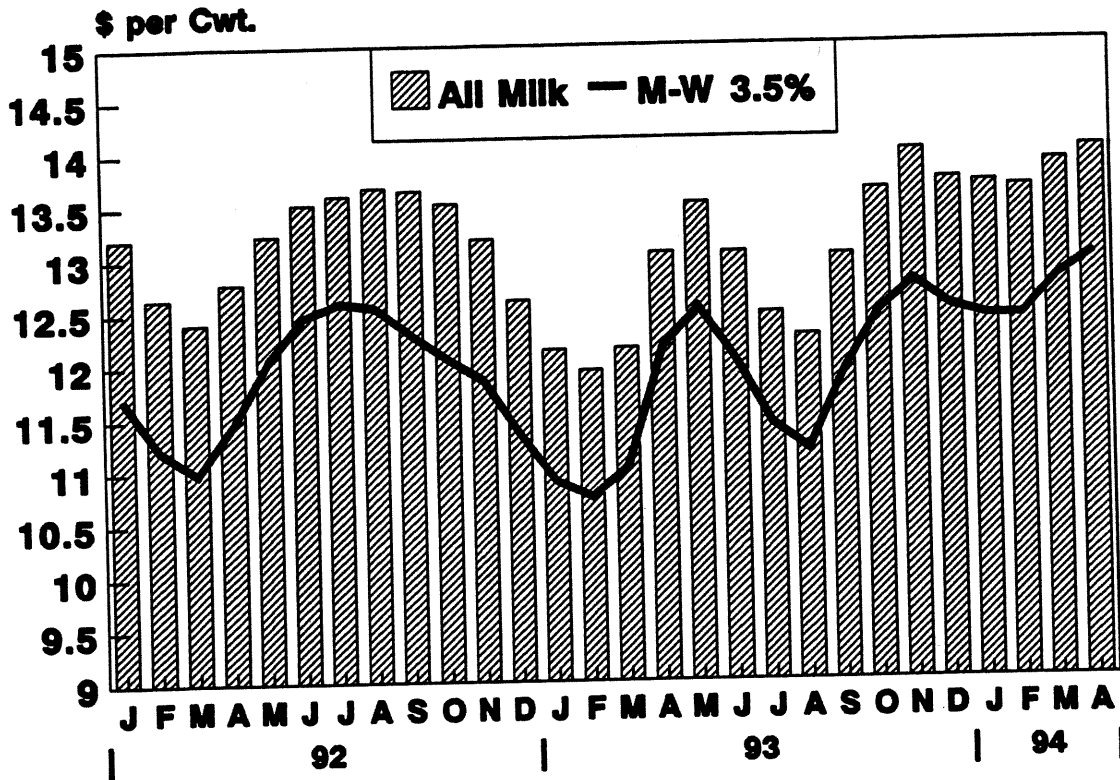
Commodity	Unit	United States			Lake States
		April 1993	January 1994	April 1994	April 1994
		Dollars			Dollars
Soybean meal, 44% protein	Cwt.	13.20	14.40	14.10	12.30
Cornmeal	Cwt.	7.18	7.96	8.03	6.90
Dairy feed, 16% protein	Ton	179.00	191.00	187.00	188.00
Milk-feed ratio	Lb.	1.41	1.41	1.45	n.a.
Gasoline, ser. sta unleaded 2/	Gal.	1.110	1.010	1.060	1.090
Diesel fuel, bulk delivery 3/	Gal.	0.822	0.741	0.769	0.830
L.P. gas, bulk delivery 3/	Gal.	0.782	0.738	0.734	0.720
Index 4/ (1977=100)	Pct.	196	198	200	n.a.

1/Feed and fuel prices are published quarterly for January, April, July, and October. 2/Includes state road taxes. 3/Excludes state road taxes. 4/Index of prices paid by farmers for commodities, services, interest, taxes, and wage rates. N.a. = not available.

PRICE INDEXES - UNITED STATES



WISCONSIN MILK PRICES



WISCONSIN MILK PRICES

Month	All Milk			M-W 3.5%		
	1992	1993	1994	1992	1993	1994
	Dollars per cwt.					
January	13.20	12.13	13.67	11.71	10.89	12.41
February	12.64	11.94	13.63	11.21	10.74	12.41
March	12.40	12.14	13.87	10.98	11.02	12.77
April	12.78	13.04	14.00	11.46	12.15	12.99
May	13.23	13.51		12.06	12.52	
June	13.52	13.04		12.46	12.03	
July	13.60	12.47		12.59	11.42	
August	13.67	12.25		12.54	11.17	
September	13.64	13.01		12.28	11.90	
October	13.52	13.62		12.05	12.46	
November	13.18	13.99		11.84	12.75	
December	12.60	13.71		11.34	12.51	

MILK PRODUCTION

Year and Month	WISCONSIN				UNITED STATES			
	Cow numbers (000)	Production per cow (Lbs.)	Total milk (Mil. Lbs.)	Change from year ago (Percent)	Cow numbers (000)	Production per cow (Lbs.)	Total milk (Mil. Lbs.)	Change from year ago (Percent)
	ANNUAL 1990	1,753	13,919	24,400	+ 2	10,127	14,645	148,313
1991	1,714	14,040	24,065	- 2	9,992	14,860	148,477	n.c.
1992	1,645	14,652	24,103	n.c.	9,835	15,419	151,647	+ 2
1993	1,557	14,781	23,014	- 5	9,705	15,554	150,954	n.c.
1994	1,500	1,205	1,808	- 8	8,042	1,323	10,637	- 1
Jan.	1,492	1,105	1,649	- 8	8,018	1,222	9,802	- 1
Feb.	1,483	1,260	1,869	- 8	7,998	1,374	10,988	- 1
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sept.								
Oct.								
Nov.								
Dec.								

Includes 21 selected states estimated for monthly production.
 Wisconsin Agricultural Statistics Service

SHARE OF PERSONAL DISPOSABLE INCOME SPENT FOR FOOD

Year	Percent Share of Income for Food			Expenditures for Food (\$Bil)			(\$Bil)
	All food	At home	Away from home	All food	At home	Away from home	Disposable income
1960	17.5	14.0	3.5	63.1	50.6	12.6	360.5
1965	15.1	11.7	3.5	74.3	57.4	16.9	491.0
1970	13.9	10.3	3.7	100.6	74.2	26.4	722.0
1975	14.0	10.0	4.0	161.0	115.1	45.9	1,150.9
1980	13.5	9.1	4.4	263.9	178.5	85.4	1,952.9
1985	12.2	7.8	4.4	358.9	229.5	129.4	2,943.0
1990	11.8	7.5	4.3	477.4	303.2	174.2	4,050.5
1991	11.7	7.4	4.3	491.9	309.5	182.4	4,209.6
1992	11.2	7.1	4.1	503.4	319.9	183.5	4,500.2
1993	11.1	6.9	4.2	520.8	325.9	195.0	4,700.0

Corn Damaged by Wildlife in 1993 Less Than 1 Percent

Surveying the 10 largest corn producing States for wildlife damage in 1993 revealed that less than 1 percent of corn for grain, 35.4 million bushels, was lost to wildlife. These 10 states, which account for over 80 percent of U.S. corn production, harvested 5.14 billion bushels in 1993. On a per acre basis, 0.70 bushels (39 pounds) were lost to wildlife across the 10 states.

The value of the lost corn production is estimated at nearly \$92 million. The 10-State harvested production was valued at over \$13 billion based on an average price of \$2.59 per bushel for the 10 states.

Bird damage caused a loss of nearly 10 million bushels of corn for grain, 0.19 percent of harvested

10-state production. Deer caused slightly more damage for a loss of 12 million bushels, or 0.23 percent of the 10-state crop. An additional 14 million bushels, 0.27 percent of actual production, was lost to unidentified wildlife.

For this survey, the 10-state total loss per acre had an average relative error of 9.8 percent. Chances are 2 out of 3 the true average loss was between 0.63 and 0.77 bushels per acre, the true production loss was between 32 million and 39 million bushels, and the true value loss was between \$83 million and \$101 million.

This Wildlife Damage Survey was funded by USDA/APHIS/Animal Damage Control.

Corn for Grain Estimates and Wildlife Damage Losses, 1993

STATE & TYPE	Official Estimates ¹					Wildlife Damage ³		
	Area Harvested for Grain	Yield	Production	Price ²	Value of Production	Yield Loss ⁴	Production Loss	Value of Production Loss
	1,000 acres	bushels per acre	1,000 bushels	dollars per bushel	1,000 dollars	bushels per acre	1,000 bushels	1,000 dollars
Illinois	10,000	130.0	1,300,000	2.60	3,380,000	0.46	4,600.0	11,960
Indiana	5,400	132.0	712,800	2.60	1,853,280	0.97	5,238.0	13,619
Iowa	11,000	80.0	880,000	2.50	2,200,000	0.25	2,750.0	6,875
Michigan	2,150	110.0	236,500	2.65	626,725	1.13	2,429.5	6,438
Minnesota	4,600	70.0	322,000	2.45	788,900	1.18	5,428.0	13,299
Missouri	1,850	90.0	166,500	2.60	432,900	1.88	3,478.0	9,043
Nebraska	7,550	104.0	785,200	2.70	2,120,040	0.35	2,642.5	7,135
Ohio	3,280	110.0	360,800	2.65	956,120	0.66	2,164.8	5,737
South Dakota	2,550	63.0	160,650	2.40	385,560	0.41	1,045.5	2,509
Wisconsin	2,350	92.0	216,200	2.65	572,930	2.40	5,640.0	14,946
10-State Total	50,730	101.3	5,140,650	2.59	13,316,455	0.70	35,416.3	91,561
Bird						0.19	9,594.9	24,701
Deer						0.23	11,906.0	30,846
Unidentified Wildlife ⁵						0.28	13,915.4	36,014

¹ Source: Crop Production - 1993 Summary and Crop Values - 1993 Summary. USDA, NASS, January 1994.

² Preliminary marketing year averages based on monthly price data through November 1993, allowing for marketings during the remainder of the marketing year.

³ Includes damage from birds, deer and other wildlife.

⁴ The average relative error for the 10-state total was 9.8 percent. Chances are 2 out of 3 the true average loss was between 0.63 and 0.77 bushels per acre.

⁵ Includes damage from wildlife other than birds and deer, as well as damage by unidentified wildlife, which may include birds and deer.