

Fiscal Estimate Narratives
COMM 3/1/02

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| LRB Number 01-4560/1 | Introduction Number SB-445 | Estimate Type Original |
| Subject Family farm protection package | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill limits recipients of Rural Economic Development Grants for starting, expanding or modernizing a dairy farm to those with dairy herds that are at or below the statewide average dairy herd size. The bill also authorizes the Department to award loans for farm operating costs and for the costs of starting agricultural based businesses.

The Department is likely to be able to absorb the additional costs generated by this bill. The bill will require the Department to update all program literature and materials to reflect changes to the program. The Rural Economic Development Program has the authority to award loans for working capital and fixed asset purchases; it is unlikely that this provision will have a fiscal effect on the program. There are 77,000 farms in the state of Wisconsin with an average dairy herd size of 75 cows. It is indeterminable what effect this bill will have on the number of applications received by, and awards made from, the Rural Economic Development Programs.

Long-Range Fiscal Implications