

Raymond Mueller
705 Maple Street
Chilton, VT.

Ph: 849-9787

* Free-lance writer Agriculture
P. Crescent
State Farmer
Plymouth Record
Manchester Herald Times
The Cheese Reporter

Maureen
O'Malley
for Assembly

News Release

For Immediate Release

Wednesday p.m., October 19, 1994

O'MALLEY BLASTS TRAVIS ON ANTI-AGRICULTURE COMMENTS

(Waunakee) ... Waunakee Village President, **Maureen O'Malley**, **Republican challenger for the State Assembly in the 81st District**, Wednesday night blasted incumbent Dave Travis (D-Madison) for "trivializing ag problems and demeaning the very real issues and concerns" of farmers.

O'Malley's potent charge came in response to comments made by Travis in the local press Wednesday about a statewide *AGRICULTURE AGENDA* compiled by Republicans and released Tuesday at a state capitol news conference by a group of legislators and candidates.

Among many other platform planks, the agenda calls for full implementation of the \$1-billion property tax cut, low income loans for qualifying young farmers, and the splitting of the State Legislature's Agriculture Committee into two groups.

Splitting the Ag Committee would allow it to concentrate on the state's largest industry – farming. A separate committee would be formed to concentrate on other issues which are not exclusively farm-related, such as rural economic development, small town revitalization and other important rural issues.

Travis, in response to the comprehensive proposal glibly quipped, "Great, just what we need, another committee."

In Travis' position as Assembly Majority Leader for the Democrats, he is responsible for helping devise legislative organization and picking which issues will get priority status.

Maureen O'Malley's late father, Dave O'Malley, was a respected Democrat legislator and farmer in Waunakee who upon his retirement from public service in the 1970's was replaced by Travis.

During Dave O'Malley's distinguished legislative career, he was frequently honored for his

(more)

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O'Malley Blasts Travis

October 19, 1994

work as one of the last chairmen of the state ag committee who was actually a fulltime farmer. The Republican agenda asks that an actual farmer again chair the state ag committee.

"Dave Travis knows little or nothing about farming, and his insights appear to be limited to issuing glib, partisan shots," O'Malley countered.

"After sixteen years in the legislature, you'd think that Dave Travis would have a much better grasp of the needs of the state's largest industry."

"Our comprehensive agenda will focus more attention on the very real problems and issues that farmers face as they try to remain viable businesses within an economic grist mill," concluded O'Malley."

O'Malley challenged Travis to join her Thursday in endorsing the comprehensive AGRICULTURE AGENDA.

She further invited him to "meet her out on the farm face-to-face to debate ag issues in front of the press and media", noting that Travis has "ignored my repeated requests for a series of debates and continues to hide from public scrutiny of his liberal positions on critical issues."

- 30 -

For more information contact:

**Maureen O'Malley; President, Village of Waunakee
Candidate; 81st Assembly District
H: 608/849-5333**

9:30 am Tues., Oct. 18th
Press conference - North hearing room, 2nd floor
1:00 Madison
1:00pm - mtg. w/ Gayle Nordheim, Div. of Animal Health
310 N. Midvale

Madison

Republican Rural Agenda Press Conferences
Wednesday, October 19th
Eastern Wisconsin

9:00am Wausau

Al Swiderski Implement, Inc.
Old Highway 51 North
Mosinee, WI
(715) 693-3015

Contact: Jim or Al Swiderski

*Fraley - I believe this is Jim Jacobson's district

12:30pm Green Bay

Raymond & Debbie Diederich Farm
521 Fernando Drive
De Pere, WI
(414) 336-0942

Directions - West out of De Pere on Hwy G. Hwy G turns into Fernando Drive. You don't have to make any turns.

Contact: Ray Diederich

*Fraley - I believe this is Ric Killian's district. I have to send a copy of the agenda to Mr. Diederich. He has had other press conferences and Republicans at his farm.

2:30pm Appleton

Farm Credit Services
3962 N. Richmond
Appleton, WI
(414) 739-3186

Contact: Jack Ourada or Carl Tremel

4:30pm Oshkosh

Chief Equipment
2601 S. Washburn (Intersection of Hwy 41 and Hwy 44)
Oshkosh, WI
(414) 231-6251

Contact: John Hay

54904

Rural Agenda Press Conferences-Western Wisconsin

Tuesday, October 18

3:30 p.m. Hudson House Best Western Inn, Room 164
located on I-94 at exit 2 in Hudson, WI
Meeting (not a press conference) with Karl Karlsen,
reporter for the Pioneer Press
Meeting room confirmed w/Karla (715) 386-2394

Wednesday, October 19

10:00 a.m. La Crosse City Hall, 5th floor conference room
located at 400 La Crosse Street, La Crosse
Press conference
Meeting room confirmed w/Patti (608) 789-7599

2:00 p.m. Morrison Implement, Chippewa Falls
located about 2.5 miles north of Chippewa Falls on
Hwy 124
Press conference (outside if good weather, inside if
bad weather)
Meeting confirmed w/Jeff Buckli (715) 723-2876
We must supply the podium

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION, CONTACT: October 19, 1994
Rep. Al Ott (608) 266-5831

ASSEMBLY REPUBLICANS UNVEIL AGENDA FOR RURAL WISCONSIN

DePere...Assembly Republicans unveiled their Agenda for Rural Wisconsin Wednesday, pledging meaningful change for rural Wisconsin should they become the majority party.

Representatives Lorraine Seratti, Al Ott, and Frank Lasee, candidate for the 2nd Assembly District, unfurled their Republican Agenda for Rural Wisconsin at a press conference Wednesday the Diederich Farm in DePere.

"The needs of our rural communities must be addressed as a top priority for the Legislature," said Lorraine Seratti of Spread Eagle. "Unlike the Democrat liberal leadership, Assembly Republicans understand that the voice of rural Wisconsin cannot be suppressed."

The Rural Agenda highlighted the direction Assembly Republicans believe state government must take to address the issues important to rural Wisconsin.

In the rural agenda, Republicans plan to:

- * **Create separate committees for Agriculture and Rural Development.**
- * **Install a farmer as chair of the Assembly Agriculture Committee.**

"State government must act on behalf farmers," said Frank Lasee of DePere, a Republican candidate for the 2nd Assembly District. "Real progress for rural Wisconsin will only occur when farmers concerns are given a top priority."

Assembly Republicans also vowed to fight for:

- * **Full implementation of the property tax cut**
- * **Continuing sales tax exemptions for farmers' machinery and equipment.**
- * **Zero-based budgeting for the state government.**
- * **Expansion of successful state rural economic development programs.**
- * **Continued and expanded state help for critical rural infrastructure needs.**
- * **Establishment of a Property Rights Impact Office in the Department of Agriculture.**

"Our agenda puts the needs of rural Wisconsin at the top of our list of priorities--where it should be," said Al Ott, a farmer from Forest Junction and one of the agenda's primary architects.

The Rural Agenda is a product of a survey which explored the condition, problems, and opportunities of the largest part of our state--rural Wisconsin.

Assembly Republicans are holding a series of press conferences around the state Tuesday and Wednesday of this week. The Agenda for Rural Wisconsin was also being discussed at press conferences in Hudson, Mosinee, La Crosse, Madison, Chippewa Falls, Appleton, and Oshkosh.

F O R I M M E D I A T E R E L E A S E

FOR FURTHER INFORMATION, CONTACT:
Rep. Al Ott (608) 266-5831

October 19, 1994

ASSEMBLY REPUBLICANS UNVEIL RURAL AGENDA FOR WISCONSIN

Appleton...Assembly Republicans unveiled their Agenda for Rural Wisconsin Wednesday, pledging meaningful change for rural Wisconsin should they become the majority party.

Representative Al Ott, a farmer from Forest Junction, and Ric Killian, Republican candidate for the 5th Assembly District, unveiled a Republican Agenda for Rural Wisconsin at a Press Conference held in Appleton Wednesday.

"We need to look at improving all areas of our state, not just the urban ones," said Ott. "The current Assembly Leadership doesn't understand rural Wisconsin. That is why Republicans are reaching out to smaller communities all across the state for their input."

The Rural Agenda highlighted the direction Assembly Republicans believe state government must take to address the issues important to rural Wisconsin.

In the rural agenda, Republicans plan to:

- * **Create separate committees for Agriculture and Rural Development.**
- * **Install a farmer as chair of the Assembly Agriculture Committee.**

"We need to ensure that rural Wisconsin is not underestimated as a driving force in our state's economy," said Ric Killian of Kaukauna. "This agenda will give the rural areas of our state the tools they need for real progress."

Assembly Republicans also vowed to fight for:

- * **Full implementation of the property tax cut**
- * **Continuing sales tax exemptions for farmers' machinery and equipment.**
- * **Zero-based budgeting for the state government.**
- * **Expansion of successful state rural economic development programs.**
- * **Continued and expanded state help for critical rural infrastructure needs.**
- * **Establishment of a Property Rights Impact Office in the Department of Agriculture.**

"In order for our economy to continue to grow as a state we need to ensure that the rural economies are just as strong," said Ott. "We're all in this together."

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F O R I M M E D I A T E R E L E A S E

FOR FURTHER INFORMATION, CONTACT:
Rep. Al Ott (608) 266-5831

October 19, 1994

ASSEMBLY REPUBLICANS UNVEIL RURAL AGENDA FOR WISCONSIN

Oshkosh...Assembly Republicans unveiled their Agenda for Rural Wisconsin Wednesday, pledging meaningful change for rural Wisconsin should they become the majority party.

Representative Al Ott, a farmer from Forest Junction, unveiled a Republican Agenda for Rural Wisconsin at a press conference held in Oshkosh on Wednesday.

"Our agenda puts the needs of rural Wisconsin at the top of our list of priorities--where it should be," said Al Ott, one of the Agenda's primary architects.

The Rural Agenda highlighted the direction Assembly Republicans believe state government must take to address the issues important to rural Wisconsin.

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- * **Create separate committees for Agriculture and Rural Development.**
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Assembly Republicans are holding a series of press conferences around the state Tuesday and Wednesday of this week. The Agenda for Rural Wisconsin was also being discussed at press conferences or briefings in Hudson, Mosinee, La Crosse, Green Bay, Chippewa Falls, Madison and Appleton.

REPUBLICAN RURAL AGENDA OP-ED

It doesn't get much attention from the media in Milwaukee and Madison, but rural Wisconsin's health is vital for the good of the state as a whole.

That's why we led an effort by Assembly Republicans last spring in a survey of rural leaders focusing on rural issues. We asked Extension agents, rural hospital directors, farm groups and others from all parts of Wisconsin to share with us their views about the problems and opportunities facing agriculture and small communities.

The response to this survey formed the basis for A Republican Agenda for Rural Wisconsin, released last week. At a time when so many campaigns are dominated by empty rhetoric and personal attacks, this document represents a constructive approach to real issues. It outlines the steps we Republicans will take to help rural Wisconsin if we become the majority party in the Assembly next year.

These steps include:

- * Appointing a farmer to chair the Agriculture Committee. It is time this key Committee had leadership from someone who had first-hand experience with farmers' problems before coming to Madison.
- * Property tax relief. Assembly Republicans call for full implementation of the plan enacted last year to take 2/3 of school funding off the property tax.
- * Spending restraint. We can't have property tax relief without keeping spending in line. Assembly Republicans call for zero-base budgeting at the state level, and for holding to the revenue caps and spending restraints on local governments enacted by the Legislature last year.
- * Maintaining farmers' sales tax exemptions for machinery, equipment and other key inputs. These exemptions are not a favor to agriculture -- they are essential to keeping farmers on the land and sustaining rural communities.
- * Taxing farmland at its value for agricultural use, not its so-called highest use value.
- * Expanding rural development programs like Rural Economic Development (RED) and Community-Based Economic Development (CBED) programs, and making them easier for small businesses to use. With committed local leadership, a little state help can go a long way. These programs are working well now; we can make them work better.
- * Building up the rural infrastructure. This means providing better roads, working to attract doctors to sparsely-populated

areas, and encouraging new farm-based industries like ethanol in Wisconsin.

* Establishing a Property Rights Impact Office to evaluate the effect environmental laws have on private property rights and values. Assembly Republicans support strong laws to protect the environment -- but before these laws are passed, their impact on private landowners should be assessed.

The Republican Agenda for Rural Wisconsin doesn't pretend to solve all the world's problems. Assembly Republicans recognize that there are limits to what state government can do. For example, we can't fix in Madison policy mistakes made in Washington -- on dairy policy, health care or the environment.

Instead, I look on the Agenda as the opening lines in a dialogue with the people of rural Wisconsin, on both the big issues and the smaller ones that matter out in the country.

Sometimes it seems as if the other side's version of rural policy boils down to just three letters -- BGH. We think we owe it to the people rural Wisconsin to be more constructive. If Republicans become the majority party in the Assembly next year, we want rural Wisconsinites to know that their interests will be considered and their voices heard.

Copies of the Republican Agenda for Rural Wisconsin are available through our offices at {address, phone number}. Call or write for a copy -- we'd like to know what you think.



ALVIN R. OTT

State Representative
3rd Assembly District

October 25, 1994

Mr. & Mrs. Ray Diederich
521 Fernando Drive
De Pere, WI 54115

Dear Mr. & Mrs. Diederich:

I want to thank you for allowing me to set up a press conference at your beautiful farm last week. The series of press conferences we held across the state were very successful and your assistance is truly appreciated.

Many people worked long and hard to draft the Agenda for Rural Wisconsin. It is the first step toward the establishment of an on-going commitment to rural Wisconsin from Assembly Republicans.

Thank you again for allowing us to use your farm. It provided a great setting.

Sincerely,

Alvin R. Ott
State Representative
3rd Assembly District

ARO:kjr



Office:
318 North
P.O. Box 8953, State Capitol
(608) 266-5831

**Toll-free
Legislative Hotline:**
1 (800) 362-9472

Home:
P.O. Box 112
Forest Junction, Wisconsin 54123
(414) 989-1240

Ranking Member: Agriculture, Forestry and Rural Affairs / **Member:** Environmental Resources; Labor and Job Training

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REALTORS®
ASSOCIATION

The Voice for Real Estate® in Wisconsin

NANCY SCHMELZER, CRB, CRS, GRI, President
WILLIAM MALKASIAN, CAE, Executive Vice President

October 31, 1994

Representative Al Ott
P.O. Box 8953
Madison, WI 53708

File

4801 Forest Run Road
Suite 201
Madison, Wisconsin
53704-7337

608-241-2047

In WI 1-800-279-1972

FAX 608-242-2279

AK
Dear Representative Ott:

In reviewing the Assembly Republicans' "Agenda for Rural Wisconsin", I read on page 18 a proposal to establish a Property Rights Impact Office in the Department of Agriculture. This office would be charged with assessing the impact on property values of environmental legislation and regulations.

While we are pleased to see support in this document for private property rights legislation, we are concerned that placing such an office in the Agriculture Department will unnecessarily narrow potentially support for this legislation both inside and outside of the legislature.

As you know, our association strongly supports private property rights legislation, similar to 1993 Senate Bill 757, introduced by Senator Drzewiecki and Representative Albers. This legislation called for the creation of a property rights intervenor in the Department of Administration. We will be supporting similar legislation this next session.

We firmly believe the property rights office should not be in the Department of Agriculture. Placing it there would narrow the scope of the bill, whether real or perceived. This issue should not be cast in rural, urban or suburban terms alone. The core issue being addressed is constitutional in nature and thus should be promoted in the broadest possible terms.

Moreover, the report suggests the office be established initially for two years only. We feel this would be a mistake. The property rights intervenor is intended to counter-balance the existing state intervenor in the Department of Justice. Unless this existing office is also sunset in two years, we would oppose this suggestion.

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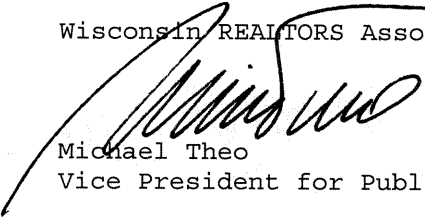


Representative Al Ott
Page 2

I would very much appreciate an opportunity to meet with you and other supporters of this legislation after the election to discuss these differences. If you should have any questions in the meantime, please don't hesitate to call.

Sincerely:

Wisconsin REALTORS Association



Michael Theo
Vice President for Public Affairs

cc: Roger Cliff
Jerry Duschane
Gary Drzewiecki
Sheryl Albers

Ag agenda for 2 years

Press conferences

* Sheen Bay - Judy Klusman, Frank Lasee, Al

* Madison

Eau Claire/Chippewa, La Crosse, Wausau

press release - faxed to all papers in state
Editor - "Entire text to follow in the mail"

* AI - Appleton Post-Crescent, Kaukauna Times
+ Ric Killian

(new person in Madison)

Bob Klipenstein
608-762-5941

* Joan Sanstadt
238-2023 ✓

* Jan Shepel, Bob Yorkland
849-5920 ✓

* Jim Massey
* Country Today Wed. (Eau Claire)

Aqui-View (before 3pm Monday) Thurs. (Iola)

WI State Farmer (Waupaca)

Farm Radio Network

WAXX Radio

Hoetry

WTSO

Jeff Roberts, Capitol (Madison conference)

* 8:30 am

* Ganelle Thomas
825-2233 ✓ OK

Stevens Point

Thurs. 10/13

Holiday in
Conference room

* Send to survey members after press / cover letter
heard some already - here's a full text
continue to discuss throughout session
our agenda

13th - Thursday

meet w/ ag papers in Stevens Point

788-6311
UW-Osh.
Simon Greese
Little Chute

18th - Tuesday

9:30 press conference - Madison

Prod. Credit

1:00 pm humane society meeting

849-9787

Ray Mueller

705 Maple St
Chilton

podium / table +
15 chairs
20 people at post

19th - Wednesday

9:00 am press conference - Wausau

715
Dave Anderson, Media Advisory
Farmer's Office ↑

12:30 am " " - Green Bay

* invite local press.

2:30 pm " " - Appleton

include process - bottom up

4:30 pm " " - Oshkosh

List dates
... contacts
... responses

of farmers in caucus

~~0 0 0 0 0~~

20th - Thursday

10:00 am Rural Resources meeting

Economics - \$ sense

Why important

Tech -

What does it.

Coalition FFA / Young Farmers
farmer or farm group.

grocery store

human stories

UWEX

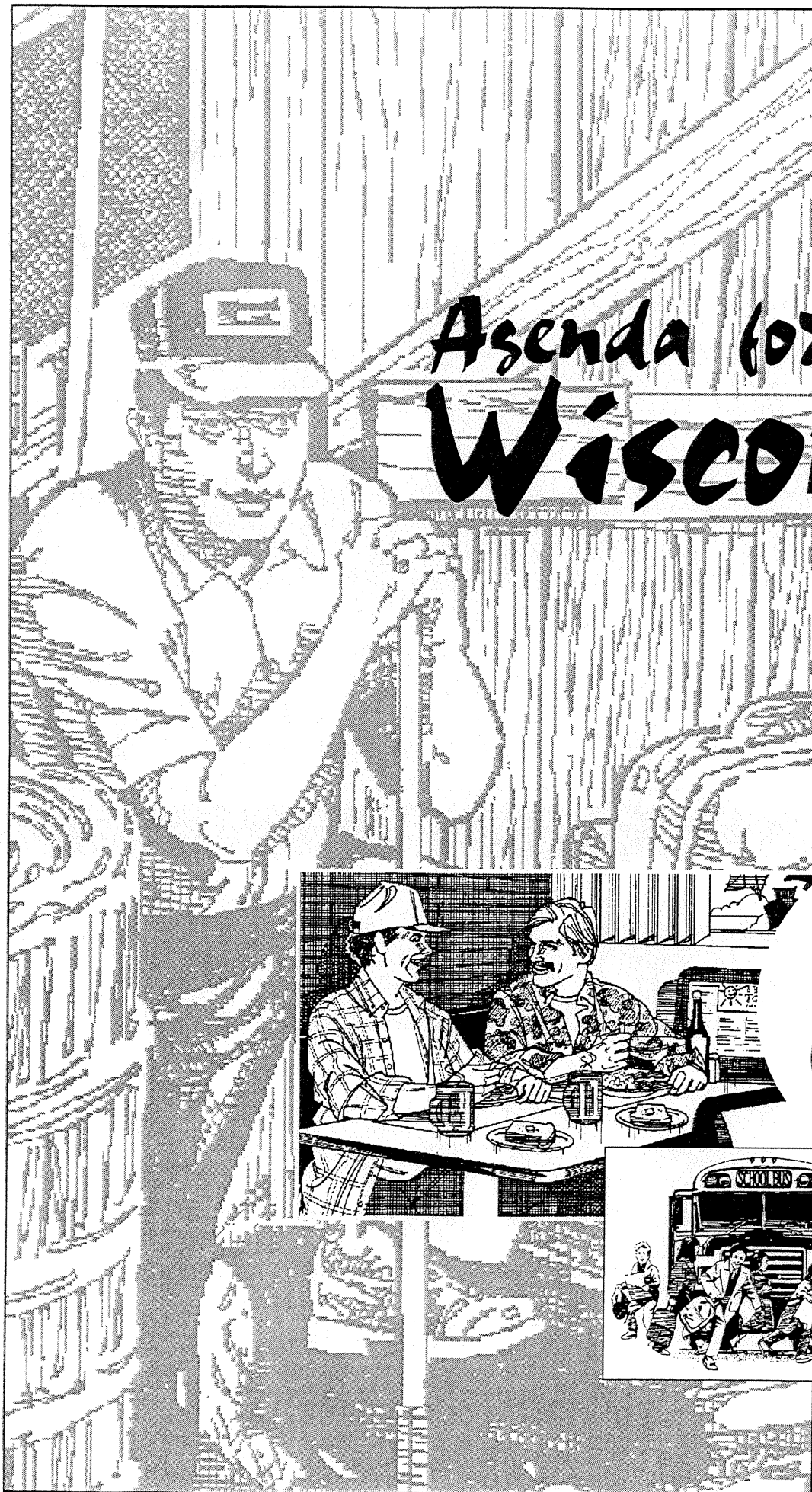
Simon Greese
414-437-4789

Twitter Leg Forum

ASSEMBLY
REPUBLICAN

Agenda for Rural Wisconsin

OCTOBER 1994



A REPUBLICAN AGENDA FOR RURAL WISCONSIN

EXECUTIVE SUMMARY

Wisconsin's character and tradition are bound up with the rural areas of our state. Source of recreation, site of history and support of two of the state's largest industries -- agriculture and tourism -- rural Wisconsin must be healthy for the good of the state as a whole.

Recognizing this, the Assembly Republican Caucus has attempted a survey of the condition, problems and opportunities facing the largest part of our state.

What follows is the product of that survey, a general guide to the direction Assembly Republicans believe the state government needs to take on issues important to rural Wisconsin. Assembly Republicans pledge to take two steps at the beginning of the next session. Should we Republicans become the majority party, we will:

* Create separate committees for Agriculture and Rural Development. While these areas are closely related in some ways, they are very different in others. Development programs impacting small towns are more efficiently considered separately from programs aimed at enhancing farm profitability.

* Install a farmer as Chair of the Agriculture Committee. It is time we had as Agriculture Committee Chair someone who has had first-hand experience with farmers' problems before coming to Madison. A Republican Chair of the Agriculture Committee will lead the way in ensuring that the Assembly looks at farm issues from a farmer's perspective.

During the next session of the Legislature, Assembly Republicans will fight for:

* Full implementation of the property tax cut mandated by the Legislature last spring.

* Continuing sales tax exemptions for farmers' machinery and equipment, as well as other production inputs.

* Taxing farmland at its value for agricultural use, rather than its highest use value.

* Zero-base budgeting for the state government along with maintaining the revenue caps and spending restraints on local governments enacted by the Legislature.

* Expansion of successful state rural economic development programs, including Community-Based Economic Development (CBED) and Rural Economic Development (RED) grants.

* Continued and expanded state help for critical rural infrastructure needs, including better local roads and highways and more health care professionals in underserved areas.

* Establishment of a Property Rights Impact Office in the Department of Agriculture to advise the Legislature on the effect environmental legislation may have on the exercise of private property rights.

Assembly Republicans do not pretend that the state government can solve all the problems in rural Wisconsin. We will not cry doom and disaster at a time when most of the state -- including the rural areas -- is doing well. We also recognize that policy mistakes made in Washington cannot be corrected in Madison. The final section of this document contains some suggestions as to how Congress can help rural Wisconsin in three critical policy areas: dairy, the environment, and health care.

We regard this document as the opening lines in a dialogue with the people of rural Wisconsin. No pledge or promise we can make is more important than this one: with Republicans as the majority party in the Assembly, rural interests will be considered and rural voices heard more than at any time in recent history.

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Wisconsin's character and tradition are bound up with the rural areas of our state. A source of recreation, site of history and support of two of the state's largest industries -- agriculture and tourism -- rural Wisconsin must be healthy for the good of the state as a whole.

Recognizing this, the Assembly Republican Caucus has attempted a survey of the condition, problems and opportunities facing the largest part of our state.

Over the last six months, under the leadership of Representatives Alvin Ott and John Ainsworth, Assembly Republicans have solicited ideas from agricultural and community leaders throughout the state. Caucus members have met to discuss concerns that rural Wisconsinites have raised with them. And, the Republican leadership has given careful consideration to the likely impact of the Legislature's last session on rural residents and rural industries.

What follows is the product of that survey, a general guide to the direction Assembly Republicans believe the state government needs to take on issues important to rural Wisconsin. To ensure that the ideas discussed here, and others raised by rural Wisconsinites, get proper consideration in the next session of the Legislature, Assembly Republicans pledge to take two steps at the beginning of the next session. Should we Republicans become the majority party, we will:

* Create separate committees for Agriculture and Rural Development. While these areas are closely related in some ways, they are very different in others. Development programs impacting small towns are more efficiently considered separately from programs aimed at enhancing farm profitability. When jurisdiction over these subjects was combined in 1993, the concerns of rural Wisconsin were de-emphasized.

* Install a farmer as Chair of the Agriculture Committee. It is time we had as Agriculture Committee Chair someone who has had first-hand experience with farmers' problems before coming to Madison. A Republican Chair of the Agriculture Committee will lead the way in ensuring that the Assembly looks at farm issues from a farmers' perspective.

STATE GOVERNMENT AND RURAL WISCONSIN

As Republicans, we believe effective and responsible government begins with an accurate understanding of people's problems and a realistic understanding of what state government can and cannot do to solve them.

Wisconsin has outstripped the nation as a whole in job creation and economic growth. To a large degree, rural Wisconsin has shared in that success. As of July, not only was the statewide unemployment rate lower than the national rate, but so were the unemployment rates in all but 9 of Wisconsin's 72 counties. Some sectors of the rural economy face serious difficulties -- but most of the state is doing well.

In addition, many of the most vexing problems faced by rural Wisconsinites are the result of federal, not state, government policy. Dairy policy, burdensome environmental regulations and the continuing uncertainty over health care reform are prominent examples. Assembly Republicans are pleased to offer guidance to Wisconsin's Congressional delegation as to what the state needs from the federal government, but Caucus members recognize that policy mistakes by Washington cannot be corrected in Madison.

What, then, is the proper role of state government in the life of rural Wisconsin? It is, first, to recognize that economic prosperity in rural areas can never be taken for granted. Second, state government should understand that a small amount of help can go a long way. Finally, state government must think ahead.

NEVER TAKE RURAL PROSPERITY FOR GRANTED

The sparse population and relative remoteness of rural small towns and villages often forces them to depend on just one or two industries. In Wisconsin this usually means agriculture or, increasingly, tourism. With the lack of a diversified employment base comes increased vulnerability both to cyclical economic downturns and to chronic difficulties in a key industry, such as the Wisconsin dairy industry has struggled with for the last few years.

State government does not cause such downturns and difficulties and cannot always act effectively to cure them. What state government can do is be aware of the added pressure an excessive tax burden places on agriculture, on which so much of Wisconsin's rural economy depends. Relieving that pressure through effective and lasting property tax relief is the single most important step the Legislature can take to bolster the rural economy of our state.

Though property tax relief is the most significant issue for the rural economy, there are others as well. Changes in the broader economy mean changes in the needs of rural communities, to which state government must respond. Three key examples of this are:

* An aging population means more retirees moving away from cities and larger towns to rural areas, thus changing these areas' health care needs. As Glen E. Grady of Memorial Medical Center in Neillsville wrote in his response to the Assembly Republicans' survey, "Seniors tend to retire in communities with readily available primary health care."

* In an era when businesses and schools are taking advantage of rapid advances in telecommunications technology, steps are needed to ensure that rural Wisconsinites have the same access to that technology as residents of urban areas.

* For rural industries to maintain access to existing markets and obtain access to new ones, they have got to have good roads -- and this inevitably means some new construction. The debate over whether mass transit is preferable to more highway construction is largely irrelevant in rural Wisconsin.

While differing from Democrats in our belief that activist, intrusive government should never be the remedy of first resort, Republicans understand that rural Wisconsin has transportation and other needs that only government can supply.

A LITTLE HELP CAN GO A LONG WAY

Supplying rural needs does not always require large and expensive programs. The truth is that economic development in rural areas requires vigorous, committed local leadership. Without such leadership, no amount of outside assistance is likely to have lasting results.

Responding to our survey, Iron County Extension Agent Cathy Teichman writes that "...what seems to work best for economic development is a grassroots approach...supported by input and resources from the state." Manitowoc County Extension Agent Mark Kohrell says simply, "Those communities who were and are currently successful are the ones who have leaders."

In the last few years, many rural Wisconsin communities have shown that a relatively small amount of encouragement, technical advice and, when needed, financial assistance from the State can put a sound economic development plan "over the top."

Faced with the challenges of regional shopping centers, a troubled farm sector, and threatened downtown businesses, rural

towns throughout Wisconsin have mobilized to plan their economic future.

* The Main Street Program has been utilized effectively by larger, and some smaller rural communities throughout the state. The structure of the program and the local involvement required to make it work effectively has begun revitalizing downtowns in places like Antigo, Park Falls and Tigerton. Antigo's Main Street organization will provide \$1.2 million in value-added services to the community, on a budget of only \$75,000.

The Main Street Program was budgeted at only \$456,000 for the 1991-93 biennium. During this period, according to the Department of Development, Wisconsin's 20 Main Street communities attracted 267 new downtown businesses, along with \$60 million in private investment and almost 1500 jobs.

* Rural Economic Development (RED) grants to local businesses are addressing what the Caucus survey of rural leaders identified as a key obstacle to job creation: the availability of capital. The Caucus survey received many favorable comments about this program, along with some criticisms which are discussed in the section on Economic Development.

* The Community-Based Economic Development (CBED) program has made grants and loans to local and county governments and small businesses to encourage economic diversification and the development of small business incubators.

Created in 1990, the CBED program got high marks from Caucus survey respondents for its flexibility and the variety of projects it has assisted, ranging from a marketing study for a Richland Center bakery considering expansion to management assistance for a new restaurant in Black River Falls. Director Jerry Chasteen of the West Central Wisconsin Regional Planning Commission in Eau Claire calls CBED "...extremely vital for rural development. Many communities in west central and northwestern Wisconsin have utilized these funds."

The CBED program was budgeted at just over \$1.58 million for the 1993-95 biennium.

Assembly Republicans support increases in funding for these proven programs within the context of overall fiscal restraint. Even more timely than funding increases would be administrative changes to make grant and loan application forms easier for small business people and rural volunteer leadership to process.

The point to emphasize is that the jobs created and downtowns revitalized with the help of these programs are only secondarily achievements of state government. They are first of all achievements of local leadership, to which the state government has

contributed with compact and carefully designed assistance.

Assembly Republicans stand ready to be a strong partner to local leadership in improving state economic development programs in any way we can.

THINK AHEAD

The last obligation of state government is to think ahead, to try to visualize economic conditions five to ten years down the road and, to the extent possible, prepare people for them. The application of this principle in such areas as highway planning and the telecommunications bill passed by the Legislature in the last session is too obvious to require extended discussion here.

The less obvious areas that matter to rural areas ought to matter to state government. For example:

* Agricultural diversification. In 1992, 57% of Wisconsin farm cash receipts came from the sale of milk. While this is close to the historic pattern in Wisconsin, it doesn't mean that things aren't changing.

The smaller number of dairy farms today means those farm dollars turn over less frequently in local communities. On the outskirts of rapidly growing cities, higher value farm products can help keep some land in agricultural use. Unconventional crops like ginseng are a supplemental source of income for dairy farmers in places like Marathon County. According to the 1994 Wisconsin Agricultural Statistics, the two fastest growing product groups in agriculture over the last five years were in non-traditional areas -- greenhouse and nursery products and poultry other than chickens.

State government can and should encourage non-traditional farm industries as they develop. This can mean major initiatives like encouraging an ethanol production facility to locate in Wisconsin - or modest steps like giving the Agriculture Department rather than the DNR authority to regulate deer farming on enclosed sites.

* New farmers. The average age of Wisconsin dairy farmers is over 50, and many farmers are unable to turn over the farm to their children as has long been traditional. The Department of Agriculture, Trade and Consumer Protection should be commended for its efforts to match beginning Wisconsin farmers with older farmers contemplating retirement through the Exit/Entry program.

But still more must be done. Beginning farmers necessarily start with very limited capital -- not nearly enough to modernize the obsolete facilities that are all they can often afford to buy. At the same time, there are a number of farmers in other areas of the country who have been prompted to sell because of rapidly rising land prices. Some of these farmers have capital, and they

need to be told of the advantages of starting over in Wisconsin.

Kansas and other states that compete with Wisconsin in the national dairy market are seeking this type of farmer. The Wisconsin Department of Agriculture must match their efforts, both for the sake of our state's long-term competitive position and the many older Wisconsin farmers who will very shortly need to have someone to whom they can sell their farms.

* Energy efficiency. The low energy prices that America has enjoyed for the last several years will not last indefinitely. Unlike the 1970s, when oil prices jumped because of political decisions that could be reversed, the 1990s are seeing a rapid growth in global energy use as a result of economic growth in the developing world.

While this growth is fundamentally good news, we must face the prospect that world energy supplies will not increase as quickly as world energy use over the next several years -- and probably for longer than that.

This in turn means higher energy prices, and suggests that state government needs to get serious about energy efficiency. Ground-source heat pumps (or GHPs), which use the heat-absorbing properties of the earth to provide low-cost heating in winter and cooling in summer, are being aggressively promoted by utilities and state governments in Indiana, Oklahoma and other states. Oregon has used GHPs to heat and cool some public buildings since the late 1940s. For technical reasons, GHPs are especially well-suited to rural areas.

Wisconsin has thus far lagged behind in using GHPs to improve statewide energy efficiency, in part because of the Public Service Commission's single-minded promotion of natural gas as the preferred alternative to electricity. But this lost ground can be made up.

As a first step, the Legislature should direct the Department of Administration to conduct trials with GHPs in a small number of state buildings.

If the steps called for above, and in the rest of this report, do not together resemble a Grand Strategy for rural Wisconsin's future, that is quite deliberate. Rural Wisconsin is too diverse, and the power of the state government too limited, for elaborate strategies to be of much use.

Instead, Assembly Republicans view the steps called for here as the opening lines in a dialogue with the residents of rural Wisconsin, about their future and that of our entire state. No

pledge, no promise we Republicans could make about what we would do as the majority party in the Assembly next year has more significance than this: that the interests of rural Wisconsinites will be addressed, and their voices heard more than at any time in recent history.

PROPERTY TAXES

The Legislature took a great and momentous step in the last session by mandating that Wisconsin move away from reliance on the property tax to fund our schools. The historic shift to other sources of revenue to fund two-thirds of education costs is the first and most necessary step toward ensuring the future vitality of rural Wisconsin communities.

The interest of rural Wisconsin communities is in seeing full implementation of the property tax cut, without diversion or delay.

Following-up the Legislature's action will require a thorough reappraisal of state government spending, and consideration of alternate revenue sources as well. It is vital that what rural Wisconsin has gained through property tax reduction not be lost in this follow-up.

Specifically, this means:

* We must preserve agriculture's historic exemptions for machinery, equipment and other production inputs like fuel, feed and fertilizer. The reason for this is practicality, not tradition. Agriculture is a capital-intensive industry, the only large industry many areas of Wisconsin can expect to sustain -- and farmers, unlike most other businesses, have no way to pass along increased costs to consumers.

The Coalition of Wisconsin Agriculture, a statewide group of farm organizations, correctly observes that:

"Production inputs used for crop and livestock operations must remain exempt from the sales tax because these inputs are comparable to sales tax exempt inputs used by other manufacturing industries."

* Assembly Republicans support use value assessment for farmland. Assessment at highest use value places an unwarranted burden on farmers. Just as important, it complicates local land use planning for orderly growth by putting pressure on farmers to sell out as soon as their land becomes attractive for development. The Land Use section of this report discusses this idea in more detail.

* Other suggestions that have been made to make property taxes fairer to rural Wisconsinites need to be evaluated in the light of the Legislature's action. Because this action will only reduce, not eliminate, property taxes, we cannot dismiss such ideas as reform of the Farmland Preservation Program, expansion of Farmland Tax Credits, or reduced taxation of farmland.

* Assembly Republicans insist on the need to maintain the revenue caps and spending restraints enacted by the Legislature. To backslide in any way on this point would undo all the progress that has been made toward lessening the burden of property taxes on all Wisconsin taxpayers. We simply can no longer afford to allow local government spending to drive statewide taxation.

CONTROLLING SPENDING

Controlling overall state government spending is central to nearly everything Assembly Republicans want state government to do in the next few years. Without vigorous efforts to reduce spending, property tax relief can only be achieved at the unacceptable cost of massive increases in other taxes.

Assembly Republicans advocate an approach to state spending governed by the principle of zero-base budgeting. It has been argued that perhaps the most powerful force in government is inertia -- the tendency to do things the way they have always been done. This can mean preserving programs simply because they have always been there, long after their usefulness has ended. Certainly there are many examples of this in the federal budget.

Under zero-base budgeting, each state agency would be required to justify each of its programs, not just the changes it proposes to make in those programs as is now the case.

It will not do to overstate the likely impact of this step. Almost 80% of the state budget is composed of aids to local governments and direct payments to individuals under Medicaid, AFDC, and other federal and state programs. There is no line-item in the budget for waste, fraud and abuse; there is no such thing as a painless spending cut.

But before the Legislature asks Wisconsin taxpayers to shoulder the burden of making up lost property tax revenues, it has an obligation to examine all state spending from the ground up. Only in this way can we ensure that taxes are as low as we can make them.

LAND USE

Land use planning is a key issue for many Wisconsin communities, especially those enjoying economic growth. The natural tendency, when a local economy is doing well, to site a new or expanded business wherever that business wants to go, is often the path of least resistance to a local government in the short term.

This tendency's cumulative effect, though, can be to encourage unsightly sprawl, traffic congestion, strain on public services, and other urban problems. Making Wisconsin towns better places to work shouldn't make them less attractive places to live.

Discouraging growth is undesirable; mandating comprehensive land use planning at the state level is neither desirable nor practicable. The state can, however, do a number of things to encourage land use planning that makes sense for the diversity of communities in Wisconsin. These can include:

* Taxing farmland at its value for agriculture, rather than its highest use value.

Some farmland in rapidly growing regions like southeastern Wisconsin, Dane County, and the Fox River Valley is going to be developed -- farmers will not continue forever to grow corn on land they can sell for several times what they paid for it. What use value taxation can do is reduce the tax pressure on farmers to sell immediately, thus giving local governments extra time to plan development and preserve open spaces in growing areas. Most states already use a use-value assessment system in some form.

* Providing technical assistance to communities that want to plan development of their downtown areas, through the Main Street and other programs.

Declining downtowns weaken the sense of community that is one of the most attractive features of life in rural Wisconsin. When coupled with unplanned commercial development on a town's outskirts the result can be more tangible problems like increased automobile traffic. Some smaller communities reported difficulty raising the local financial resources needed to use the Main Street Program to plan growth. But our survey got more comments like those of Peter Dahm, Community Development Director of River Falls:

"I can honestly say that the Main Street Program here in River Falls remains vital and has been instrumental in making many physical changes in our downtown area, both to public and private property, and has been a stabilizing force within the Business District."

* In addition to technical assistance, the state can aid local planners with information.

"The Wisconsin Department of Revenue has refused to release municipal-level sales data, which hampers local trade area analysis," according to Shawano County Extension Agent James Resick. This is a persistent complaint from the Extension agents who work with rural communities on planning and economic development projects.

While business confidentiality concerns must be respected, DOR needs to recognize that responsible planning begins when local governments have a clear picture of the local economy -- and retail sales information is essential to forming such a picture.

Assembly Republicans will be prepared to consider legislation on this subject in the next session, but hope this will not be necessary.

Finally, many Assembly Republicans have heard constituents express irritation about the removal of land from local property tax rolls. Such removals can come about through tribal land purchases financed with gambling revenues, annexations by neighboring towns, or state road construction projects.

The removal of land from local property tax rolls can greatly increase the burden on rural residents of paying for needed government services. However, while anecdotal information about this problem is widespread, no attempt has been made to systematically assess its extent, and recommend a solution.

Assembly Republicans intend to ask the Department of Revenue to assess the impact on local governments of removing land from property tax rolls. This assessment should consider removal resulting from land purchases by Indian tribes, as well as other causes.

ECONOMIC DEVELOPMENT

Planning for growth is useless without the growth. Economic development in rural areas can take many forms. It can result from improvements in the farm economy, the desire of retired people for a rural lifestyle, or improvements in the public infrastructure.

Tourism has lately been the driving source behind economic development in many parts of rural Wisconsin. Our state's natural beauty, magnificent scenery, many lakes, and year-round recreational opportunities have drawn a rising tide of visitors from neighboring states and around the nation.

Wisconsin's guests have brought dollars to rural Wisconsin communities from Door County to the Dells and from Superior to Shawano. Wisconsin tourism has become a \$5.5 billion industry. It has brought jobs to areas that cannot easily support any other industries, and has been the economic salvation of many small communities, especially in the northern part of our state.

But tourism is not the answer for all rural Wisconsin communities. Wisconsin has made large, quick gains by promoting tourism, but must work at other kinds of economic development a little at a time.

Many rural towns have suffered in recent years from the troubles in the farm economy and the rise of large discount retail stores that tend to be located outside of downtown areas. The state can help with carefully targeted assistance to the small businesses that provide most of the jobs in rural Wisconsin.

The Assembly Republicans' survey of rural leaders produced many favorable comments about the Main Street, Community-Based Economic Development (CBED) and Rural Economic Development (RED) grants, and other state programs.

There was also some criticism of RED program restrictions that, for example, permitted grants to fund plans for expansion but not always the expansion itself; applications that were cumbersome to fill out for business people unused to working with government; and terms that made it difficult for businesses not facing pressing financial distress to obtain assistance.

In short, the Caucus survey suggested that the RED program could be improved by making it easier to use and expanding the number of purposes it can be used for. The Caucus intends to pursue the needed changes through legislation next year.

The state government should also look at encouraging new industries to take root in rural areas. Energy-related industries are one possibility.

Wisconsin imports the vast majority of the energy it uses. While this is inevitable for a state without large resources of oil, coal or natural gas, rural Wisconsin has energy sources that should be developed. One of these is ethanol.

Ethanol, made from corn and certain other crops, is a clean-burning, renewable fuel. According to the U. S. Environmental Protection Agency, increasing the use of ethanol in gasoline could help alleviate air pollution in urban areas. Increased ethanol use would also provide another market for corn, meaning higher and more stable prices for corn producers.

Though it is a major corn-producing state, Wisconsin has no major ethanol production facilities. An ethanol plant in southwestern Wisconsin could draw on a plentiful supply of Wisconsin corn as well as corn from nearby states. A study prepared last year for the Department of Agriculture, Trade and Consumer Protection estimated that Wisconsin could support a plant producing up to 200 million gallons of ethanol.

Assembly Republicans believe encouraging the construction of an ethanol production plant in Wisconsin should be an economic development priority for the state government.

RURAL HEALTH CARE ACCESS

The Caucus's survey of rural health care providers indicated widespread concern about the future availability of physicians and other health care professionals in rural areas.

Daniel Manders of the Mile Bluff Medical Center in Mauston writes that the big difference between his facility's situation in the 1970s and today is physician supply. Dennis Tomczyk of The Monroe Clinic observes that

"It is difficult to recruit primary care and specialty care physicians because 60-70% of these physicians choose to establish their practice in a metropolitan area."

This is not a new problem, especially for people in more remote areas. Nor would it do to overstate the case -- there are not now large numbers of rural Wisconsin residents barred from needed health care services because there are no doctors available. Not being faced with a crisis now, however, is no reason for state government to wait until there is one.

There is reason for concern about the future. The national trend for some time has been for medical students to gravitate toward medical specialties rather than family practice. In addition, the skyrocketing cost of malpractice insurance is chief among several factors deterring physicians from the practice of obstetrics.

Because of these national trends, Wisconsin has seen an increase in the number of federally-designated Health Professional Shortage Areas (regions with a ratio of more than 3,500 residents to every one primary care physician) from 20 in 1980 to 54 this year. Most of these so-called HPSAs are in rural Wisconsin.

Wisconsin has one program in place directed at this problem. The Physician Loan Assistance Program (PLAP) offers physicians and other health care professionals assistance in repaying medical school loans in return for their agreement to serve in medically underserved areas of the state. To date, 53 primary care physicians have been granted awards under this program, most of whom have ended up serving in rural areas. The Legislature last year authorized a similar program offering assistance to nurses, physician assistants, and certified nurse midwives. This program should begin making awards by next spring.

While these programs by themselves cannot fill the need for health care in rural Wisconsin, PLAP has been successful thus far. The Caucus is prepared to consider seriously the expansion of both

programs to encourage more health care professionals to practice in rural areas.

TRANSPORTATION

An undercurrent to most of the material the Caucus collected in its survey of rural leaders is the necessity of an adequate infrastructure. No element of infrastructure is more essential to rural economic growth than good, dependable roads.

Farmers and manufacturers seeking access to markets, resort and other communities in search of tourist dollars, and rural residents in need of health care and public services all depend on the road network. In densely-populated areas it may be possible to plan for alternatives to highway transportation. In rural areas it is not. Nor would it be prudent to proceed with a statewide transportation plan that assumed the entire state shared the air quality problems of southeastern Wisconsin.

While the Department of Transportation is proceeding on a number of worthwhile construction projects, the Caucus considers two among them to have special importance for rural Wisconsin. These are the conversions of Highway 29 between Green Bay and I-94 and Route 151 between Columbus and Fond du Lac to four-lane highways. Timely completion of these already enumerated projects would have especially beneficial effects on rural development opportunities in large areas of our state.

In addition, the Caucus calls for the Transportation Projects Commission to give the conversion to a four-lane highway of USH 151 between Dickeyville and Belmont, in southwestern Wisconsin, the highest priority among possible future projects. This is a Corridors 2020 Backbone route in a heavily agricultural part of Wisconsin now remote from four-lane thru highways.

Important as major highways are, of course, most rural residents depend for everyday transportation on local roads. Translinks 21, the Department of Transportation's long-range plan for Wisconsin's transportation infrastructure, proposes substantial increases in local road aids. These increases would come in the form of higher per-mile reimbursement, higher shared cost aids and larger contributions to the Local Road Improvement Program.

While specific funding levels will need to be worked out over time, Assembly Republicans endorse Translinks 21's push toward higher local road aids.

ENVIRONMENT

Regulatory agencies are never popular. While regulation in general -- of financial institutions, working conditions, or actions affecting the environment -- is usually supported by the public, the application of specific regulations often is not.

Caucus members from rural Wisconsin have received much comment from their constituents on this subject, most of it directed at the Department of Natural Resources. There is a strong sense that environmental laws and regulations should not be enacted with the assumption that they will have no impact on the value of private property.

The idea of requiring the state government to pay compensation whenever a regulatory action negatively impacts the value of property owned by a farmer or other rural resident has also been raised. This idea has profound implications, since nearly everything government does affects the value of someone's property in some way -- both positively and negatively.

Determining which cases call for compensation would involve great difficulty, as would raising the funds needed to pay compensation claims. There is also this question: if some environmental objective -- preserving wetlands, or attaining a certain level of water quality -- is thought unimportant, is it preferable to amend the relevant laws to say that, or keep the lofty goals while making them impossible to achieve?

Philosophy aside, the truth is that most of the environmental regulations DNR has to enforce are based on federal law. State action impeding enforcement of the Clean Water Act or other federal legislation would not survive court challenge.

What can be done is to raise awareness that environmental laws do have consequences for property rights and values. To do this, Assembly Republicans propose to:

Establish a Property Rights Impact Office in the Department of Agriculture that would be charged with doing an assessment of the impact on property values of environmental legislation and regulations.

Rather than making this office a permanent addition to the state bureaucracy, it should be established for a two-year period. In addition to submitting a comprehensive report to the Legislature on property rights in Wisconsin at the end of that time, the Property Rights Impact Office would be authorized to testify before the Legislature on the impact on property rights of new state

environmental legislation.

Related to the issue of the laws DNR is given to enforce is the way that enforcement is carried out. The same things this report notes in the section on federal policy with respect to federal environmental policy applies at the state level too: command-and-control regulation is not enough.

Much progress has already been made by both DNR and DATCP in providing outreach, technical assistance, and in some cases financial help to farmers seeking to comply with regulations related to water quality, non-point source pollution, disposal of hazardous materials, and other problems. More remains to be done.

Environmental regulations usually have deadlines for compliance; to meet these deadlines, farmers must be able to get clear, accurate, and timely answers to their questions from state personnel who understand their situation. Too often they cannot -- and too often they are subject to regulation from more than one agency.

Lack of inter-agency communication often leaves the regulated community caught in the middle and is the source of much irritation throughout rural Wisconsin. The Assembly Republicans recognize that this problem is better addressed through administrative action than through legislation, but will consider legislation if progress is not made.

State environmental regulators must be required to be familiar with all the regulations rural Wisconsinites have to comply with, not just the ones each regulator is directly responsible for.

Enforcing this requirement will be a burden on DNR, DATCP, and other state agencies. It is necessary to make state regulators appreciate the burden the private sector faces from a multitude of environmental regulations.

Federal Policy: Is Anybody Listening?

Residents of rural Wisconsin are not the only people to express frustration at the length of time it takes for Congress to address pressing issues. The Caucus recognizes the complexity of such fields as health care and environmental policy -- and how difficult it is to legislate at the national level without strong, decisive Presidential leadership.

While the nation waits for Congress, though, real needs go unaddressed, and problems can become crises. Several cases in point directly impact rural Wisconsin. Accordingly, the Caucus implores Congress to act in the following areas:

Dairy Policy

What experts predicted years ago has happened: Wisconsin's dairy industry is fighting for its life. Federal dairy policies that encourage expansion of both production and processing capacity in Texas, California and other states have caused prices to stagnate here. The Wisconsin industry's market share -- over 18% of the nation's milk production in 1983 -- has slumped to about 15%. The number of Wisconsin dairy farm families forced to leave the industry continues to rise.

The Clinton Administration has fought attempts in federal court to bring milk marketing orders in line with modern economic realities. Since dramatically worsening the situation by raising guaranteed fluid milk prices for southern dairy farmers in 1985, Congress has folded its arms and done nothing.

Wisconsin, and the Upper Midwest generally, has more dairy farmers than any place else in America. Nowhere else in America is dairy more important to a state's economy than it is here in Wisconsin. If federal dairy programs are not helping Wisconsin dairy farmers, there is no reason to have them at all.

The Assembly Republican Caucus questions whether federal milk marketing orders have not outlived their usefulness. At a minimum, the Caucus calls on Congress to establish one uniform minimum fluid milk price in all areas covered by federal orders.

Environmental policy

It appears as if Congress will again fail to reauthorize either the Clean Water Act or the Safe Drinking Water Act this year. Farmers, rural businesses, and local governments are all regulated under these laws, and compliance is an increasingly difficult challenge.

When Congress first began passing environmental legislation in the 1970's, the focus was on a relatively small number of large industries and other pollution sources. Congress took the view that these sources had the resources in money and know-how to reduce the pollution they caused if EPA told them to do so. As a result, federal environmental legislation has tended to emphasize enforcement and prescriptive regulation.

This approach has been successful in many ways, especially where the Clean Water Act is concerned. But today's pollution problems -- especially in rural areas -- are very different from those we have addressed so far.

First, solving rural water quality problems means regulating a large number of small pollution sources, not a small number of large pollution sources. Much pollution of rural waters does not come from the end of a pipe, but from so-called non-point sources -- mostly farms.

Detailed regulation and swift punishment for violators is not the best way to address rural water quality problems. What is needed instead is outreach and technical assistance by EPA, DNR, and other government agencies to show farmers the most effective ways of reducing harmful pollution from farm facilities.

Farmers care about their land and the water on and around it; most respond positively to suggestions on how to improve the local environment. Regulation and enforcement should be reserved for the minority who don't.

Second, small rural communities find it harder to address water quality problems than larger towns and cities. The small size of their tax base makes it difficult or impossible for them to fund major projects to treat wastewater or purify drinking water to the degree called for in federal regulations.

In many cases technical assistance may help some rural communities to find less expensive ways to secure clean water. However, many smaller rural communities will not be able to provide their residents with the clean water they deserve without financial assistance from Washington.

It is essential that some provision for financial assistance to small rural communities be incorporated in both the Clean Water and Safe Drinking Water Acts when Congress acts next year to reauthorize these laws.

Third and finally, there is not vastly more pollution in rural America than there was 25 years ago. However, there is vastly more pollution control regulation for rural Americans to comply with.

Congress deals with environmental issues one at a time. There is separate legislation for surface water pollution, drinking water, hazardous waste, clean air and a variety of other environmental problems. In the organizational train wreck that is the Democratic House of Representatives, the Clean Water Act and Safe Drinking Water Acts are the province of two separate committees that share no members and no staff.

Laws are passed -- and implemented by EPA -- as if each law were the only one farmers, small business owners and local governments had to comply with. State agencies like Wisconsin's DNR are directed to implement federal laws and given a fraction of the money they need to do it properly. The cumulative burden of federal environmental mandates on the private sector and local governments is actually beginning to undermine public support for laws protecting the environment.

Reform is needed if Congress is interested to doing more than posturing to protect the environment. This means:

ORGANIZATIONAL REFORM:

* Environmental legislation should be made the responsibility of just one House Committee, not several of them.

* Congress should require federal regulators to be familiar with all the laws and rules that the private sector and local governments have to comply with, not just the few each regulator is directly responsible for.

SUBSTANTIVE REFORM:

* Rural local governments would find it less costly and difficult to comply with the Safe Drinking Water Act if it were amended to focus on contaminants known to be harmful to people, as opposed to chemicals known to be harmful to laboratory mice if consumed in massive quantities.

* When Congress directs state agencies to enforce federal law, it must provide them with enough federal money to do a good job.

Health care policy

Rural Wisconsinites have the same health care needs as other people. They should have the same access to health care as other people.

This principle should guide the Wisconsin Congressional Delegation as it considers reform of our national health care system. Most people in rural Wisconsin have access to excellent health care now; some do not, and the overall cost of that care is

and should be a cost of continuing concern.

Beyond these basic principles are many complex questions as to how to maintain the quality of care, expand access to it, and control and ultimately reduce its cost. In its survey of rural health care providers, the Caucus found strong concern about:

* The adequacy of Medicare reimbursements to rural hospitals. Most rural hospitals lack access to a large number of privately-insured patients to whom costs can be shifted if Medicare reimbursement proves inadequate. The growing proportion of elderly in parts of rural Wisconsin make this an especially serious problem for some hospitals.

* Difficulty in attracting primary care physicians and other health care professionals to rural areas. Elsewhere in this report the Caucus suggests a means for the state government to encourage more doctors to serve rural Wisconsin. While replacement of expensive diagnostic and other medical equipment is a concern, rural health care providers seem to worry less about the adequacy of their facilities than about the future supply of doctors.

* The growth of "hub and spokes" provider networks, in which the many hospitals throughout Wisconsin establish referral relationships with rural doctors and clinics. Many health care providers welcome these networks as an efficient way to provide affordable care to a dispersed population. Others see large health care systems posing a threat both to people's ability to choose their own doctor and to local control of local hospitals. As Paul A. Miller, President of Memorial Hospital in Burlington, notes:

"Clearly we would prefer to have health decisions affecting the Burlington community be made in Burlington and not in some distant city."

In addition, a continuing concern is the fact that farmers still cannot deduct the full cost of their health insurance on their federal income tax. Farming is not only an absolutely necessary occupation but a relatively hazardous one -- farmers' insurance premiums tend therefore to be high. Yet Congress continues to act as if making farmers' insurance premiums deductible was some kind of special favor to agriculture.

Congressional action was necessary to extend the 25% deductibility of health insurance premiums for farmers and other self-employed people. By doing nothing at all on health care reform, Congress and the Clinton Administration have let that limited deductibility expire. It is just this kind of careless disregard for people's everyday problems that make many wonder if Congress listens to what its Members hear from their constituents.

A variety of factors alter the functioning of market forces in

the health care field, not least of which is government's already prominent role through Medicare, Medicaid and other programs. But concern over continued access and rising costs is forcing changes in the health care system, and will continue to do so whether Congress ever acts on health care reform or not.

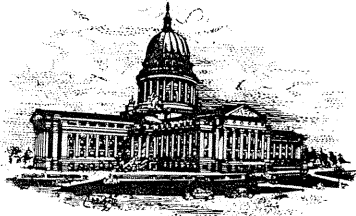
The rapid pace of these changes, and the many strengths of the existing health care system, strongly suggests that gradual reform of the system's most obvious faults would have been the most prudent course for Congress to take this year. No one in rural Wisconsin gains by the continuing uncertainty as to whether Washington is about to turn the whole system upside down.

The Assembly Republican Caucus urges Congress to look on reform of the health care system -- fully one-seventh of the nation's economy -- as an ongoing work in progress. Congress should begin by addressing the problems on which most people can agree, such as ensuring portability of health insurance and coverage for pre-existing conditions.

The debate over how to arrive at universal health care coverage will take more time, as any debate over such a difficult and complex subject ought to. The need to reduce the overall cost of care to the economy should never leave Congress's agenda, however long the debate over health care reform lasts.

In conclusion, Assembly Republicans are aware that rural Wisconsin's needs are not the only things Congress has seemed unresponsive to in recent years. Such unresponsiveness has come to be identified with Congress as an institution -- but it might better be recognized as inevitable when the party that controls Congress knows it will continue to do so whether the people's business gets done or not.

The Democrats have controlled the Senate for the last eight years. Incredibly, they have controlled the House of Representatives since the elections of 1954. Any party controlling a legislature for that long develops a sense of entitlement, a deep-rooted belief that it deserves power because it has always had it. If Congress seems as if it isn't listening, perhaps that is because its Members think they don't need to.



Wisconsin Legislature
Assembly Chamber

P.O. Box 8952
Madison, WI 53708

November 10, 1994

Mr. Michael Theo
Vice President for Public Affairs
Wisconsin Realtors Association
4801 Forest Run Road, Suite 201
Madison, WI 53704-7337

Dear Mr. Theo:

Thank you for your letter expressing concern about the proposal to establish a Property Rights Impact Office in the Department of Agriculture.

The Assembly Republican's Agenda for Rural Wisconsin was intended to appeal to residents of rural areas of the state. That is why we recommended that the office be established in DATCP. We did not realize that other Republican lawmakers were drafting legislation to establish a similar office in the Department of Administration.

We would be very willing to meet with you and other interested parties to discuss the appropriate agency to oversee the Property Rights Impact Office. As we explained when the Rural Agenda was released, the document is not written in stone. Rather, we hope it is the beginning of an on-going dialogue with the rural people of this state.

Please call our offices to arrange a meeting date and place.

Sincerely,

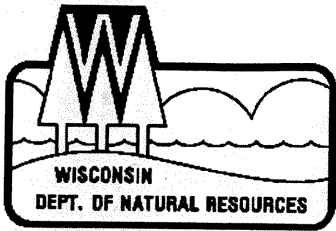
A handwritten signature in dark ink, appearing to read "John Ainsworth".

JOHN AINSWORTH
State Representative
6th Assembly District

A handwritten signature in dark ink, appearing to read "Alvin Ott".

ALVIN OTT
State Representative
3rd Assembly District

cc: Roger Cliff
Jerry Deschane
Gary Drzewiecki
Sheryl Albers



George E. Meyer
Secretary

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

101 South Webster Street
Box 7921
Madison, Wisconsin 53707
TELEPHONE 608-266-2621
TELEFAX 608-267-3579
TDD 608-267-6897

November 28, 1994

Speaker-elect David Prosser
21 North
State Capitol

Handwritten initials

Representative Al Ott
318 North
State Capitol

Representative John Ainsworth
418 North
State Capitol

Gentleman:

Congratulations! I have read the Assembly Republican Agenda for Rural Wisconsin and find it to be one of the most thoughtful, well-written reports on issues and problems facing rural Wisconsin that I have read.

I was particularly impressed with the number of agricultural organizations surveyed, the amount of time obviously spent analyzing the information, and the day spent by your Caucus exchanging ideas and adding their own ideas. The staff work of Kim Riese, Delora Newton and Joe Britt was exemplary...their work made the report very easy to read and understand.

Issues that I have a particular interest in, and pledge to work with you on, are land use, protection of private property rights, educating my staff so that they are familiar with all regulations that rural Wisconsinites have to comply with, and helping wherever I can with Federal Agencies and National Legislation. Please feel free to call on me, each of you, if you feel that I can offer any assistance.

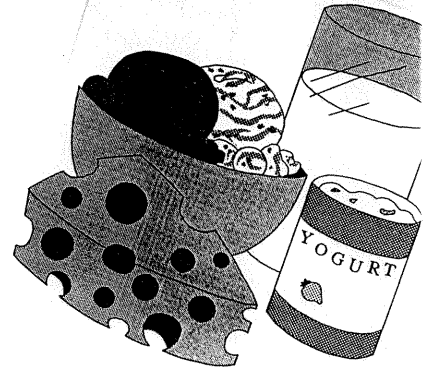
I can say that after reading your report I am truly looking forward to the upcoming Legislative session and working with you to address these rural issues as well as the other natural resources issues we will face. Again, I compliment you on this outstanding document.

Sincerely,

George

George E. Meyer
Secretary

AGRICULTURE 1995...



AGRICULTURAL PROFITABILITY

*CO-OPS CALL FOR
MILK ORDER REFORM*

Dairymen told to chart own destiny

BGH Label Bill

Downward trend in young farmer numbers

'Dairy 2020'

Rural health must be addressed

*GOVERNOR SIGNS
PECFA LEGISLATION*

Agricultural Organizations
TOP 10 (Plus One)

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

TAXES

CATTLEMEN'S ASSOCIATION

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

WI FARM BUREAU FEDERATION

- *Support more reliance on sales and income tax to support education
Support STOP campaign to get school taxes off property
Urge the elimination or significant reduction of the property tax levied for the VTAE System and the substitution of state collected revenues
Support limiting the amount of property taxes that can be levied by all units of government using property tax as a revenue source.
Support legislation that will provide fair market value in agricultural use taxation of agricultural land. Also, classify production agricultural land as a production tool and hence it is tax exempt.
Work to achieve real estate tax parity in county, state and nation
Urge that all materials used directly in farming be tax exempted
Recognize that government owned properties and federal trust lands share in the cost of local services by paying taxes equal to taxes paid on similar privately owned property
Urge that all real estate make a payment for municipal services
Strongly support phase out of inheritance and gift taxes

- *Support continuation and improvements in Farmland Tax Relief Credit
Recommend that the Farmland Preservation Act be revised to provide greater property tax relief to more farm families and family farm corporations and urge that: the income and property tax limits be increased; the \$25,000 ceiling on depreciation be eliminated or increased; the minimum credit be increased; farmers residing in towns that are decertified should be allowed to enter into farmland preservation agreements and receive a portion of the available credit.

Urge that the Farmland Preservation Program Formula be modified to provide additional credits or that tax credits be made available to all farmers who implement or incorporate approved soil conservation erosion and pollution abatement programs.

- *Support use-value assessment
Support eliminating the adding back of depreciation in calculating income and credits under the Homestead Tax Credit Program
Oppose mandating each county to adopt the county assessor system

FARMERS UNION Milk Marketing Cooperative

- *Support a shift to other sources of school funding based on ability to pay
Seek reform of current policies which encourage wealthy non-farm investors to buy into drylot dairy operations and other industrial type agricultural ventures for tax write-off purposes

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

WI SOYBEAN ASSOCIATION *Support fundamental property tax reform because soybean producers in Wisconsin are not as competitive with soybean farmers in neighboring states due to high property taxes
Believe that true property tax reform cannot take place unless state and local government spending and education spending is controlled

WI TOWNS ASSOCIATION *Provide a major new K-12 school aid funding system to the school districts in distressed rural communities are located to insure at least average per teacher and per student expenditures (also, provide statutory definition of a distressed rural community)

WI AGRI-BUS. COUNCIL *Revise state taxing policy to more equitably assess taxes as to the amount of services required and to redistribute the education tax base to other methods of financing
Agricultural property tax puts WI agriculture and its products at an economic disadvantage with other producing areas

*Agricultural land in WI being valued at the highest use potential rather than at its value for producing agricultural products carries an additional burden of property taxes

*Request the legislature to review all state laws and actions which require the imposition of higher property taxes due to inadequately and/or unfunded state mandates

WI LIVESTOCK BREEDERS *Property taxes place an unfair burden on farmers as it has little to do with the ability to pay
There is a REAL and IMMEDIATE need for greater farm property tax equity and the 1994 Legislature should make their top priority taking much of the school tax off farmers

*The sales tax on production inputs, including supplies, service and electricity for agriculture and business should not be considered as a replacement for the property tax for these inputs are necessary to create positive growth in our state's economy

ENVIRONMENT

CATTLEMEN'S ASSOCIATION *Oppose DNR authority to issue environmental citations
Oppose exceeding current federal guidelines for Clean Water Act
Support sound land and water management practices which do not unnecessarily impinge on the farmer's right to earn a living and if legislation is enacted that impinges on this right, the state should bear the cost

*Urge that any new legislation to regulate wetlands allow and recognize environmentally sound agriculture practices to continue

*Support the used of ethanol in state owned vehicles