

94-3 New Federal Lobbying Law

Presented by the Sauk County Pork Producers, and supported by each district at the recent district meetings.

Whereas, the new federal "lobbying tax law" penalizes association government relations activities through either disallowance of tax deductibility for dues or imposition of a 35% excise tax; and

Whereas, Wisconsin Pork Producers Association would have to pay \$7 of every \$20 membership to the Internal Revenue Service;

Therefore, be it resolved, WPPA support American Society of Association Executives (ASAE) legal efforts to challenge the new law based upon First Amendment constitutional grounds;

Be it further resolved, that if the efforts by the ASAE are not effective, producer members **will not** utilize membership dues as a tax deductible item in 1994 and beyond.

PASSED

94-4 Feeder Pig Checkoff

Presented by the Jefferson County Pork Producers

Whereas, the legislative pork industry checkoff of .035% of value puts an undue competitive disadvantage on seedstock and feeder pig producers; and

Whereas, seedstock and feeder pigs are checked off at first sale and also at terminal sale; and

Whereas, farrow to finish hogs are checked off only once at terminal sale; and

Whereas, hog finishers factor in cost of hog checkoff in the price they pay to feeder pig producers in effect shifting all checkoff costs to the feeder pig producer;

Therefore, be it resolved, that Wisconsin Pork Producers petition the National Pork Producers Council to change the legislated pork checkoff law so that only hogs at a terminal sale be checked off.

DEFEATED

94-5 Right-to-Farm

Presented by the Legislative Committee and supported  
by the Wisconsin Agri-Business Council

Whereas, Wisconsin's Right-to-Farm statute is vague and ineffective in protecting farmers from nuisance suits and governmental actions affecting farming operations;

Therefore, be it resolved, that the Wisconsin Pork Producers Association supports stronger legislation to both protect our farmers and preserve Wisconsin's resources for the production of food and fiber.

**PASSED**

94-6 Pseudorabies Indemnity Program

Presented by Grant County Pork Promoters

Whereas, the Wisconsin Department of Agriculture, Trade and Consumer Protection's Animal Health Division is proposing a reduction in the Pseudorabies (PRV) indemnity program from 100% to 66.67%;

Whereas, the present 100% indemnity program has proven to be the most effective program in effectively stopping the spread of this explosive disease;

Whereas, the Wisconsin Pork Producers Association strongly supports the eradication of PRV;

Therefore, be it resolved, that the Grant County Pork Promoters urge the Wisconsin Pork Producers Association to take legislative action to retain the present 100% indemnity programs as identified in Section 95.27(5), Stats.

**PASSED**

### Legislative Committee Recommendations

1. A property tax task force be named to specifically address this issue and prepare recommendations for the Board's review.
2. Host a summer legislative picnic with other commodity groups focusing on the property tax issue. Reception followed by a dinner and panel discussion comprising of commodity representatives.
3. Develop a form in regard to the membership rebate allowing county organizations to voluntarily contribute the rebate to WPPA's legislative efforts.

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The following resolution was passed by the Wisconsin Pork Producers Association delegate body on January 7, 1994.

**Pork Industry Product Development Committee**

Whereas, the pork industry has done excellent work with the "Pork. Other White Meat" R campaign and other pork promotion efforts such as America's Cut TM, Chef's Prime TM and Chef's Prime Filet TM; and

Whereas, the development of new pork items such as microwaveable products is essential to the growth of the pork industry;

Therefore, be it resolved, that the WPPA request that the NPPC's delegate body direct funding and authority to a "Pork Industry Product Development Committee" which is accountable for developing consumer friendly pork items.

The following policy statement and resolutions were adopted by delegates to the 63rd annual convention of the Wisconsin Farmers Union in Wisconsin Dells, WI, February 18-19:

#### PREAMBLE

In our constantly changing society, there are certain goals and values we consider to be fundamental — to be preserved as part of the American dream or democratic ideal. Our basic aims have grown out of our understanding of God, nature and the love of our country. We cherish our belief in the dignity of the individual, in the basic freedom of our Bill of Rights, in the importance of every person having the opportunity to think for himself or herself.

No institution has given more eloquent expression of this American spirit than the family farm. The family farm has maintained a unique role in America since colonial times. Placing ownership, management and labor in the family farm was our forefathers' democratic answer to the systems of landless peasantry from which they had fled.

The family farm concept embraces much more than a belief in the superiority of the family farm as an economic unit of agricultural production. It involves certain ethical considerations such as the importance to the preservation of democracy to retain a substantial number of independent farm families on the land and the spiritual and cultural values we associate with the farm family and the interdependent rural community.

We reaffirm our dedication to the preservation and strengthening of family farming in America and adopt the following policy to serve as a guideline in accomplishing our goals:

#### FAMILY FARMS

We believe that family farming is fundamental and basic. It is the cradle of American freedom and democracy. American prosperity can never be secure without a prosperous, efficient, family farm agriculture.

We believe our production and marketing practices can and must be so adjusted to give farm families full opportunity to earn and receive a parity income with Americans in other walks of life.

#### FARM PROGRAMS

We reaffirm our position that federal governmental policies and programs are essential to protect family farmers against the hazards of the marketplace where almost everyone else, except the farmer, is protected. The power of public policy must be used to sustain the independent farmer in an economy which is otherwise strongly organized — in which most other production is planned, most marketings are rationed, and most prices and profits are administered. Family farmers must be protected against the economic sacrifices which may be necessary to balance our nation's trade and ensure world peace.

We support a market-oriented supply management system which would reduce costly overproduction, ensure adequate income for farm families and provide the public with sufficient supplies of safe and nutritious food.

#### INTERNATIONAL TRADE

We favor international trade agreements which would (1) seek to eliminate export subsidies and other export dumping practices; (2) recognize the right of sovereign nations to develop and maintain domestic farm and food policies, including inventory management programs and tools such as Section 22 of our agricultural law authorizing import quotas; and (3) seek to improve harmonization of health and sanitation standards on scientific criteria for international trade, without limiting the ability of nations to establish higher domestic standards in cases where scientific questions remain or important domestic concerns exist.

#### FEDERAL DAIRY POLICY

We support passage of legislation to establish a long-term, inventory management program for dairy. We favor either a voluntary or mandatory program to prevent Commodity Credit Corporation (CCC) stocks from becoming excessive.

We recommend base allocations be targeted to family farms with returns that ensure cost of production plus a reasonable profit. We call for

### SPECIAL ORDER OF BUSINESS

Whereas, Monsanto Corporation is the lead corporation responsible for the development and marketing of rBGH;

Whereas, studies have consistently indicated a large majority of both dairy producers and consumers are opposed to the introduction of rBGH because of socio-economic, animal and human health concerns;

Whereas, the Monsanto Corporation has used unsavory tactics, including humiliating opponents by labeling them backward and neo-Luddites, used financial and legal pressure to undermine farm and consumer efforts to market rBGH-free product in the marketplace, and pitted farmer against consumer and even farmer against farmer;

Whereas, such tactics are insulting and challenge the basic tenets of democratic decision making, freedom of choice, and

producer cooperation;

Therefore be it resolved that Wisconsin Farmers Union unilaterally condemn such practices by the Monsanto Corporation;

Be it further resolved that Wisconsin Farmers Union wholeheartedly supports Swiss Valley Farms Cooperative's ability to exercise its right to commercial free speech through labeling which is currently being legally challenged in U.S. District Court by the Monsanto Corporation;

Be it further resolved that Wisconsin Farmers Union goes on record encouraging our national organization to work cooperatively with other farm and consumer groups to initiate a national boycott of all Monsanto products until such time as it is clear that they cease their efforts to block the labeling of rBGH-free dairy products.

the reform of the federal milk marketing order system which discriminates against dairy producers in the Upper Midwest. We support elimination of the single basing point system now used to price milk on its distance from Eau Claire, Wisconsin. We support national pooling of Class I milk, recognizing that Grade A milk at any location represents a contribution to the total reserve supply in the system. We reaffirm our support for the consolidation of federal milk marketing orders to maximize administrative efficiency and producer returns.

#### MILK AND NUTRITION

We endorse congressional efforts to keep the whole milk and unflavored lowfat milk mandate in the National School Lunch Program enforced. We recommend that the Wisconsin Milk Marketing Board and the National Dairy Promotion Board emphasize the importance of whole milk to young children in their promotional efforts.

#### BOVINE GROWTH HORMONE

We support the development of standards for labeling milk and dairy products, enabling farmers and consumers to have the opportunity to choose whether or not to use or consume synthetic BGH. Further, we favor the development of special marketing programs to promote the sale and use of dairy products that have been produced without synthetic BGH.

#### AGRIBUSINESS CONCENTRATION

We call for a congressional investigation of monopolistic business practices and growing concentration of ownership in the agricultural sector. We support enforcement of all antitrust laws as pertain to agribusiness concentration. We support state policies to limit corporate farming and vertical integration and to protect family farms from unfair competition and monopolistic business practices.

#### COOPERATIVES

We support and promote the expansion of agricultural marketing, supply and service cooperatives on local, regional and national levels. We recommend that farmer owned and controlled cooperatives work together whenever and wherever possible to obtain more marketing and bargaining power for farmers. We encourage marketing cooperatives, especially in dairying, to continue their efforts toward the creation of marketing agencies in common for the purpose of improving marketing efficiency and producer prices.

#### FARM CREDIT

We recommend that the Farm Credit System (FCS) remain as a viable source of agricultural credit and recruit itself to assisting family agriculture by restructuring loans, lowering interest rates or other debt mediation procedures. We believe the Farmers Home Administration (FmHA) should truly become a "lender of last resort" and effectively address beginning farmers' credit needs.

#### TAXATION

We reaffirm our position that taxes should be levied on the ability to pay. Tax reform should address itself to property tax relief and the inequitable burden of property taxes carried by farmers. We favor raising the state's share of public school funding to 50 percent or higher with emphasis on income and excise taxes to offset rising property taxes. We support reform of capital gains and inheritance taxes to aid the transfer of family farms from one generation to the next. We endorse the tax relief benefits under Farmland Preservation and Homestead Credit programs.

#### EDUCATION

We believe in adequate and equal education opportunities for all and an educational system that will deal effectively with the growing stigma of illiteracy in our nation. We believe that it is a shared responsibility of local, state and national government to finance our schools. We support efforts to remove the major portion of school funding from the property tax which was never intended to support the burden of education. We favor the continuation and expansion of federal programs to provide financial assistance to qualified students in higher education or vocational training.

#### SOCIAL SERVICES

We support a national system of health care which will ensure affordable, quality health care to rural families and all Americans, regardless of income. We support the Social Security system which provides funds for retirement and disability. We believe the Social Security Trust Fund should be an independent fund, protected from being used by the federal government to meet other financial obligations.

#### ENVIRONMENT

We support a rational, nationwide environmental policy since family farmers are concerned about keeping our world liveable and providing consumers with safe, healthful farm products. We recognize that there is an increased need for recycling of paper, plastic, metal, and glass products and we encourage the manufacture and use of biodegradable products wherever possible.

#### SUSTAINABLE AGRICULTURE

We encourage the growing interest among farmers, consumers and environmentalists in adopting and promoting sustainable agriculture practices that protect the soil and reduce the need for artificial pesticides and fertilizers. We support continuation of the DATCP Sustainable Agriculture Demonstration Grant Program and funding for the UW Center for Integrated Agricultural Systems.

#### UW RESEARCH

We support increased emphasis on public interest research at the University of Wisconsin with a higher priority placed on interdisciplinary

research on the social, economic and environmental effects of agricultural policies, technologies, chemicals, and biotechnologies. We encourage the UW to establish policies to expand the availability of public information and disclosure of all research projects, whether publicly or privately funded. We support the work of the Agricultural Technology and Family Farm Institute.

#### ENERGY

We support a national energy policy which would effectively address energy conservation and research, and the development of alternative energy sources. We promote the increased use of ethanol and soy diesel as alternative sources of fuel.

#### ANIMAL RIGHTS

We believe animal rights activists are misinforming the public on the place and care of animals in agriculture. We support educational programs to inform the public on the true nature of animal care on farms and counter the campaigns of the animal rights activists.



#### 1. AGRIBUSINESS CONCENTRATION

Whereas, agricultural production in the U.S. is widely dispersed and in large part devoted to the production of perishable products;

Whereas, the bargaining power of family farmers in the marketplace suffers as a consequence of the above;

Whereas, large national and multi-national conglomerates increasingly dominate agriculture nationally and internationally;

Whereas, there has been abrogation of the consistent application of antitrust laws over the past couple of decades;

Therefore be it resolved that Wisconsin Farmers Union call for an immediate Government Accounting Office (GAO) investigation and public hearings on the impact of these monopolistic business practices on various levels of the economy including farm producers and rural communities and that pressure be applied to the current administration to enforce all current antitrust laws as they pertain to the agribusiness sector of the national economy.

#### 2. DEFICIENCY PAYMENTS

Whereas, the feed grain program with target price supports (no deficiency payment in disaster years) causes extreme financial stress on livestock farms (most have to purchase feed that is higher priced because of low yields on their farms);

Therefore be it resolved that Wisconsin Farmers Union request that deficiency payments be made at pre-projected rates to all livestock farmers in an area declared a disaster area.

#### 3. FOOD RESERVE

Be it resolved that the Wisconsin Farmers Union go on record in favor of the term "food reserve" rather than the erroneous term "food surplus" as applied to U.S. farm production

#### 4. GATT

Whereas, during April, Congress will decide U.S. entry into this important and controversial agreement, and

Whereas, once entered into, will set the rules for international trade, not to be altered by our government, also will all but eliminate what is commonly known as Section 22

which, for over 30 years, has limited imports of dairy products into our country;

Whereas, it would also greatly reduce the effectiveness of present supply management and farm price support programs if not totally eliminate them;

Whereas, upon entering into this agreement, we would be competing with producers worldwide where wage rates and living standards are considerably lower;

Therefore be it resolved that the Wisconsin Farmers Union request our U.S. Senators and Congressmen to refuse entry into this uncharted course into foreign trade policy.

# ent and Resolutions

## 5. QUALITY OF AG IMPORTS

Whereas, agricultural products, including livestock, imported into the U.S. fail to meet U.S. quality standards;

Whereas, it is an alarming situation that crops in Mexico and other countries are being produced with the use of chemicals banned in the U.S.;

Therefore be it resolved that the Wisconsin Farmers Union demand stricter and more frequent inspections at the U.S. borders so that standards of quality are equal to those followed by U.S. farmers.

## 6. RETAIN WHOLE MILK

Whereas, the American Academy of Pediatrics strongly urges parents not to give children under the age of two reduced fat milk;

Whereas, many pediatricians advise giving whole milk until age five or six, when neurological development is continuing;

Whereas, the Wisconsin Milk Marketing Board and the National Dairy Board have a dual interest of selling milk and insuring a sound nutritional balance for all people;

Therefore be it resolved that the Wisconsin Farmers Union recommend that the Wisconsin Milk Marketing Board and the National Dairy Board emphasize the importance of whole milk to young children through their milk promotion advertisements;

Be it further resolved that we support Congressman Steve Gunderson's efforts to keep whole milk and lowfat milk current mandate enforced in the National School Lunch Program; and also, that we urge that adequate funds, for the Wisconsin Morning Milk Program, be appropriated for the current school year, as well as reimbursement for the shortfall of the 1992-93 school year.

Be it further resolved that Wisconsin Farmers Union recommend that all milk be labeled according to the percentage it is fat-free.

## 7. NATIONAL CHEESE EXCHANGE

Whereas, trading on the National Cheese Exchange is recognized as establishing market prices for cheddar and other varieties of cheese, thereby directly affecting milk market price;

Whereas, past practices on the Exchange have led to the conclusion by many that it is more sensitive to the needs of the processing industry, often in open contradiction to farm producers;

Whereas, public disclosure of weekly transactions on the Exchange is the only measure of accountability taking place to curb the excesses of market imbalance between processors and producers;

Whereas, the Exchange rules committee is currently considering keeping secret the names of companies making trades on the Exchange;

Therefore be it resolved that the Wisconsin Farmers Union go on record opposing this secrecy and contact both state and national legislators to investigate whether this change would be in the public interest.

## 8. BOVINE GROWTH HORMONE

Whereas, consumer surveys suggest the introduction of synthetic BGH into the milk supply may adversely impact dairy consumption;

Whereas, dairy producer surveys conclude that better than nine out of ten dairy farmers do not intend to use synthetic BGH when approved by the FDA;

Whereas, the Food and Drug Administration has approved synthetic BGH for commercial application and therein placed the market for dairy products in serious jeopardy;

Therefore be it resolved that Wisconsin Farmers Union go on record as strongly endorsing the development of national standards for labeling milk and dairy products to give farmers and consumers the opportunity to choose whether or not to use or consume products produced with synthetic BGH.

## 9. SUPPORTIVE OF ALL FARMERS

Whereas, understandably Farmers Union meetings and conventions in Wisconsin emphasize issues associated with dairying;

Be it resolved that our organization not neglect to concern itself with and show its support for all types of agricultural production in Wisconsin.

## 10. FOOD LABELING

Be it resolved that Wisconsin Farmers Union support uniform labeling of food products to differentiate between imitation and natural food products.

## 11. USDA SLAUGHTER INSPECTION

Whereas, many livestock farmers are being forced to sell slaughter livestock on grade and yield basis;

Therefore be it resolved that Wisconsin Farmers Union recommend that USDA have inspectors at all slaughtering plants buying livestock on this basis to insure producers get paid on accurate weights and grade, and the cost of this inspection to be borne by packers who purchase livestock by this method.

## 12. FLOOD CONTROL

Whereas, flooding of rivers causes large damage in our nation each year;

Whereas, cities with large paved areas are growing and causing excessive storm runoff and sewage outflow;

Therefore be it resolved that Wisconsin Farmers Union urge the federal government to build small dams in small coulees with tubes at the bottom of the dams to let water out gradually, thus holding back and delaying flood waters;

Be it further resolved that Wisconsin Farmers Union support state legislation providing for the maintenance of streams (widening and clearing of brush and debris) in order that there will be adequate capacity to avert flooding of homes and farmlands.

## 13. AGRICULTURAL ZONING

Whereas, much of Wisconsin is experiencing urban sprawl, and many farmers are unable to plan for a profitable and environmentally sound agriculture;

Whereas, large investments and continuous changes are required, yet there is no sound zoning in order that these operations can continue;

Therefore be it resolved that Wisconsin Farmers Union request areas be zoned exclusively agricultural with property rights and a lower tax rate since agriculture is still the main industry in Wisconsin.

## 14. HEALTH CARE EDUCATION

Whereas, small town hospitals and clinics have great difficulty recruiting physicians, nurses, specialists and other staff;

Whereas, efforts to promote students to develop practices in rural areas and small towns are essential to provide adequate health care to all citizens;

Whereas, rural young people need to be encouraged to take basic science courses and made aware of health care job opportunities;

Whereas, funding of state and federal programs such as the Area Health Education Center (AHEC) is essential to meet these rural needs;

Therefore be it resolved that Wisconsin Farmers Union go on record in support of AHEC and other state and federal rural health education development and promotion efforts.

## 15. HEALTH INSURANCE PREMIUMS

Be it resolved that Wisconsin Farmers Union go on record in support of 100% deductibility of health insurance premiums for state and federal income tax purposes.

## 16. MANDATORY INSURANCE

Be it resolved that Wisconsin Farmers Union go on record in favor of mandatory liability insurance when a person buys an auto or truck license.

## 17. RETIREMENT IRA'S

Be it resolved that Wisconsin Farmers Union go on record recommending that full-time farmers for a minimum of five years in farming be eligible for a decent retirement,

since most farmers have put their investments in the farm. Under this plan, the farmers and his spouse each would be able to accumulate \$10,000 per year with a limit of \$500,000 per farm. They then would be able to put the complete amount into an IRA when they sell out. The funding would be from the net proceeds from the sale of qualified farm assets, such as farm real estate and all capital and non-capital assets used in farming. Standard IRA withdrawal rules would apply.

Be it further resolved that farmers and other self-employed individuals, who invest in their own businesses over a period of time, be allowed to set up their own individual retirement plan, thereby deferring income taxes on their investments - in the same way as investments in other qualified plans.

## 18. CLASS 1 POSTAL RATES

Whereas, plans are underway to raise the price of a class one stamp to 33 cents;

Therefore be it resolved that Wisconsin Farmers Union go on record recommending that if our postal department needs additional revenue, it should be derived from increasing the cost of sending junk mail which fills our mail boxes in increasing amounts.

## 19. AG RELATED RESEARCH

Whereas, experimental projects at the Ashland and Spooner stations can be expected to change from time-to-time according to the needs of our people;

Whereas, there is a possibility of shifting entirely away from crops and livestock;

Therefore be it resolved that the Wisconsin Farmers Union go on record recommending that residents would be best served if the research remains basically agriculturally related.

## 20. AG EDUCATION

Whereas, many people, including children, do not know the true value of farming and where and how their food and other farm products are produced;

Therefore be it resolved that Wisconsin Farmers Union promote education in schools, at all grade levels, to inform students on the production of agricultural products and the values associated with the family farm system in the U.S.

## 21. ADVANCED TRAINING

Whereas, the continuing trend toward larger and more specialized farming units is creating a need for an increasing number of properly trained management positions;

Whereas, farm youth with an agricultural background make ideal candidates for schools offering courses in advanced training in various branches of agriculture and forestry;

Therefore be it resolved that the Wisconsin Farmers Union go on record in favor of taking advantage of this opportunity by encouraging more of our youth to prepare for future job placements by enrolling in these schools.

## 22. SCHOOL FUNDING

Whereas, farm property taxes in Wisconsin are skyrocketing (an important cost to farmers), and the cost of operating schools will not get any cheaper;

Whereas, if Governor Thompson is truly serious about his concern for Wisconsin losing its status as No. 1 Dairy State;

Therefore be it resolved that the Wisconsin Farmers Union go on record urging the Governor to do everything in his power to discover new sources of revenue for schools, giving Wisconsin farmers more of a chance to compete by providing farmers relief from this uncontrolled and ever-increasing fixed expense.

## 23. FARMLAND PRESERVATION

Whereas, there now exists a major disparity in the Farmland Preservation agreement with some farmers receiving only 80% credit and others receiving 100% credit;

Therefore be it resolved that Wisconsin Farmers Union promote legislation enabling any farmer who qualifies for this program to be able to receive full Farmland Preservation

## 24. TAXING FARMLAND

Whereas, Wisconsin farmers consider their farmland as a form of retirement fund, and while other retirement funds are not subject to school tax;

Therefore be it resolved that Wisconsin Farmers Union support efforts to take the school tax off farmland being used for agricultural production in order to equalize the burden of taxation with other taxpayers.

## 25. GOVERNMENTAL ELECTIONS

Whereas we need an informed electorate, voting by secret ballot to elect governmental leaders concerned about the Constitution and our country;

Therefore be it resolved that Wisconsin Farmers Union promote efforts among voters to better inform themselves before voting by studying past voting records of candidates; Be it further resolved that we oppose term limits for our governmental representatives.

## 26. BLOC VOTING

Whereas, the "one man, one vote" principle upon which the individual democratic rights of this country was founded has been eroded by permitting bloc voting by cooperatives on behalf of their farmer-members;

Whereas, individual farmers need to be afforded an opportunity to disagree with their marketing cooperative whose interest may differ from that of the farmer;

Therefore be it resolved that Wisconsin Farmers Union strongly support efforts to repeal "bloc voting" provisions wherever they exist in cooperative America.

## 29. STEEL ANIMAL TRAPS

Whereas, animal rights activists, apparently unaware of the destruction to crops, forests, livestock, song and game birds, caused by predators and rodents, continue the attempt to outlaw the steel animal trap;

Whereas, they are responsible for setting off a chain reaction of a bankrupt fur industry, very low, raw fur prices, idled trappers and numbers of most destructive animals out of control, especially beaver, which in northern Wisconsin, are building thousands of dams, destroying forest growth of various ages, valued at millions of dollars;

Whereas, beaver trappers using conibear traps, kill the animal instantly or use conventional traps positioned to drown the animal in minutes;

Therefore be it resolved that the Wisconsin Farmers Union declare the use of the steel trap a necessity for keeping the balance of nature under control.

## 28. SCARCITY OF VETERINARIANS

Whereas in Douglas county and other northern counties there are numerous cattle and horses no longer being adequately served by large-animal veterinarians;

Therefore be it resolved that Wisconsin Farmers Union devote effort in helping to find a solution to this problem.

## 29. DATCP BOARD

Whereas, legislation is being proposed to reduce the number of farmers on the 7-person WDATCP Board to two;

Therefore be it resolved that Wisconsin Farmers Union go on record in opposition to this change.

## 30. FARMERS PENSION PLAN

Whereas, working farmers do not have opportunities available to set aside money in a group pension plan as do many workers through their employer;

Whereas, farmers' ability to contribute to a pension plan is usually varied, infrequent and inconsistent as the disposable farm income experiences fluctuations;

Whereas, retiring farmers have been negatively impacted by reduced value of farm land and a low net return on their farm investment over the years;

Therefore be it resolved that Wisconsin Farmers Union recommend that National Farmers Union set up a pension plan that Farmers Union members can contribute to on a monthly schedule with the flexibility that varied month-to-month farm income necessitates.



**FARMERS UNION**  
*Milk Marketing Cooperative*

April 20, 1994

State Rep. Al Ott  
Wisconsin Assembly  
P.O. Box 8953  
Room 411 N State Capitol  
Madison, WI 53708

Dear Rep. Ott:

Enclosed is the copy of Farmers Union Milk Marketing Cooperative's 1994 policy resolutions requested yesterday by Mr. Dan McCoy. We hope you will use these resolutions for guidance on any issues related to dairy or other agricultural concerns which come before you. Copies were sent last month to Governor Thompson and Secretary Tracy.

Thank you for your interest. Please don't hesitate to contact me if you have any questions or comments.

Sincerely,

Jim Eichstadt  
Assistant General Manager

Enclosure



**FARMERS UNION**  
*Milk Marketing Cooperative*

## **Farmers Union Milk Marketing Cooperative 1994 Policy Resolutions**

*Approved by Delegates Attending the 22nd Annual Member Meeting  
February 5, 1994 in Rochester, Minnesota*

### **PREAMBLE**

Dairy farmers deserve, and this nation can afford to pay, a fair price for their production. To that end, we seek policies which improve farm income, balance milk supply and demand, end regional price discrimination against the Upper Midwest, strengthen and promote the family farm, protect against unfair international trading practices, and share our great agricultural abundance with the needy at home and abroad.

### **1. FEDERAL DAIRY POLICY**

As the 1995 Farm Bill debate approaches, we continue to support parity and a single nationwide milk marketing order as goals for the dairy program and federal milk marketing order system.

We urge Congress to develop a comprehensive new dairy program. An effective, long-term dairy supply management program or disposal program is urgently needed to improve family farm income and stabilize dairy markets. The new program should be designed to allow producers to earn their costs of production, plus a reasonable profit, from the marketplace. It should be one that can bring new farmers into dairying, balance milk supply and demand, reduce government costs, and be signed into law. And, it should provide for the needs of low-income consumers of dairy products without reducing farm income. Dairy producers should not be assessed for the costs of the Women, Infants and Children (WIC) program, red meat purchases and other non-dairy costs.

Any new program, however, must achieve these goals under the ground rules set by the North American Free Trade Agreement and the Uruguay Round of the GATT. In light of these new realities, we recommend the following:

--The Dairy Export Incentive Program (DEIP) must be maintained at the maximum allowable levels, with full funding provided by the federal government rather than producers.

--Any self help program must be targeted to family sized farms, be GATT- and NAFTA-legal, not depress world market prices by dumping, provide substantial benefits to producers, not increase producer assessments, not displace DEIP activity, and provide for direct producer election of any board members.

--Given the rapid movement toward global dairy markets, we urge the consolidation of any new self help board and the National Dairy Promotion and Research Board to maximize the sale of value-added dairy products in domestic and international markets. Activities of this consolidated board should be funded by current assessments taken for dairy promotion and budget reconciliation. Producer assessments would be capped at the current level, with no increases allowed.

FUMMC should continue to consider and re-evaluate various types of supply



management programs. It would be irresponsible to promote one without examining the impacts of the others.

## **2. INTERNATIONAL TRADE POLICY, HARMONIZED WORLD STANDARDS**

We recognize that international trade agreements when properly crafted can be useful vehicles to lessen world trade tensions, increase development opportunities and economic growth rates and increase trade in goods and services for the betterment of humankind as a whole. Conversely, poorly crafted international trade agreements could heighten trade tensions, do serious damage to economies already in place and lower living standards of people in the countries involved.

While we welcome the opportunity for increased international trade, the recently concluded North American Free Trade Agreement and Uruguay Round of the General Agreement on Tariffs and Trade pose far greater risks than opportunities for U.S. dairy producers. NAFTA dairy concerns include the loss of Section 22 through tariffication, failure to harmonize sanitation standards at adequate levels, inadequate rules of origin, the Canadian dairy exclusion, unequal treatment of tariffs on dairy products between the U.S. and Mexico, and failure to address the issue of recombinant Bovine Growth Hormone.

We call on Congress to uphold the right to preserve and strengthen our family farm system of agriculture and carry out related social goals through domestic farm programs. Nations should be encouraged to adopt programs which manage commodity inventories, improve farm income for small and medium-sized producers, protect the environment and provide food security for the domestic population.

All imported dairy and meat products must be produced and processed under sanitation standards comparable to USDA sanitation standards. Consumer safety demands that 100% of imports be USDA inspected. The cost of USDA inspection of foreign producers and processors to verify compliance should be charged to the producers of imports just as U.S. inspections are financed through farm and plant inspection fees.

## **3. FEDERAL ORDER REFORMS**

We strongly recommend that the Secretary of Agriculture include national pooling of at least part of the Class I differential as was originally proposed in the Leahy emergency dairy relief bill as a transition to a single, national milk marketing order. We are concerned that some organizations are now recommending that the federal order system be scrapped in favor of unlimited domestic competitive pricing. We strongly oppose this suggestion and believe the system should be reformed and made more equitable instead.

The need for reform is even more urgent now that milk from Sunbelt states such as New Mexico is being pooled on Midwest orders for fluid purposes. This further undermines the validity of the single basing point of Eau Claire, Wisconsin for establishing transportation differentials.

We condemn the adoption of Class III-A pricing under the federal order system. This flagrant abuse of the system defies economic logic and rewards inefficiency in the marketplace at the expense of dairy farmers. Class III-A will reduce blend prices paid to producers and encourage the production of lower-value products instead of the higher-value products needed to improve farm income.

Any move to component pricing under federal orders should be based on sound economics and reliable, consistent testing procedures.

Until one national order is achieved, we recommend repeal of the congressionally mandated transportation differentials set by the Food Security Act of 1985 and return of the

authority to establish differentials to the federal milk marketing order administrators through the public hearing process. We again call on all producers and their cooperatives in the region and the national and state Farmers Unions to join us to achieve these urgently needed federal order reforms.

We commend the efforts of dairy producers in Minnesota seeking federal order reform through the court system.

#### **4. CONSUMER AWARENESS**

Whereas responsible government farm programs are for the benefit of consumers as well as farmers, we promote harmonized world health and sanitation standards for food products. We support legislation that would require that all imported dairy products are clearly labeled "imported," and that the label indicate ingredients and country of origin. The label should also state, "no guarantee as to purity or standards under which produced."

We believe food products manufactured in the United States which use an imported dairy product as an ingredient should be clearly labeled as containing imported dairy products.

Food and Drug Administration rules should require that the word "imitation," be used in the advertising and labeling of imitation cheese and other substitutes for dairy products.

The truth about the benefits of farm programs and prices to consumers and farmers could be our very best public relations. The American consumer has been assured the widest variety, the most reasonably priced and the safest food supply in the world.

We urge members to buy American-made products.

We support efforts by the General Accounting Office, members of Congress and other federal officials to investigate charges of price-fixing and manipulation of dairy markets.

#### **5. RECOMBINANT BOVINE GROWTH HORMONE**

The dairy industry stands at a crossroads now that recombinant Bovine Growth Hormone (rBGH) has been approved by the Food and Drug Administration for commercial use. The Office of Management and Budget's January 1994 report on rBGH confirms our basic concerns on the decline in dairy farm income, reduction in consumer demand, increase in the federal budget deficit, competitive disadvantage for U.S. dairy exports, and the need for guidance on voluntary labeling.

We urge FUMMC and the dairy industry to work together to find a way to provide consumers a choice.

Anti-rBGH activists outside the dairy industry should direct their disapproval toward the big chemical companies that are pushing this most unwelcome synthetic hormone on producers and consumers.

#### **6. ANIMAL PATENTING**

We urge Congress to support a moratorium on the patenting of transgenic animals developed through genetic engineering until the broader legal, ethical and economic questions are thoroughly explored.

We support legislation to exempt farmers from paying royalties on patented farm animals.

#### **7. DAIRY PRODUCT UTILIZATION**

We support increased use of real, domestically produced dairy products by U.S. military personnel, Veterans Administration facilities, senior citizens, nursing home residents, the handicapped, and school children and personnel.

We support the adoption of increased national fluid milk solids standards based on current California standards.

We also support the continuation and expansion of programs to distribute domestic agricultural commodities to needy people and disaster victims here and abroad.

#### **8. CCC ACQUISITION COSTS AND REMOVALS**

Federal dairy program costs have been significantly reduced from the 1980s, dropping from a high of \$2.528 billion in fiscal year 1983 to \$232 million in fiscal year 1992. Dairy farmers should receive all due credit for their contributions to federal budget deficit reduction and not be called on to make further sacrifices.

We urge all dairy plants to seek and develop commercial markets for their products rather than sell them to the government.

#### **9. SCHOOL USE OF DAIRY PRODUCTS**

We urge the federal government to provide free milk to all school children through the school lunch and morning milk programs. We urge that all schools be required to offer whole milk as a choice to all students and use only 100% real dairy products.

#### **10. COMMODITY ADVERTISING, RESEARCH AND PROMOTION PROGRAMS**

The leadership of commodity promotion programs should be directly accountable to the producers who fund such programs. To that end, we believe the boards of all national, regional and state commodity promotion programs should be elected by producers rather than appointed by public officials.

We encourage all promotion boards to be as small and efficient as possible. All producer-funded commodity promotion programs should avoid extravagant spending and hold costs for salaries, facilities, per diems, expense accounts and other expenses at reasonable levels. Excess funds collected by these programs should be returned to producers.

We urge the national, regional and state promotion boards to become more aggressive and innovative in their efforts to increase consumer demand for agricultural products. Top priority should be given to programs which promote the many health benefits of milk and dairy products, and counteract misleading statements that dairy products are dangerous to health.

We oppose the use of producer funds to promote rBGH-produced milk and other controversial topics which may violate the ban on political activity. No commodity promotion board should be allowed to contract with organizations involved in lobbying.

Imported dairy products should be treated under the same rules as domestic dairy products for purposes of assessments and determining bases.

#### **11. DAIRY INSPECTION POLICY**

We support reasonable and uniform dairy inspections and quality standards for all milk producers. We encourage state regulators to be reasonable and practical in implementing new interstate restrictions on antibiotics. We support efforts to ensure a safe and wholesome milk supply. But present rules for drug storage on dairy farms are unfair, unworkable, and do little to help prevent the contamination of milk with antibiotics. New rules should have input from producers, processors, veterinarians, and drug manufacturers and should be adequately communicated to all affected parties before implementation. Whereas dairy imports are entering the country with no inspection at the farm or plant at which they are produced, we oppose efforts to impose more stringent federal and state inspection of U.S. dairy farms.

Inspectors should announce their arrival prior to entering the dairy premises for inspection whenever possible.

#### **12. MEMBER INVOLVEMENT**

We commend participating cafes for serving second glasses of milk free during Dairy Month and the year-round, and we encourage the Cooperative to work towards more

participation in this project.

We encourage members of the Cooperative to continue to do all they can to encourage restaurants to serve real dairy products.

We also encourage dairy families, themselves, to use only natural dairy products and in turn to encourage all homemakers, especially through the Extension Service and educational institutions, to use only natural dairy products.

We encourage members to communicate regularly with their elected and appointed officials.

We encourage the governors and state legislators in FUMMC's service region to use their influence and authority to work for higher farm milk prices. Today's low milk prices are grossly inadequate, and a healthy farm economy is essential to a healthy state economy.

### **13. COOPERATION**

We direct the Cooperative's Board of Directors to work and to bring together other farm and related groups who are interested in developing a dairy program which will ensure the producers an equitable market price and the consumer a steady supply of domestically produced quality products at reasonable prices in a manner which will minimize farm program costs.

### **14. TAX POLICY**

The federal tax code should be reformed to provide greater incentives for the survival of the family farm and greater disincentives to the growth of large corporate farms. We seek reform of current policies which encourage wealthy non-farm investors to use limited partnerships and other tax evasion schemes to buy into huge, drylot dairy operations and other industrial-type agricultural ventures for tax write-off purposes. The net result is unfair, publicly subsidized competition for family farmers and a significant loss of revenues to the U.S. Treasury.

We support efforts to restore the 25% deductibility of health care premiums and seek 100% deductibility of such premiums for the self employed.

*Det.* Be it resolved that the subsidizing of irrigated land by the federal government be halted immediately. Be it resolved that the \$125,000 capital gains exclusion on one's home that is not used be applicable to one's farm or business.

Members are encouraged to plan for the orderly transfer of farm assets to succeeding generations to minimize the tax burden and foster continuation of the family farm.

Farmers are bearing a disproportionate share of the property tax burden in funding education. We encourage the shift to other sources of school funding based on the ability to pay.

Be it resolved that the state legislature disallow the use of recent sales of agricultural property which has been sold for hunting, recreational and other purposes to set property tax valuations on other agricultural property in the townships.

### **15. MEMBERSHIP**

We believe the Cooperative should push for a larger membership since the stronger the organization is, the more effective voice it will have when lobbying, and we encourage all members to advise field employees of potential members to be contacted.

### **16. NATIONAL DAIRY PLANT SECURITY PROGRAM**

We support efforts to create a national dairy plant security program to provide dairy producers the same kind of protection now available to livestock producers under the Packers and Stockyards Act. This program will ensure farmers full payment in the event of a dairy plant bankruptcy.

### **17. PUBLIC EDUCATION**

We urge FUMMC to develop and use advertising for public relations whenever

financially feasible.

#### **18. FUMMC RELATIONS**

Be it resolved that FUMMC, National Farmers Union and Farmers Union state organizations keep trying to improve relations among themselves and work together for the betterment of family farmers.

#### **19. ANIMAL RIGHTS**

Whereas FUMMC is deeply concerned about the false claims and actions of animal rights groups which are based on misinformation on livestock production, therefore be it resolved that FUMMC work with extension and other concerned organizations to educate the public about up-to-date livestock production.

#### **20. ACTIONS OF THE BOARD OF DIRECTORS**

Be it resolved that the actions of the Board of Directors in carrying on the business of this cooperative during the past year be, and the same hereby are, ratified, approved and acclaimed as and for the acts of the cooperative.

#### **21. STAFF COMMENDATION**

We commend FUMMC field representatives for their outstanding recruitment efforts during the past year.

We commend the office staff and management for their services to FUMMC over the past year.

#### **22. WATER QUALITY**

Farmers' great concerns with water quality problems urge this cooperative to take an active role in solutions and urge all farm organizations to represent members' views on all issues of water quality such as ground water and pollution of rivers and streams.

#### **23. OSHA REFORM ACT**

While we strongly encourage members to practice farm safety, farms employing 10 or fewer employees should continue to be exempted from regulations under the OSHA Reform Act of 1992.

#### **24. MINIMUM MILK PRICING LAW**

We urge adjacent states to examine implementation of minimum milk pricing bills similar to the 1992 Minnesota minimum milk pricing law.

#### **25. BLOC VOTING**

We discourage all co-ops from bloc voting on behalf of their members on checkoff referenda.

We support Senators Kohl and Feingold in their efforts to eliminate the practice of bloc voting on producer checkoff referenda.

#### **26. FUMMC INTERNAL POLICY**

Since it has not always been possible to determine how an individual Board member votes on a given issue, be it resolved that Board votes be a matter of public record available upon request by any member.

#### **27. REFERRAL OF RESOLUTIONS**

We direct management to bring these resolutions to the attention of appropriate government officials, agencies and legislative bodies, and to keep members advised of action taken in this regard.

# 1994 RESOLUTIONS

*Approved  
by  
WFC Membership  
November, 1993*

**Wisconsin Federation  
of Cooperatives**

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# General Cooperative

## 1.01 Equity Redemption

Adequate equity financing and equity redemption programs are critical to the success of Wisconsin cooperatives.

WFC should continue to sponsor educational programs in equity financing as well as in equity redemption and WFC staff should continue to monitor and **oppose any legislation requiring mandatory equity redemption.** (1994) R/98

## 1.02 Cooperatives and Taxation

Cooperatives are legal, corporate bodies that are a necessary component to foster competition in our country's economy.

The cooperatives' contributions to the tax base at the local, state and federal levels are often misunderstood and should be included in the overall education programs of WFC.

**We would urge the WFC to monitor and keep membership informed on taxation proposals and studies that would affect cooperatives.** R/95

## 1.03 Federal Tax Reform

**We support continuation of the single-tax treatment of cooperatives and their patrons.** Amounts paid or allocated to patrons from net earnings on the basis of patronage pursuant to a pre-existing legal obligation represent income to the patron and not to the cooperative. Such allocations from net earnings are properly excludable from the cooperative's taxable earnings. The imposition of a single tax at the patron level accurately reflects the obligation of a cooperative to distribute net earnings to its patrons.

We support the efforts of the National Council of Farmer Cooperatives (NCFC) to work with the Internal Revenue Service (IRS) to **clarify for uniform consistency the tax treatment for sale of assets by farmer cooperatives.** We further support efforts to **secure legislation reinstating the bad debt reserve deduction for Farm Credit System institutions,** including the Banks for Cooperatives.

The volatility of agricultural prices and production expenses causes farm income to fluctuate dramatically from year to year. Therefore, **income averaging should be reinstated for agricultural producers.** We further **urge that health insurance premiums paid by self employed individuals be fully deductible.** (1990) R/96

## 1.04 Taxation and Land Use

Agriculture is Wisconsin's major industry providing one-fourth of Wisconsin's employment and economic support of nearly every community and 25% of all new industrial expansion. Adequate protection of Wisconsin's agricultural land resources is essential to the economy of the state and its people.

Wisconsin's real estate tax puts its farmers at a significant competitive disadvantage compared to our neighboring states based on the productive value of our soils. Property taxes per acre, as a percent of gross farm income, and as a percent of production costs are among the highest in the nation. With less than 3% of the state's population, Wisconsin's commercial farmers pay 8.1% of the property taxes. Even when participating in the Farmland Preservation Program, there are many farmers who have no remaining equity in their farms and no net income, but they are still required to pay thousands of dollars in annual real estate tax.

(Continued)



# General Cooperative

Therefore, WFC recommends that there be **less reliance on property taxes to support the cost of public elementary, secondary and vocational, technical and adult educational systems and supports a more equitable method of distributing these costs among all taxpayers.** We further urge that **facilities used in agricultural production be exempt from property taxes.** (1993) R/97

## 1.06 Cooperative Development Services

WFC has made it a priority issue to fill the gap in development assistance to new and established cooperatives. Recognizing the need for an organization capable of providing ongoing, professional cooperative technical assistance, WFC created the Cooperative Development Council which became Cooperative Development Services (CDS).

**WFC urges cooperatives, cooperatively-oriented organizations and all other friends of co-ops to support CDS** by becoming stockholders, by being actively involved as members, by contributing to the CDS Fund, by contracting with CDS for services and by referring potential clients to CDS.

**WFC also urges state government officials, agencies, the University of Wisconsin, the Cooperative Foundation, the Cooperative Development Foundation, Upper Midwest cooperative state councils and regional and local cooperatives to continue to lend their expertise, resources and support to this cooperative endeavor.** (1994) R/98

## 1.07 Rural Development

The economy and life of rural communities is inexorably intertwined with that of agriculture and the well-being and future of each are thus interdependent. Yet, to be effective, a strong program for rural development must extend into agriculture and beyond into job and skill creation, business and community development and creation of the infra-structure and support systems which they require. In particular, it is recognized that **the maintenance of a decentralized health care system is critical to rural development.** A strong program must also take into account the vital role cooperatives currently play in rural economies and the impact self-development and cooperative business strategies can have on economic expansion.

To enhance the development role of cooperatives, **federal programs** like the small business administration's (SBA) Guaranteed Loan Program **should be expanded to include all types of cooperatives as eligible applicants and recipients.** Federal rural development programs also should promote the creation of a new generation of cooperatives in rural America, by establishing and funding regional technology and cooperative development centers to conduct technology research, undertake feasibility studies, provide training and promote the development of new products, processes or services that will be useful to rural industries, cooperatives, agribusinesses and consumers.

(Continued)

# General Cooperative

We therefore urge that WFC and its member cooperatives continue their strong leadership in supporting and promoting the activities of the National Rural Cooperative Development Task Force, a national coalition working to strengthen **existing rural development programs** and to **promote new initiatives** which expand the roles for **cooperatives, including all Farm Credit institutions, in rural development.** We strongly urge **all WFC members** and other cooperatives to **provide political and financial support for the Task Force and Co-op 2000,** both vital co-op building efforts.

Furthermore, we ask state government leaders in Wisconsin to include and **encourage cooperatives as part of the state's long-term, economic development plans.** (1992) R/95

## 1.09 Employee-Owned Cooperative Businesses

WFC strongly believes that employee-owned enterprises organized as cooperatives should be an integral part of the state's employment and business mix.

We therefore urge state officials to **more actively encourage and simplify employees' ability to buy out their companies,** especially in cases where the business might close or move. We urge the Wisconsin Department of Development, UW Extension and other organizations to **provide information and assistance to employees and employers who wish to convert their companies into a cooperative.** We urge the Wisconsin Legislature and the Governor to continue to allocate state funding to meet the financial needs of potential employee ownership cooperatives.

We also urge WFC and others to create an appreciation and awareness of the value of cooperative organizations for the employees, the community and the state. (1993) R/96

## 1.11 UW and Extension Commitment to Cooperatives

The UW and Extension have played a pivotal role over the years in conducting research and education activities which have aided and fostered the growth, development and prosperity of cooperatives. WFC has long been mindful of their important relationship and has strongly supported many university programs where benefits have extended well beyond cooperatives.

We therefore urge the University to continue its historical commitment to cooperative development by:

- Continuing to **implement the recommendations of the External Review Panel for the University Center for Cooperatives** so that more adequate resources can be effectively targeted to developing cooperatives' needs.
- Having the Agricultural Economics Department give **priority attention to the research, information, marketing and financial needs of cooperatives and financial support for a dairy cooperative marketing faculty.**
- Directing cooperative extension to work with WFC to **develop meaningful projects and 4-H curriculum** so that Wisconsin youth are exposed to the cooperative heritage.
- Taking strong and immediate steps to **provide assistance to new, developing cooperatives in the non-agriculture sector** at the state and county levels. R/97

# General Cooperative

## 1.12 Funding for Agricultural Education, Extension and Research

The Extension Service, a unique American educational innovation, has been unexcelled in the delivery of new technology to American agriculture and assistance and information to our communities and citizens. Through a federal-state-local partnership, advances identified by the researchers have been rapidly transformed into common practices. The productivity of American agriculture alone is viable proof of the value of this investment.

In recent years, the Agricultural Technology and Family Farm Institute, the Center for Integrated Agricultural Systems, the Nutrient and Pest Management initiative, the Center for Dairy Research and the Center for Dairy Profitability have been established to meet new and continuing needs. These are all positive steps which will improve service in priority areas. ~~Yet limited resources, rapid change and a more diverse, heterogeneous population pose additional significant challenges to the Extension System in the future.~~ A strong working relationship with the Wisconsin cooperative community can be a significant help in meeting these challenges by broadening requisite provider and support systems. WFC supports the goals of Extension and will work aggressively to promote flexibility in the structure of the Extension System.

We call upon the Wisconsin Congressional delegation, ~~the State Legislature, and the Governor, to make a strong continuing commitment to Extension and related programs.~~ (1994) R/98

## 1.13 Cooperative Education

We believe that education **pertaining to cooperative forms of ownership should be available in the UW System.** We recognize the value of the University Center for Cooperatives (UCC). Wisconsin should continue to be a leader in furnishing the best in cooperative research, teaching and extension.

We support the uniform curricula developed to meet certification requirements for cooperative education under state statutes. We urge WFC and UCC to provide educational programs to assist teachers or faculty in public and private institutions to meet certification requirements.

We urge all public and private schools including K-12 through post secondary to emphasize in their curricula the importance of cooperatives in the economy and the need for qualified cooperative personnel.

We urge boards and management of cooperatives to sponsor participation in youth, young adult, employee, director and manager development programs offered by WFC, the universities, regional cooperatives and other agencies. We support the coordination of national cooperative education to prevent duplication in use of present programs.

We further urge the Cooperative Foundation to continue its leadership in advancing expanded coordination in the Upper Midwest region of co-op research and education activities through the Cooperative Research and Education Consortium. (1993) R/95

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## 1.14 Federated Youth Foundation

The Federated Youth Foundation (FYF), Inc., is a tax exempt, 501(c)(3) foundation, established as a vehicle for receiving donations, contributions and gifts, including those resulting from unclaimed funds held by cooperatives and for using those funds for scholarships and charitable purposes.

(Continued)

## General Cooperative

As a result of changes to Chapter 185, the cooperative statute, cooperative boards of directors may decide on how to dispose of unclaimed stock, capital credits, patronage refunds, membership fees, etc.

**We strongly encourage all member organizations and others to join the FYF.** The FYF provides an easy-to-use method for cooperatives to handle unclaimed property and other charitable contributions. Because of its tax exempt status and professional administration, the Foundation protects contributing cooperatives from potential legal and administrative problems regarding their donations. It simplifies handling of unclaimed property for cooperatives. The Foundation allows cooperatives the opportunity to use the money locally for a designated educational or charitable purpose, as well as providing cooperatives with the opportunity to pool resources in a cooperative education and training fund to meet educational needs and to advance the cooperative cause state-wide. (1993) R/96

### 1.16 Recognition of Diversity in Size

Cooperatives, credit unions and town mutuals of all sizes do business in small and large communities throughout the state.

**WFC urges government officials at both the state and federal levels to recognize the diversity in size of these member-owned and controlled businesses and urges them to avoid implementing laws and regulations that make it difficult for smaller cooperatives, credit unions and town mutuals to comply and to continue to remain in business.** (1990) R/97

### 1.17 United Co-op Appeal

**The United Co-op Appeal (UCA), a project of the National Cooperative Development Foundation, is the first national annual fundraising campaign for the entire U.S. cooperative community. It is designed to provide support for much needed cooperative education and development worldwide, through existing cooperative development organizations.**

Rather than focusing on contributions from the cooperative organization itself, UCA focuses on the largely overlooked resources of cooperative employees and members. In so doing, they are educated to the importance of cooperatives and their roles in a movement which is larger than themselves or their co-op.

Since experiences in co-ops across the country have clearly demonstrated that UCA complements (rather than competes with) other work place fundraising campaigns, WFC urges all Wisconsin co-ops to encourage the participation of their employees and members in the UCA. (1994) R/98

# Agriculture

## 2.01 Capper-Volstead

It is imperative that farmers achieve a strong economic position if our country is to meet its commitment to the needed food production for the peoples of the nation and the world. We believe that this will be accomplished best through effective bargaining and marketing activities of bona fide cooperatives. This is especially true now as the roles of government programs in agriculture decrease and as markets simultaneously become more global. The Capper-Volstead Act is sound but misunderstood. We urge that cooperatives continue intensive educational programs explaining this vital legislation.

**We oppose all efforts to weaken the right of farmers to act together to form and join agricultural cooperatives.** (1994) R/98

## 2.02 Agricultural Cooperative Service

WFC remains committed to maintaining its support for the Agricultural Cooperative Service (ACS). The ACS has long played a crucial role in assisting agricultural cooperatives of all types by providing resource and technical assistance, conducting basic cooperative research and providing educational materials. Wisconsin cooperatives make frequent use of and benefit greatly from the services of ACS. (1993) R/95

## 2.03 USDA Reports

Production and pricing uncertainty creates problems for producers when making production, marketing and financial investment decisions. Because of the high investment requirements of agriculture, success depends upon sound management and marketing decisions as well as timely information.

In addition, the administration and planning of federal programs and legislation such as the feed grain and dairy price supports, depend upon accurate and timely information as well as actual and anticipated production levels.

**We urge the establishment and use of a meaningful USDA definition of a farm.** This should permit focusing attention on the net and labor income of full-time farmers. Such data is necessary to help all of our society better understand what currently is happening to American farmers and the need for agricultural policy changes. (1990) R/96

## 2.05 Cabinet Government

The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) has a well deserved reputation throughout all segments of Wisconsin's rural and agricultural community, as well as throughout the nation, for quality and continuity. Rural people have repeatedly stated their belief by their support of numerous resolutions calling for its continuation. The citizen board provides an invaluable mechanism for allowing input to the Department.

WFC goes on record in support of the **continuation of DATCP as an agency under the direction of a part time citizen board** with authority to appoint the Secretary. R/97

## 2.06 State Agricultural Statistics

Individual county information on crop production and livestock numbers has been available for over 50 years. This service has been a valuable tool and is widely used by local and regional cooperatives, agricultural business firms, farm organizations, farmers, University Extension, research and teaching, and other agricultural related groups.

The numbers are used to attract new markets and processing firms and to assist cooperative management in planning services for farmers. WFC, therefore, **urges that the state and in particular, Wisconsin Department of Agriculture, Trade and Consumer Protection, maintain their commitment to provide the funding and other resources necessary to collect and make available county agricultural statistics.** R/98

# Agriculture

## 2.07 Right to Farm

We urge continued consideration of the need to preserve our food and fiber base which provides us with our most essential needs. We call upon WFC, the Department of Agriculture, Trade and Consumer Protection and the Wisconsin Legislature, to continue to **protect the right to farm** so that farmers will have a livelihood and all society will have necessary food and fiber. (1990) R/95

## 2.09 International Trade

It is important to expand foreign markets for Midwest agricultural products which will also help the nation's balance of payments. Therefore, WFC encourages **greater coordination of federal, state and regional efforts** by governmental, educational and industrial agencies which explore international marketing opportunities. We also encourage these agencies to make the results available to commercial firms which can use the information to their advantage. We urge cooperatives to become more active in the pursuit of additional trade.

**WFC opposes any action that allows greater access to U.S. milk and dairy product markets by other nations.**

The Secretary of the United States Department of Agriculture (USDA) should utilize every available opportunity to facilitate and encourage commercial dairy export sales, including providing incentives to exporters to offset the government-subsidy advantages enjoyed by foreign competitors.

In particular, WFC urges the Secretary of Agriculture to implement the Dairy Export Incentive Program established by the Food Security Act of 1985 in an effective manner to expand commercial exports of U.S. dairy products, as Congress intended in authorizing the program.

**Additionally, the USDA should aggressively pursue government-to-government dairy product sales whenever government stocks are available.**

The USDA should continue to work with industry representatives to develop improved operating procedures for the Export Enhancement Program for dairy cattle. These new regulations should result in the successful re-implementation of the program as a means for the eventual development of commercial export markets for U.S. dairy products.

**WFC supports overseas food aid programs**, both as markets for U.S. agricultural commodities and as a needed U.S. aid program. The Federation will work with public and private agencies and other organizations involved in expanding and improving these programs.

WFC recognizes the need to develop international trade that is mutually beneficial to the trading partners involved. **WFC supports legislation designed to protect domestic producers from unfair trade practices and urges more effective enforcement and administration of existing laws.** All imports should be inspected for purity and wholesomeness and meet comparable sanitary standards required of domestically-produced products, thus providing greater assurance for the health of this nation's consumers and livestock.

WFC supports legislation and regulations overseeing inspection and grading programs. We urge aggressive enforcement of laws and regulations to assure consumers a safe, nutritious, quality product. (1993) R/96

# Agriculture

## 2.11 Multiple Component Milk Pricing

Because of the disruptive results wide-ranging milk price schedules have on farmers and industry, ~~we urge the Wisconsin Department of Agriculture, Trade and Consumer Protection to actively continue to study multiple component pricing and to establish state regulations to assure uniform base values for all dairy farmers.~~ Such a study should be coordinated with the industry, and with federal order studies. WFC will continue to review and recommend milk pricing changes to assure timely and fair pricing to dairy farmers. WFC calls for a federal order hearing to promulgate the adoption of multiple component prices within the federal order system. (1993) R/97

## 2.12 Dairy Price Support Program

The Dairy Support Program, which was established by the Agricultural Act of 1949, as amended, is has been a key element of public food policy. The program has promoted price stability in the interest of dairy farmers and consumers. It provides d a high degree of assurance to dairy farmers that the price they receive for milk will be reflective of the price support level. It assures d consumers an adequate supply of milk and dairy products at reasonable prices. It provides d dairy products for food distribution programs which served to improve nutrition and to relieve hunger among the needy both at home and abroad.

WFC continues to support the basic federal legislation authorizing the Dairy Price Support Program, which encourages the production of an adequate supply of high quality milk. However, the continued success of the program depends upon efforts to keep the legislation and program administration responsive to the needs of cooperative associations and their member dairy farmers, and to developments in the dairy industry as well as to changes in the food marketplace.

We strongly encourage establishment of Commodity Credit Corporation (CCC) purchase prices at levels to assure equitable support to all producers and periodic adjustment of make allowances to reflect changes in manufacturing costs. We urge that the buy-back prices of dairy products from CCC stocks be established at realistic levels.

And we urge the establishment of an industry self-help program which would reduce the taxpayer cost of this program over the long-term while providing producers and the dairy industry with the practical tools needed to achieve the positive goals of the program noted above. (1993) R/94

## 2.13 National Unity

In light of the fact the dairy industry's economic problems are national and international in scope and are not the responsibility of any one area within the country, we urge that the **federal dairy policy reflect the overall economic welfare of the U.S. dairy industry rather than promoting one area at the expense of another.** R/95

# Agriculture

## 2.15 Milk Quality Programs

We recognize the accomplishments which have accrued to the dairy industry and the public from the milk quality programs, Grade A and manufactured, and urge that the programs such as voluntary United States Department of Agriculture minimum standards for manufactured milk on a national basis be carried forward with positive leadership by the agencies involved. **We urge that adequate Grade A inspection support be provided and that the programs be administered in a manner which will reduce costs, avoid duplication of services and minimize divergent interpretation of rules.** States should have flexibility in determining the number of farm inspections.

We also urge **certification of dairy plant laboratories every second year, in compliance with the Pasteurized Milk Ordinance. We also urge that the certification fees for dairy laboratories be established on a realistic basis, keeping in mind industry input and the purpose of the dairy laboratory certification program.**

**Certification of the safety and wholesomeness of Grade A milk by the state Division of Health pursuant to national rules as a prerequisite to interstate movement of fluid milk protects public health and should be financed by public tax dollars. The Division of Health should coordinate its program with the Department of Agriculture, Trade and Consumer Protection (DATCP) which regulates dairy farms, trucks and plants, to minimize costly duplication of activities and efforts. 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 which administers most other programs with associated user fees.** (1990) R/96

## 2.16 Single Quality Standard for Milk

To protect the long-range interests of Wisconsin dairy farmers, we urge that programs be developed by dairy cooperatives in coordination with regulatory agencies which will provide for **an orderly transition to milk produced under a single quality standard.** To provide for equitable distribution and pooling of total receipts from marketing of these supplies, we urge that cooperatives take the lead in securing legislation and regulations which will provide for such equitable distribution. R/97

## 2.17 Uniform Standardization of Electronic Milk Testing Equipment

Electronic testing equipment is being used to test for milk components as well as quality of milk through somatic cell tests. Because of the increased use of these electronic testing instruments, there exists an increased need for uniform standardization on a state-wide basis to maintain and increase accuracy of results for payment and DHI record programs for Wisconsin dairymen.

WFC strongly supports the programs and efforts of the Wisconsin Department of Agriculture, Trade and Consumer Protection and other certified labs to **maintain and increase the accuracy of electronic milk component testing equipment. DATCP should regulate and assure the accuracy of somatic cell tests** used to establish milk prices. (1994) R/98

## 2.19 Ice Cream and Milk Standards

**Allowing the protein in ice cream to come from any product other than nonfat milk solids or whey solids must be prohibited. We also oppose standards which would allow the use of non-dairy emulsifiers and stabilizers in lowfat milk, fortified skim milk and skim milk.** R/95



# Agriculture

## 2.20 Fluid Milk

WFC supports increasing the national level of Solids-Not Fat (SNF) in fluid milk products. (1993) R/96

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## 2.21 Reduced Fat Dairy Products

We urge the dairy industry to work with the Food and Drug Administration and Department of Agriculture, Trade and Consumer Protection in the development of standards of identity for reduced fat dairy products. This action is necessary to provide a growing consumer market with milk solids and to be competitive in the market place. R/97

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## 2.22 Labeling and Content of Cheese for Pizzas

We support efforts by the National Milk Producers Federation to require manufacturers of meat pizza to prominently label the package if cheese substitutes or imitation cheese is used. We further support requirements that meat pizzas contain a "cheese component" of at least 12% of which at least one-half would have to be natural cheese. Finally, we support the use of only cooked meat. R/98

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## 2.23 Truth in Labeling

WFC supports truth in packaging and labeling, whereby cooperatives and their members are protected from fraud and deception. We urge that the Wisconsin Department of Agriculture, Trade and Consumer Protection be allotted funds for more field inspection, sampling, analyzing and testing of fertilizers, feeds, seeds, and other farm input products. R/95

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## 2.24 Commodity Promotion Programs

WFC urges the continuance of the appropriation and program for promotion of Wisconsin agricultural products in Wisconsin and out-of-state markets. R/96

## 2.25 Dairy Promotion Consolidation

We commend dairy industry efforts for coordination of promotion and research activities through the Strategic Marketing Alliance. We also continue to support consolidation of the United Dairy Industries Association and National Dairy Promotion and Research Board into one national promotion organization with one board, one chief executive officer and one staff to coordinate and manage the promotional efforts of the dairy industry on the national level and to seek continual, meaningful input from the state and regional organizations. Such an approach will maximize the promotional efforts of all dairy farmers. (1992) R/97

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## 2.28 U. W. Center for Dairy Research

The University of Wisconsin Center for Dairy Research (CDR) was created with the strong and very active leadership and support of WFC and Wisconsin dairy cooperatives to provide much needed research in new dairy products and technologies. Wisconsin dairy producers have provided significant research support through Wisconsin Milk Marketing Board (WMMB) and National Dairy Board funding.

Through the Dairy Marketing Initiative, co-ops have been working intensively with CDR and WMMB personnel to ensure that our co-ops are positioned to be rapid adaptors and thus the beneficiaries of these new value-added products and technology advances.

We urge continued support for these activities so vital to the long-term health of our dairy producers and industry. (1994) R/98

## 2.29 Research and Implementation of New Agricultural Methods and Technologies

The development and adoption of improved agricultural production methods and technologies has made America the most productive and competitive food producer in the world. The changing environment created by the introduction of new knowledge, methods and products creates an ongoing challenge to farmers and their cooperatives to develop the management and technical skills necessary to remain competitive with their peers. While changes create stress for individuals and institutions, they also induce the innovation that has made American agriculture, despite its difficulties, the envy of the world.

Therefore, we **support continuing and expanding research into new alternative agricultural methods and products including biotechnology products.** 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, and strive to broadly disseminate their findings effectively and equally to all. In the final analysis, **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.

Where identifiable risks exist associated with a particular method or product available nationwide, we believe **the federal government should have primary responsibility for assessing the risks and benefits and applying use restrictions** if appropriate. Risk assessments should be based on scientific fact and not emotion. Federal determinations minimize the potential for competitive inequities between farmers and cooperatives in different states. However, we recognize that local physical factors can bear upon the risk/benefit assessment and that state government involvement, in some cases, may be appropriate. Generally, **the federal and state agriculture departments should have jurisdiction over agricultural regulations,** drawing upon the technical resources of other agencies when necessary. (1991) R/95

## 2.30 Proper Use of Drugs, Food Additives & Chemicals in Food Production

The ability to measure minute quantities of additives used in food production has increased so that it is possible to detect residues so small as to be below reasonable levels of health risk. We urge the Food and Drug Administration and other appropriate agencies to weigh health risks against benefits before restricting use of these products.

We urge a cooperative and coordinated program of **research by federal and state agencies and commercial firms to determine an acceptable and safe standard for food products, to determine adequate and safe procedures for use of chemicals, additives, drugs, growth stimulants and fertilizers;** particularly prior to their introduction to the market place as well as on a continuing basis, and to implement the proper use of these products.

We also urge professionals and livestock producers to follow approved labels in their administration and use of chemicals and drugs. (1990) R/96

# Agriculture

## 2.32 Family Farm Credit

The availability of affordable credit has always been essential to family farm agriculture. We support the maintenance of the farm credit institution's present funding authorities to assure the continued access to ample funds for financing of farmers, ranchers and their cooperatives.

At the state level, we commend the Governor and Legislature for renewing and extending the CROP program and urge them to **continue the CROP Program. WFC opposes blanket moratoriums on foreclosures** which may reduce the availability and raise the cost of credit to other farm borrowers.

For there to be a full recovery in the agricultural sector, there must be profitability for farmers. Therefore, we strongly urge our state and federal officials to conduct research aimed at **establishing long-term solutions for the broader problems facing agriculture.**

Finally, we strongly oppose the new restrictions and regulations on the Farm Credit System proposed by the Department of Treasury and Office of Management and Budget. These proposals would create an additional, unnecessary and costly layer of regulation over the Farm Credit System. (1991) R/97

## 2.33 Lien Transactions on Livestock

Difficult economic times in livestock production have increased the need to protect the security interests of lenders. At the same time, the need to protect marketing agencies and dealer purchases from double payment exposure is also essential.

WFC, therefore, **supports the passage of legislation calling for the deletion of livestock as an agricultural commodity** required to be entered into the statewide computerized lien system. However, **to provide security protection to lenders** for loans on livestock, **WFC also supports the continuation of the direct notification system** that is currently providing protection both effectively and efficiently. (1992) R/98

## 2.35 Grain Standards

Although American farmers consistently produce and deliver to markets high quality grain, major foreign buyers have long complained about adulteration, addition of foreign material and spoilage. This has resulted in lost sales and lost income to farmers. WFC joins with grain producers around the nation and their organizations in calling for swift enactment of **tougher inspection standards for grain moving into international market channels.** R/95

## 2.36 Alternative Fuels

We commend the efforts of agricultural groups to construct and operate energy production facilities in the state utilizing corn, whey, bio-mass and other Wisconsin products. We call upon the Governor and State Legislature to **provide incentives for the use of this state-produced liquid energy source in the form of fuel tax relief.** (1993) R/96

# Agriculture

## 2.37 State Inspected Meat Packers and Inter-State Sales

Wisconsin meat slaughterers and processors utilizing the State Meat Inspection Service are prohibited from shipping meat products out of state. Eliminating these regulations would allow smaller state inspected plants to more competitively bid on livestock and expand the national market for Wisconsin's quality meat products. All meat could then move freely in interstate trade like other agricultural products.

We support **elimination of this restrictive legislation** and amendment of the Meat Inspection legislation. We commend the efforts of the United States Department of Agriculture, state departments of Agriculture, the American Association of Meat Processors and federal legislators which have supported these changes. R/97

## 2.39 Animal Disease Control

The health of our livestock population directly affects the supply, quality and price of meat and milk products available to consumers. It is essential, therefore, that we **maintain a continuing eradication and control effort on the major livestock diseases.**

We urge adoption by the federal government and the Wisconsin DATCP of **a program of fair and equitable indemnity payments to producers of livestock found to be infected with those diseases.**

We support research programs emphasizing the use of the Wisconsin Veterinary School. (1994) R/98

## 2.41 Animal Care

We oppose the enactment of legislation that would restrict commonly accepted production practices under the guise of animal welfare. We support efforts to **educate the public that farmers have a vested interest in keeping their animals contented, well-fed and healthy and that farmers deplore cruelty to animals as much as the rest of society.** (1991) R/95

## 2.43 Pollution of our Environment

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.**

We further urge greater coordination between farmers, landowners, and municipal authorities as well as governmental agencies involved in pollution abatement projects. We **encourage recycling by the public and increased use of biodegradable packaging.**

As an indication of its commitment to protection of the environment, WFC has started an Environmental Services Program to help meet cooperatives' multiple environmental compliance needs. WFC will continue to give top priority to environmental compliance programs and urge all Wisconsin supply co-ops to actively participate in and support them. The results will be healthier, more profitable cooperatives and a cleaner environment. (1994) R/96

## 2.44 Water Quality Cost-Sharing

The State of Wisconsin is committed to maintaining and improving the quality of the state's waters, an effort WFC supports. The state is presently implementing a state water quality program. WFC supports the concept of a water quality cost-sharing program. We **urge the federal Soil Conservation Service to maintain a commitment to soil conservation compliance as provided under the 1985 Food Security Act, and to develop and use standards that are compatible with and coordinated with Wisconsin standards under the Farmland Preservation Program.**

(Continued)

# Agriculture

We propose that county conservation bodies work closely with individual farmers and cooperative representatives in the implementation of Wisconsin's water quality management programs.

Furthermore, we 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. (1993) R/97

## 2.45 Groundwater

WFC is concerned about protecting the state's groundwater. We support programs that identify harmful substances and monitor their presence to protect the health and welfare of our citizens. To the extent possible, we **encourage development of reasonable and uniform national standards for groundwater quality, uniform regulations to protect groundwater, and uniform enforcement** by state agencies.

We urge the Legislature to ~~use general tax revenues in addition to imposing user fees or surtaxes to establish a compensation program for required remediation, which benefits the environment and is equitable for everyone.~~

Finally, WFC strongly urges all agencies concerned with groundwater programs to remember that the goal is to develop management practices which prevent or minimize pollution of the groundwater. We believe that state policy must recognize that this is a problem which should be resolved through education, cost-sharing and modified practices. (1993) R/98

## 2.46 Agri-chemical Pollution Clean-up

Soil and groundwater contamination from agricultural chemicals at mixing and loading facilities operated by farm supply cooperatives, other farm supply businesses and at farm sites have been identified by state agencies as a potential serious concern. In order to address these concerns as fairly and expediently as possible, WFC successfully led the effort to get state legislation enacted that would create a fund for partial payment of the costs of cleaning up such sites.

WFC will carefully oversee the program implementation and operation by the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) in order to ensure that the fund covers the greatest amount of identified project costs possible. This will include advocating for cleanup standards and processes that don't waste finite fiscal resources and for keeping state staff and other administrative costs limited.

WFC encourages the Legislature to support proposals that offer incentives for developing cost effective contamination remediation processes. (1994) R/95

## 2.47 Transportation

Transportation is the key link between agriculture, food processing and the consuming public. However, food products perishability requires rapid and efficient distribution of supplies to specific markets. Therefore, we **support improvement of farm-to-market roads.**

(Continued)

# Agriculture

Any decisions made regarding freight transportation must be considered in light of the impact on all freight transportation modes. As a result of the affirmative public vote in Wisconsin in April of 1992 to allow the expenditure of state funds and state bonding for rail improvements, the future of Wisconsin rail transportation could be improved. We call on the Wisconsin Department of Transportation to take a **balanced, all-mode approach to decision-making on transportation issues**. We urge the Department to pay particular attention to **agricultural and the food system needs** in making decisions.

WFC strongly opposes Inter-State Commerce Commission rulings which shift cost burdens onto high-volume captive shippers thus subsidizing less-profitable movements of other commodities.

We believe rates charged for coal and grain movements should allow a reasonable rate of return to railroads, but should be based on actual cost of service and not be a means of subsidizing other railroad traffic. (1993) R/96

## 2.49 Fairs and Expositions

We continue to support a State Fair which has a strong agricultural and youth emphasis. We believe **state financial support is merited** in the continuation and expansion of programs for state agricultural expositions and for county and district fairs with emphasis on youth. R/97

## 2.50 Payment Security for Milk Producers

WFC supports continuation of **Wisconsin's Dairy Plant Security Program**. We encourage Department of Agriculture, Trade and Consumer Protection officials to continue to work with the state's dairy industry to ensure that the program continues to meet its intended purpose. We believe this **program should provide protection to dairy producers while not placing unnecessary bonding requirements on financially strong dairy cooperatives**. (1993) R/98

## 2.51 M-W Price Reform

The basic formula price for federal milk marketing orders, the Minnesota-Wisconsin price series (M-W), has been demonstrated to inadequately represent the value of Grade A milk used for manufacturing hard products. A rapidly declining volume of Grade B milk and the growth of major milk manufacturing outside of the Minnesota-Wisconsin area, make an alternative to M-W necessary. We believe the **M-W price series must be reformed**. Reform should include changes that provide for a broader representation of producer pay prices, such as a competitive price series that would provide a more accurate measure of manufacturing milk values and adjustments in formulas for Class I and III prices in all regions to **more adequately reflect the real costs and economics of production and manufacturing**. (1993) R/95

## 2.52 Dairy Marketing Initiative

The diminished role of the federal government, gains in productivity of other regions and a rapidly changing food marketplace are increasingly impacting the profitability of Upper Midwest dairy farmers and their cooperatives.

(Continued)

# Agriculture

Dairy cooperatives from across the Upper Midwest have joined together in a purposeful effort to chart the strategic direction for cooperative marketing in this region. **The Dairy Marketing Initiative (DMI) serves as a common meeting ground for dairy co-ops to develop and implement joint strategies to address this changing dairy market environment.**

**Acknowledging the complexity of these ventures and recognizing the overall benefit of trust-building among co-ops which results through this process, WFC continues to support the efforts of cooperatives through DMI aimed at improving the profitability of Upper Midwest dairy producers and their co-ops. (1994) R/96**

## 2.53 Federal Milk Marketing Order Program

The Federal Milk Marketing Order Program has assured consumers an adequate supply of pure and wholesome milk for fluid use at reasonable prices.

WFC supports the basic federal legislation authorizing the dairy price support program, Federal Milk Marketing Order Program and other federal programs which facilitate the production of adequate supplies of high-quality milk and provide for the efficient marketing of milk and dairy products. These programs should be developed and administered to provide maximum returns to dairy farmers while meeting the needs of the market.

**WFC will continue to work for an updated marketing order program. Modifications which provide for more equitable treatment of Upper Midwest producers and which utilize national market factors will be pursued.**

Under the current federal order system, Upper Midwest dairy interests suffer, while expanded production of milk is encouraged in other parts of the United States. **WFC continues to support a multi-part reform proposal which was presented to the USDA by the Upper Midwest Federal Order Coalition.** To be effective and to serve the needs of the national market in a changing dairy environment, a number of elements should be parts of any such reform. These include: changing the way Class I price differentials are determined, replacing the M-W prices series as the basic formula price, and authorizing pricing of milk components other than butterfat. (1993) R/97

## 2.54 Marketing Order Programs

In recent years, the economic well-being of farmers and their cooperatives has been threatened by a combination of federal administrative and regulatory challenges to marketing order programs.

**WFC supports federal policies and programs to protect and enhance the ability of farmers to join together in cooperative efforts and urges the President and the Congress to take necessary action to eliminate administrative procedures that impede the effective operation of marketing orders and related programs.**

We propose a requirement that a preliminary economic impact analysis be produced before any marketing order is altered or eliminated by federal government action. **WFC also calls for the elimination of administrative guidelines which discourage farmer cooperatives and their elected boards of directors from voting or acting on behalf of their farmer members as provided under existing law. (1993) R/98**

# Agriculture

## 2.55 Nutrition Programs

WFC strongly maintains its commitment to the nutrition programs administered by the U.S. Department of Agriculture and will work to strengthen and expand the programs through adequate funding and maintenance of quality standards. We favor continuation of the complementary relationship both within the agricultural community and between agriculture, the nutrition community, and USDA's Food and Nutrition Service.

**The Commodity Donation Program must be maintained and strengthened as the primary commodity source for the feeding programs, for the needy, and for disaster assistance.** U.S.D.A. is urged to assure that free commodity donations to individuals are effectively managed by the states so that the needy are served and commercial markets are not disrupted. **Member cooperatives are urged to take assertive action to ensure continuation of the commodity donation program.**

**The Special Milk Program continues as an important, low cost, easily administered program to provide a superior dietary supplement to the American school child, and the Federation will work to increase its scope.** The Federation commits itself to the improvement of the diet of older Americans.

**WFC supports federal nutrition assistance programs** designed to supplement the diets of low-income families and children. **WFC urges expansion and extension of these programs,** and further urges administration of these programs in a manner that will assure maximum nutritional value for the recipients. (1993) R/95

## 2.56 Food Safety and Public Health

WFC recognizes that the public perception of food safety may have significant adverse public policy and market-related impacts upon dairy farmers. **WFC, therefore, has taken and will continue to take proactive positions to protect the Nation's milk supply from violative animal drug residues and other potential contaminants.**

**WFC supports efforts of FDA and USDA to prevent microbial and residue contamination of dairy products and meat and to reduce environmental contamination within processing plants.** (1993) R/96

## 2.57 Labeling

WFC believes that food labels should enable consumers to obtain accurate and balanced information regarding the quantity, nutritional value and ingredient content of products. Terminology and labeling used should help prevent fraud and deception. **WFC will monitor the efforts of the Food and Drug Administration (FDA) to implement the 1990 Nutrition Labeling and Education Act (NLEA) and will work closely with its members to disseminate information necessary for their compliance with the new requirements.**

WFC supports labeling regulations or standards of identity for "light" dairy products such as that approved for butter in Wisconsin. **WFC encourages FDA rule writers to look at language adopted by the leading dairy states as they define terms under the NLEA.**

**WFC believes that the Federal Trade Commission should vigorously enforce rules and regulations on non dairy products which are advertised as if they are real dairy products.** (1993) R/97



# Agriculture

## 2.58 Uniform Pesticide Use Regulations

A 1991 U.S. Supreme Court Ruling would allow for over 1,900 different sets of local pesticide rules in Wisconsin. This concept would wreak havoc with farmers, farm supply co-ops, and electric co-ops who need to control weeds and other pests in more than one township. The State of Wisconsin recognized by changes to state pesticide rules in 1992 that pesticide rules and laws are of state-wide concern and should uniformly affect every county and municipality. Those changes prohibit a local law or ordinance which "conflicts with or frustrates" the uniform regulation of commercial lawn and landscape pesticide applications.

**WFC supports legislation that broadens this "state-wide uniformity" approach to include pest control on farms, forests, and rights-of-way. (1994) R/98**

## 2.59 Dairy 2020

The challenges facing dairy producers, their cooperative marketing organizations and the overall dairy industry of the Upper Midwest are alarmingly immense. Meeting them will require concentrated attention, considerable creativity and hard work by all who directly or indirectly make their livelihood from dairying. The efforts of cooperatives in helping to affect needed change through joint effort is vital to this cause, but cannot be the sole solution for the challenges and difficulties facing the region's dairy industry. WFC has called for a strong, broad-based, industry-wide effort to positively impact the future of Wisconsin's dairy producers and industry.

**WFC supports the Wisconsin Dairy 2020 initiative in its effort to mobilize the industry for this purpose and is committed to cooperating with this overall endeavor. WFC further urges cooperation among existing programs and projects under the Dairy 2020 initiative, as well as creation of new, innovative programs. WFC encourages Dairy 2020 to pursue improved accessibility to available resources such as those of the University of Wisconsin-Extension and UW Center for Dairy Profitability as part of the initiative's overall strategy. (1994) R/98**

## 2.60 UW Board of Regents Agriculture Representative

Wisconsin has some of the strongest agricultural research, education and outreach programs in the nation. Colleges of Agriculture at Madison, River Falls, Platteville and UW-Extension are known nationally and internationally. These institutions have been an integral part of making agriculture Wisconsin's largest and most diverse industry. They have been the source of countless new developments and innovations in agriculture, food, medicine, science and other fields. The agriculture and allied food industries also account for nearly one quarter of all jobs in Wisconsin.

**For these reasons, governors of both parties have long ensured that agriculture was represented on the UW Board of Regents. As no one with an agriculture background now serves on this important policy board, the cooperatives of Wisconsin call on the Governor to use the next vacancy which occurs to appoint a strong, well-qualified representative of agriculture. (1994) R/98**

# Health Care

## 3.01 Health Insurance

The cost of health care has been increasing dramatically. Therefore, WFC urges the Legislature and the 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.** WFC also calls upon the appropriate state agencies to provide health care consumers and government officials with fiscal estimates of the cost of any new mandates that are proposed in the future. Finally, **WFC encourages the Legislature and the Governor to explore and implement new options for controlling the cost of health care and health insurance.** (1991) R/95

## 3.02 Rural Medicare Discrimination

The federal Medicare reimbursement system currently pays most rural hospitals and clinics in Wisconsin less than their costs and pays most urban hospitals and clinics more than their costs for providing the same services. These payment differences are giving urban hospitals and clinics a competitive advantage over rural hospitals and clinics and are threatening the economic viability of these important community health care institutions.

Therefore, WFC urges Congress to stop this harmful discrimination against rural hospitals and clinics and to **reimburse similar health care services at the same level of federal support** regardless of where the service is provided. (1990) R/96

## 3.03 Health Maintenance Organizations

Health Maintenance Organizations (HMOs) represent a viable means for citizens to obtain high quality, affordable health care on a prepaid basis. In Wisconsin, three HMOs are organized as non-profit consumer cooperatives. Together these cooperatives serve over 100,000 persons.

WFC supports the formation of a **legislative environment which is conducive to the successful operation of HMOs.** (1989) R/97

## 3.04 Closed Panels

HMOs should be permitted to contract with all types of health care providers on a "closed panel" basis. HMOs need to be able to select providers who are predisposed to providing quality care while agreeing with the cost containment programs of the HMO. The underlying premise is that the bargaining power of HMOs to contract with only certain providers promotes competition, lowers costs and encourages prevention-oriented care.

If all providers could join an HMO, incentives for efficient providers to offer competitive rates would disappear and the ability of HMOs to control quality would be reduced. **WFC supports all legislative efforts to keep competitive, closed panel provisions intact.** (1994) R/98

## 3.05 Mandated Benefits

WFC supports the right of **consumer-sponsored HMOs to determine the benefit plans they wish to offer** their members. Current benefit structures mandated through insurance laws already provide for comprehensive health care coverage. Expansion of such mandates serves only to:

a. interfere with the market place's right to determine the coverage it wishes to purchase; and

b. aggravate a competitive inequity between state regulated HMOs and the unregulated self-insured health plans of many employers. (1989) R/95

# Health Care

## 3.06 Non-Profit Status of Consumer Cooperative HMOs

Wisconsin's consumer cooperative HMOs operate on a non-profit basis. Each of these HMOs has utilized its tax-exempt status to serve a pioneering role and broad purpose within its community. WFC urges the **retention of the various tax exemptions afforded non-profit cooperative HMOs** in Chapter 185. (1989) R/96

## 3.07 Taxation of HMO Premiums

WFC **opposes any direct or indirect taxation of the premiums of HMOs** including Health Insurance Risk Sharing Plan (HIRSP) assessments as a tax on essential health care services required by the citizenry. (1991) R/97

## 3.08 Rural Health Cooperation

WFC strongly supports rural hospitals, physicians and other health care providers acting together to promote the preservation and further development of a coordinated system of rural health care. Such a system will provide both quality and efficient care in settings that best meet the needs of rural residents in a manner consistent with their community values. WFC will **utilize its collective strength to support rural health care and rural communities in both private and public sectors**. It will represent the rural perspective on legislative and regulatory issues affecting rural health care and illness prevention with the political influence necessary to be an effective advocate. (1990) R/98

## 3.09 Rural Health Care Professional Shortages

The perceived national physician surplus has not significantly changed the rural maldistribution issue. In addition, we are now facing major shortages of nurses, physical therapists, laboratory technicians, pharmacists and other professionals. The redistribution of health professionals into rural areas has to continue to be addressed as a fundamental requirement of a viable rural health care system. The mandate to the Wisconsin schools and the U.W. to train primary health care professionals to practice in rural communities needs to be renewed and strengthened. In addition, the current Physician Loan Assistance Program, which allows for the recruitment of a total of 24 physicians over 3 years, needs to have the number of physicians doubled and the time period cut in half. WFC therefore **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**. (1992) R/95

## 3.10 Accessing Capital for Rural Health

Rural hospitals have been essentially locked out of national bond markets, the traditional source of remodeling and replacement capital. As rural hospitals are already on average substantially older than the national average, this lack of capital access is quickly becoming a critical barrier to maintaining a rural health network. WFC will **promote programs for rural hospital physical plant improvements and equipment acquisition to ensure that rural residents have access to modern medical technology**. (1992) R/96

## 3.11 The Uninsured

Traditionally, providers have been able to cover the costs of serving the uninsured by charging their other patients extra. This method of paying for public and private uncompensated care is now quickly being eliminated by price sensitive purchasers of health care services or insurance premiums. The disproportionate share of uncompensated care already borne by hospitals with its negative impact on their ability to function in a competitive environment must be recognized. New and broad-based solutions that reduce those burdens to both providers and communities need to be found. WFC will evaluate potential solutions for their impact on cooperatives as employers and for their impact on the quality of health care provided. (1990) R/97

## 3.12 Health Care Reform

The Wisconsin Federation of Cooperatives recognizes that true health care reform is one of the most complex challenges facing our state and nation today. WFC further recognizes that many competing interests in the health care arena have a common interest in keeping health care affordable and available.

Consumer owned and operated HMOs have a proven track record of managing and containing health care cost increases. The value of other cooperative and collaborative approaches, such as hospital cooperatives which were pioneered in Wisconsin, has been repeatedly demonstrated.

WFC urges incorporation of successful cooperative models in health care reform efforts at both state and federal levels. WFC further supports health care reform initiatives which:

- have the general goal of improving access to health care services particularly in rural and underserved areas;
- seek to establish a managed health care environment that facilitates the delivery of affordable, high-quality, cost effective health care;
- 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. (1994) R/98

# Cooperative Housing

## 4.01 Cooperative Home Ownership

Quality, affordable housing is a pressing need in Wisconsin and in the nation. This need could be largely met through cooperative housing. WFC stands ready to help in every way it can to advance the use of cooperatives in establishing more housing opportunities in both rural and urban areas. (1994) R/98

## 4.02 Cooperative Housing for Senior Citizens

Senior citizens have special housing needs. Institutionalized care and in some cases, relocation to other communities, result if their needs are not met. A cooperative housing project is a good way to meet the variety of these special needs, such as accessible health care and nutrition programs.

WFC will attempt to **assist in the development of cooperative housing projects for senior citizens** through its work with Cooperative Development Services (CDS) and the Homestead Housing Center. We urge the appropriate state agencies, and other sponsors interested in developing cooperative housing projects for senior citizens, to assist CDS. (1993) R/95

# Credit Unions

## 5.01 Taxation of Credit Unions

Credit unions pay all required forms of real and personal property taxes and are subject to the same tax rates and rules for payment of sales and use taxes as other financial institutions. Credit unions comply with requirements to obtain necessary sales or use tax permits and as employers credit unions pay all forms of payroll taxes. Credit unions are not for profit, member owned democratically controlled financial institutions. Federal and state tax policy has long recognized the unique ownership and mission of cooperatives to deliver goods and services to members in the most cost effective manner. Additional taxes on cooperatives and credit unions are therefore a tax on individual members.

**WFC strongly opposes attempts to tax credit unions in the same manner as for-profit shareholder held corporations. We therefore urge the Wisconsin Congressional Delegation and State Legislature to oppose any tax proposals that would erode the tax exemption afforded credit unions and cooperatives in general. (1994) R/96**

## 5.02 Regulation of Wisconsin Credit Unions

Wisconsin credit unions are currently regulated by a separate commissioner who understands the unique, cooperative structure and principles that govern the operation of credit unions. This current regulatory system has helped to make Wisconsin credit unions among the safest and most sound in the country.

Although the current, separate regulatory system for Wisconsin financial institutions has worked well, state politicians regularly propose merging the offices of the commissioners that regulate credit unions, banks, savings and loans, insurance, and securities in an effort to create a "common regulatory philosophy."

**WFC supports the credit union alternative and opposes all efforts to destroy it by merging the regulation of credit unions with the regulation of for-profit entities. WFC, therefore, resolves to work with the Wisconsin Credit Union League and Wisconsin credit unions to maintain the independent regulatory system that has served Wisconsin credit union members and other financial institution customers well. (1992) R/97**

## 5.03 Credit Unions and Cooperative Development

Credit unions in both urban and rural areas can and should play a key role in the development of new cooperative ventures such as housing and health care. Credit union/cooperative ventures are an ideal way to tie the financial and service strengths of both kinds of "people businesses" together for the mutual betterment of their members.

We urge Wisconsin's credit unions to work closely with WFC on cooperative development and to assist in our efforts to secure agency programs and funding that will foster and nurture new and expanding cooperative enterprises. R/98

## 5.04 National Credit Union Share Insurance Fund

The National Credit Union Share Insurance Fund (NCUSIF) is in excellent shape and was recapitalized by insured credit unions in 1984. The insurance funds of the thrifts and the banks, on the other hand, saw major change in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and both S & Ls and banks were forced to increase their deposit insurance premiums in order to build up their reserves to a reasonable level. In spite of recent changes to the Savings Association Insurance Fund (SAIF) and the Bank Insurance Fund (BIF), some members of Congress continue to suggest that the three federal deposit insurance funds should be merged into a single fund to provide more flexibility.

(Continued)

# Credit Unions

**WFC strongly opposes federal efforts to risk the strong and well-capitalized NCUSIF in an effort to bail out the insurance funds of savings and loans and banks. WFC therefore resolves to work with the Wisconsin Credit Union League and Wisconsin credit unions to fight a merger of the deposit insurance funds. (1990)**  
R/95

## 5.06 Truth in Savings

The Truth In Savings Act requires financial institutions to disclose and report information on loans and savings rates to consumers in a uniform fashion. The National Credit Union Administration (NCUA) regulations to implement the Truth In Savings Act will require credit unions to calculate rates of interest based on a daily balance. A substantial number of small credit unions do accounting manually and many are not equipped nor can they afford the computer equipment and staff sophistication to easily convert to daily balance computations. Some small credit unions have indicated that they would seek a merger partner if NCUA regulations force a wholesale change in computation of interest rates.

Credit unions exist to provide high quality cost effective financial services to their members. Credit unions have always supported full disclosure of loans and savings rates to their members. **WFC and the Wisconsin Credit Union League support Truth In Savings and encourage NCUA to meet and work with representatives of small credit unions so that Truth In Savings regulations can be implemented without seriously damaging the viability of small credit unions. (1994)**  
R/98

## 5.07 Dual Chartering

Dual chartering -- the choice between a federal and state charter -- has provided a healthy competition between federal and state governments to appropriately control and respond to geographic and economic situations. Pressures on individual states to raise revenue and concern for uniformity of taxation policies between states has given rise to proposals for states to impose franchise net income taxes on credit unions which are exempt from such taxation at the federal level. These proposals provide a strong incentive for state chartered credit unions to switch to a federal charter. As more and more credit unions opt out of their state charters, individual states lose regulatory authority and revenue.

Wisconsin credit unions are largely state chartered and WFC believes this form of local control is responsible in part for the vitality of the credit union movement in Wisconsin. **WFC supports the dual chartering system and opposes proposals which throw this system out of balance by creating incentives for institutions to forsake their state charter. (1994)** R/98

## 6.03 Nuclear Fuel Reprocessing and High Level Nuclear Waste Disposal

The federal government's failure to formulate and implement specific programs for the processing of partially spent nuclear fuels and for the permanent storage of nuclear wastes is causing a waste of extremely valuable energy resources, prevention of timely installation of much needed generation capacity and leaving unanswered the public's questions and concerns about nuclear waste storage. Wastes from commercial power reactors are but a minute fraction of the wastes from the nuclear weaponry of our national defense programs.

We urge Congress and the President to **adopt and implement specific programs for reprocessing partially spent nuclear fuels and for the permanent storage of nuclear wastes** as a top priority for any meaningful energy policy. (1993) R/97

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## 6.06 Public Service Commission

We urge the Governor and the state legislature to **retain the current method of appointment of Public Service Commissioners**. Provision of utility services at a cost, quality and quantity required by the public, requires equitable regulation that only experienced, well-qualified commissioners can provide.

WFC believes that experience in Wisconsin has clearly demonstrated that gubernatorial appointment is the best method of ensuring this competence. We therefore urge retention of the current system. R/98

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## 6.07 Energy

In order to effectively plan for and meet our energy needs, both in the short and long-term, we strongly urge Congress and the Administration to enforce a coherent, national energy policy which would provide an overall framework in which to make individual policy decisions.

We urge federal, state and local governments to **increase efforts at educating the public on energy efficiency, and to assist individuals and public and private enterprises as much as possible to implement wise energy efficiency measures**.

Our rural electric systems have been leaders in the development of innovative energy-efficiency programs for the benefit of their consumers and in support of the national commitment to more wisely use our national resources.

REA guidelines present an opportunity for rural electric systems to individually develop sound and innovative programs for the benefit of their members and enhance their standing with consumers in anticipation of the increasingly high cost of energy. These energy-efficiency programs have the potential for lessening future capacity needs from the distribution transformer to the power plant.

WFC urges that these precepts be the basis for legislative, administrative and regulatory decisions affecting electric energy. (1992) R/95

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## 6.09 Alternative Energy

WFC believes that self-sufficiency is an important aspect of cooperatives, one which is encouraged by the use of alternative energy sources such as methane, wind, solar power, ethanol and other technologies.

We believe that the future availability of electricity also depends on the continued development of proven sources of energy production. No proven method of power production should be abandoned until the costs and other implications of the alternative are clearly understood.

America's energy future and economic health are dependent upon the federal government's consistent and aggressive involvement in energy-related research and development, and upon its ability and willingness to maintain continuity in its research efforts.

(Continued)



## Utilities

Rural electric cooperatives are ready and willing to carry their fair share of the research burden, and they have been participating in major research and development efforts by their voluntary contributions to the Electric Power Research Institute (EPRI) and the NRECA-Rural Electric Research (RER) program. However, the electric utility industry, which is already shouldering a major financial burden in providing for the energy needs of this nation in an environmentally acceptable manner, is not in a position to make major investments in long-range, high-risk research and development projects which do not offer immediate or near-term solutions to our energy needs.

The electric utility industry and its consumers must depend upon the federal government as a major source of funding for these longer-term energy research activities. This type of research, by its very nature, requires a number of years of consistent and predictable funding before meaningful results can be expected. A well defined U.S. energy policy that includes a commitment to energy research is encouraged. (1993) R/96

### 6.10 Electric Cooperative Territorial Protection

Since their inception all rural electric cooperatives in Wisconsin have undertaken and have made diligent efforts to extend and render dependable electric service to all unserved persons within the cooperative service area, regardless of the size or nature of their service requirements, who desired such service and who met reasonable requirements established by the Cooperative. They brought electric service to areas the public utilities declined to serve, and in doing so they have been of tremendous benefit to rural people in enhancing their quality of life.

**We reaffirm the unrestricted right and responsibility of all rural electric systems to serve those areas in which they initiated service and continue to serve. We strongly oppose the imposition of conditions or restrictions which disadvantage the cooperatives in extending or continuing service in these areas as compared to other electric utilities.**

We maintain that any taking of cooperative service territory or customer base amounts to a reduction in the viability of the remaining cooperative, and therefore should be avoided. Should such a taking occur, equitable compensation should be paid to the cooperative reflective of the economic loss suffered over future years, and for all facilities constructed to serve present and future customers in the affected area. We urge the Public Service Commission and the State Legislature to protect the rights of cooperatives from any acquisition against the wishes of the cooperatives. (1993) R/97

### 6.11 Global Climate Change

Global warming, or the "greenhouse effect", suggests that human activities such as fossil-fuel combustion, agricultural operations, industrial activities, and land-use practices throughout the world are creating excesses of certain gases with atmospheric heat-trapping characteristics. The concern is that the build-up of these gases in the atmosphere would have significant effects on long-term global temperatures and climate patterns.

Despite many scientific uncertainties, the potential seriousness of global climate change warrants careful attention to those human activities which may add to the greenhouse effect. If broad remedies are required, they must be global in scope. Therefore, we support national and international actions which:

1. Accelerate research on the primary greenhouse gases and mechanisms;
2. Promote development and use of substitutes for chlorofluorocarbons;

(Continued)

## Utilities

3. Promote efficiency in production and delivery of energy;

4. Foster education programs on wise energy use; and

5. Prevent worldwide deforestation and encourage reforestation.

We would consider inadvisable any discriminatory taxation leading to an imbalance of the national energy supply, or the imposition of ceilings or caps on man-made greenhouse gas releases unless predominate scientific evidence shows such measures are necessary.

Legislation that supports a coordinated international approach to this issue is encouraged. (1993) R/98

# Insurance

## 7.01 Insurance Reform

WFC calls upon property and casualty insurers to show sensitivity to the needs of the marketplace by not unnecessarily restricting limits of coverage or withdrawing from lines of coverage and by establishing insurance rates that strike an equitable balance between their need for a reasonable profit and their policyholders' ability to pay.

WFC also urges the agriculture community, cooperatives and the insurance industry to seek legislation **replacing joint and several liability with a system of several liability** so that defendants are responsible for damages only to the degree of their fault. (1990) R/95

## 7.02 Mutual Insurance

Local mutual insurance companies were formed as one of the earliest forms of cooperative endeavors in Wisconsin and the U.S. Both statewide and local town mutual insurance companies have a significant role in Wisconsin's economy. Those operating on cooperative and mutual principles locally are true models of self-help and self-protection. In today's economic environment of constantly escalating costs and consumer attitudes, the local mutuals are an example of cost containment and consumer control in rural Wisconsin.

Recognizing the need for policy service, safety promotion, economic rural fire protection and economic insurance coverage on risks in sparsely populated areas, local and statewide mutuals must be allowed to operate within an atmosphere of minimum governmental regulation if they are to provide a "safety valve" and be a stabilizing factor in the rural marketplace.

WFC, therefore, urges that state and federal regulations impacting on both **local and statewide mutuals recognize their inherent unique characteristics.** We call for minimum regulations with input from representatives of the local and statewide mutuals. (1992) R/96

WISCONSIN  
Corn



Soybean  
PROGRAM

WISCONSIN CORN PROMOTION BOARD  
WISCONSIN CORN GROWERS ASSOCIATION

WISCONSIN SOYBEAN ASSOCIATION  
WISCONSIN SOYBEAN MARKETING BOARD

April 20, 1994

Attn: Dan  
Representative Al Ott  
State Capitol  
PO Box 8953  
Madison WI 53708

Dear Dan:

Enclosed are the 2 sets of resolutions that we discussed yesterday; Wisconsin Corn Growers Assoc. and the Wisconsin Soybean Association.

We thank you for your interest. If we can be of any assistance please let us know.

Sincerely,

*Donna Matts*

Donna J. Matts  
Office Manager

*Thomas Plant*

1994 RESOLUTIONS

WISCONSIN CORN GROWERS ASSOCIATION

I. STATE ISSUES

A. Corn Plant Incentives

Whereas corn is one of the very few Wisconsin products that leaves the state in very large volume without value added; whereas corn is an industrial seedstock for environment-enhancing products such as nonpolluting road deicer and degradable plastics; and also whereas Wisconsin corn is a source of homegrown starch for the paper industry and a feedstock for producing homegrown fuel in the form of ethanol; ~~be it resolved that the State of Wisconsin provide an incentive to attract an industrial corn processing industry to Wisconsin to enhance the value of corn, to create jobs, to save transportation on a low-value bulk product and to provide coproducts that are very complementary to the state's dairy and livestock enterprises.~~

B. Livestock Industry

Whereas the livestock industry is of primary importance in Wisconsin, whereas a corn products industry in Wisconsin would improve the price of corn, create jobs, and provide a valuable, low-cost by-product for the livestock industry; be it resolved that the WCGA work closely with the livestock industry to research and publicize the most efficient and profitable ways to use these valuable coproducts in livestock rations.

C. Crop Protectants

Whereas ~~scientist's within EPA and outside EPA agree that research data now exists that will support changing the Maximum Contaminant Level (MCL) for atrazine to a level that is considerably less restrictive than the current MCL; be it resolved that WCGA supports a change nationally and within Wisconsin that is less restrictive and consistent with current research data.~~

D. Transportation

Whereas ~~corn production in Wisconsin exceeds the state's livestock needs; whereas large quantities of Wisconsin corn is exported to foreign markets; be it resolved that the WCGA supports the construction of new terminals and sub-terminals within the state to aid producers in the marketing of their corn. Furthermore, the WCGA urges permanent and expanded access to low cost barge transportation at the Port of Prairie du Chien.~~

E. Corn Check-off Program

Whereas the WCGA strongly supported the implementation of a corn check-off program within the state of Wisconsin; be it resolved that the WCGA encourages all corn producers to support the corn check-off program and its objectives in the promotion of Wisconsin produced corn through the market development, research, and educational programs of the Wisconsin Corn Promotion Board.

F. Health Insurance

Health

Whereas the cost of health care continues to increase greater than the rate of inflation; whereas farming is considered one of the most dangerous professions; whereas self employed farmers are increasingly dropping health insurance because of sky rocketing premiums; be it resolved that the WCGA encourage ~~the state and federal government to allow 100% deductability of health insurance premiums.~~

Be it further resolved, that with the health premiums becoming more unaffordable, we encourage any program that provides adequate health care at a reasonable cost.

G. Research and Education

To retain a strong agricultural economy within Wisconsin and the nation, new and improved production and marketing technology is required. Such technology is developed through research conducted at universities and experimental stations. Thus, a strong, active educational system is required to deliver and implement new research. Wisconsin has established such an agricultural delivery system through the Cooperative Extension Service. However, during the last decade there has been a de-emphasis of agricultural programs by the University Extension. Furthermore, their financial position continues to be weakened.

Therefore, the WCGA ~~urges the establishment of an Agricultural Extension Division within the University system, with its own director and financial structure.~~ Furthermore, the WCGA supports an increase in funding to restore losses previously incurred through inflationary reductions and to improve services to the agricultural producers of Wisconsin.

Be it resolved, that the WCGA will work to educate all corn farmers who market grain on ways to reduce risk involved in the sale of grain. The WCGA realizes that no grain security program will fully protect corn farmers or any other farmer.

H. Plant Breeder/Biochemical Geneticist for Alternative Uses of Corn

Whereas the future of the Wisconsin corn industry relies, in part, on expanding traditional markets and on uses for corn, and whereas the University of Wisconsin, Department of Agronomy has requested from the administration of the UW College of Agriculture and Life Sciences, a new research staff position entitled Plant Breeder/Biochemical Geneticist for Alternative Uses for Corn, a position which would provide leadership in the development of alternative markets and uses for corn. Be it resolved that the WCGA actively work to encourage the UW College of Agriculture and Life Sciences administration to immediately fund this important new position.

I. Equity Protection of Grain

Whereas Wisconsin has put in place a grain security law to provide protection to Wisconsin grain producers; whereas the law still does not provide adequate protection to protect corn producers from incurring financial losses due to elevator bankruptcies, Wisconsin corn growers encourage a higher security bond in an effort to reduce risk involved in grain transactions; whereas under the current law farmers lose title to their grain even if they receive a bad check in payment; whereas, farmers, as "unsecured creditors" are the last in line to be paid if a grain dealer folds, making it unlikely that they will fully recoup their losses; be it resolved that the WCGA ~~calls on the state and federal government to enact legislation stating that a farmer maintain ownership of his grain until the check from the purchaser clears.~~ Be it further resolved that such legislation similarly protect all agricultural commodities.

J. Soil Conservation

Whereas the dramatic increase in reduced tillage by Wisconsin farmers indicates strong interest in soil conservation and Whereas conservation of our natural resources is in everyone's best interest, be it resolved that the WCGA encourages farmers to implement their farm conservation plan as quickly as possible to continue the trend of improving soil stewardship.

K. Test Wells and Ground Water Contamination

Whereas, Wisconsin Corn Growers are concerned about ground water contamination; be it resolved that all contractors, state agencies and individuals be required to properly close all test wells and bore holes to prevent the contamination of ground water.

L. Taxation

The WCGA is in favor of the state's proposed "Best Use Value" ~~legislation as a partial solution to the problem; be it further resolved that school funding come 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, road improvements, etc.).

M. Environmental

Whereas all Wisconsin citizens have a right to enjoy clean air and whereas not all Wisconsin cities are in compliance on clean air standards; be it resolved that the Wisconsin Corn Growers urge the legislature to use 3.5% oxygenated fuels for all motor vehicles in the major metropolitan areas of Wisconsin from October through May.

N. Compostable Plastics

Whereas the continued use of nonbiodegradable plastics add to environmental and landfill problems and whereas landfills are a proven source of pollution; be it resolved that every effort should be made to use corn based biodegradable plastic materials wherever possible and that recycling should be a part of solid waste management. Be it further resolved that out of state garbage strongly be discouraged from entering Wisconsin's rural areas.

O: Wetlands

Whereas major wetland regulations are being proposed, which would have adverse effects on Wisconsin's farmers ability to operate; be it resolved Wisconsin farmers should be allowed to maintain existing drainage structures and make repairs and improvements to drainage systems as necessary; be it resolved that exemptions from wetland protection should be allowed fro lands cropped or considered cropped six out of ten years or converted to agricultural uses prior to December 23, 1985; be it further resolved proper compensation should be provided to property owners if wetlands protection results in an economic loss on a parcel of land.

P. Corn Industry Regulation

Whereas corn production and corn marketing provide a substantial portion of the agricultural income for Wisconsin farmers and Wisconsin agri-business and whereas Wisconsin agriculture is greatly affected by state and federal regulation which can limit and control the production, sale, transportation and use of agricultural commodities; be it resolved that the WCGA strongly urge state and federal regulatory agencies to give due consideration to benefits to the corn industry derived from specific practices and projects, when those agencies are applying the public interest test in their permitting and approval process.

Q. Surveyor Flags

Whereas surveyors, road crews and construction companies use flagging for marking their projects, and these markers are often left behind and can cause problems with ag equipment, risk to the health of livestock, and create eyesores; be it resolved that these groups be required to either remove these markers within 60 days of completion of their projects or preferrably use biodegradable markers.

R. Pesticide Regulations

The WCGA is in favor of any legislation that preempts any local pesticide ordinance; the goal being a uniform pesticide regulation. The ultimate goal being a national legislation.

S. Producer Premiums

Whereas producers of corn are discounted for each point of moisture over 15%, and to store corn long term it must be dried below 15%, we resolve to support legislation that producers receive a premium for each point below 15%.

T. Candidates Endorsement

In order that the WCGA fully participate in the political process within the state, be it resolved that after an interview process by the WCGA Board of Directors, of state level political candidates, the Board should endorse candidates that support the goals of the Wisconsin Corn Growers Association.



## II. NATIONAL ISSUES

### A. Grain Quality

Whereas the WCGA supports changes in the current pricing system of corn to reflect quality factors; be it resolved that the directors of the Wisconsin and National Corn Growers Associations continue to seek industry recognition of corn quality through the payment of premiums. An incentive should be required to reward those producers who deliver number one grade corn proportionate to the discounts assessed against number three grade corn.

### B. Futures Markets

Whereas old regulations and lack of access to delivery points has made it increasingly difficult to make actual corn deliveries on futures contracts; whereas the corn futures market has lost integrity with the cash corn market; be it resolved that the WCGA urges the National Corn Growers Association to continue seeking simplification of commodity deliveries, and to include more delivery points.

### C. Transportation

Whereas Wisconsin corn producers regard the Great Lakes, Mississippi and Illinois rivers as vital transportation networks; whereas implementation of user fees adversely affects the marketing position of Wisconsin corn producers; be it resolved that the WCGA be on record against user fees on our national waterways.

### D. Universal Feed Grain Base

Be it hereby resolved that the Wisconsin Corn Growers encourage the National Corn Growers to encourage the Federal Government to allow a "Universal Feed Grain Base," thereby allowing the farmer to grow corn, oats, barley, or milo on any of his existing feed grain bases and yet maintain his existing bases and program benefits for his existing bases without being forced to add to a surplus crop and/or losing current base qualifying payments.

### E. Pesticide Research

Whereas some pesticides need very careful handling be it resolved that the WCGA supports accelerated research to develop new pesticides that are safe to handle and benign to the environment.

### F. Capital Gains

Whereas capital gains are now treated as ordinary income for tax purposes; be it resolved the WCGA supports the preferential tax treatment of capital gains; be it also resolved that farmers should be able to defer capital gains taxation by rolling receipts from farm assets sales to a IRA, therefore deferring taxes until the farmer or spouse begins withdrawing funds from the IRA during retirement; be it further resolved the WCGA supports U.S. Senate Bill 1130, "The Family Farm Tax Relief and Savings Account Bill."

G. Investment Tax Credits

Whereas farming is a capital intensive business; whereas investment tax credits were removed; be it resolved the WCGA supports an Agricultural Investment Tax Credit.

H. Inheritance Tax

Whereas few young people are pursuing farming as their profession; whereas the large capital investment requirements are one major obstacle to begining farming; therefore be it resolved that the WCGA aggressively pursue retaining the current inheritance tax exemption on the first \$600,000 value of each persons estate.