



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-1429/P4
MCP&KP:cjs

DOA:.....Potts, BB0477 - Agricultural assistance appropriation/block grant
FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
AGRICULTURE

Food security and Wisconsin products grant program

This bill allows DATCP to provide grants to food banks, food pantries, and other nonprofit organizations to purchase Wisconsin food products.

Farm to School program: preference to districts with high free or reduced-price meal eligibility

The bill requires that in awarding grants under the farm to school program DATCP must give preference to school districts that have a high percentage of students who are eligible for free or reduced-price meals under federal law. Current law requires DATCP to promote farm to school programs, which connect schools with nearby farms to provide children with locally produced foods in school meals.

Farm to Fork program

The bill creates a farm to fork program, similar to the existing farm to school program, to connect entities, other than school districts, that have cafeterias to nearby farms to provide locally produced foods in meals and snacks, to help the public develop healthy eating habits, to provide nutritional and agricultural education, and to improve farmers' incomes and direct access to markets. Under the bill, DATCP may provide grants to entities for these purposes.

Small farm diversity grant program

This bill authorizes DATCP to provide grants to farmers that have been in operation for at least a year and that made less than \$350,000 in gross cash farm

income in the year before applying for a grant. Grants may be used to develop a new agricultural product or increase production of an agricultural product; to pay for start-up costs for new agricultural production operations; to research and develop new uses for food, feed, and fiber products; to develop on-farm processing of agricultural commodities; or to develop an agritourism venue. Grants must be for at least \$5,000 but no more than \$50,000.

In awarding grants, DATCP must give priority to applications that develop a business plan with market research and income projections; demonstrate a high probability of increased revenue, job creation, or enhanced viability; feature research that is innovative and commercially plausible; demonstrate a high probability of rapid commercialization; or demonstrate a commitment for funding from other private or public sources or from the applicant.

A grant recipient must provide matching funds of 30 percent of the amount of the grant and must submit annual reports to DATCP documenting grant money expenses and results.

Value-added agricultural practices

The bill allows DATCP to provide education and technical assistance related to producing value-added agricultural products. Under the bill, DATCP may provide education and assistance related to organic farming practices; collaborate with organic producers, industry participants, and local organizations that coordinate organic farming; and stimulate interest and investment in organic production. The bill also allows DATCP to provide grants to organic producers, industry participants, and local organizations, which may be used to provide education and technical assistance related to organic farming, to help create organic farming plans, and to assist farmers in transitioning to organic farming. The bill also authorizes DATCP to provide grants to entities to provide education and training to farmers about best practices related to grazing. DATCP is also authorized under the bill to help farmers market value-added agricultural products.

Grants for hiring farm business consultants

The bill authorizes DATCP to provide grants to county agriculture agents of the University of Wisconsin-Extension to help farm operators hire business consultants and attorneys to examine their farm business plans and help them create farm succession plans.

Technical assistance for resource conservation

The bill also creates a resource conservation technical assistance program in DATCP for providing technical assistance to farmers related to increasing or maintaining agricultural yields while promoting soil health, water quality, and regenerative agricultural practices and for providing grants to local governments, nongovernmental organizations, federally recognized American Indian tribes or bands, businesses, and individuals.

Grants for meat processing facilities

The bill allows DATCP to award grants to meat processing facilities for the purpose of promoting the growth of the meat industry in this state.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 20.115 (3) (at) of the statutes is amended to read:

20.115 (3) (at) *Farm to school program administration.* The amounts in the schedule for promotion of farm to school programs under s. ~~93.49~~ 93.61.

SECTION 2. 20.115 (4) (am) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 3. 20.115 (4) (as) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 4. 20.115 (4) (d) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 5. 20.115 (4) (dm) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 6. 20.115 (4) (f) of the statutes is created to read:

20.115 (4) (f) *Agricultural assistance programs.* Biennially, the amounts in the schedule to provide grants under ss. 93.40 (1) (g) and 93.60 to 93.68.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 7. 93.01 (14m) of the statutes is created to read:

93.01 (14m) “Regenerative agricultural practice” means an agricultural management technique designed to build soil health and crop resiliency, improve water and nutrient retention, or sequester carbon, primarily by managing the organic matter content of soil. “Regenerative agricultural practice” includes

diversifying crop rotations and using no-till planting, managed grazing, cover cropping, and composting.

***NOTE: This is reconciled s. 93.01 (14m). This SECTION has been affected by drafts with the following LRB numbers: -1002/P3 and -1007/P3. This SECTION is retained here but deleted from -1002 and -1007.

SECTION 8. 93.48 of the statutes is renumbered 93.63, and 93.63 (1), as renumbered, is amended to read:

93.63 (1) The department may award grants from the appropriation under s. 20.115 (4) ~~(am)~~ (f) to individuals or organizations to fund projects that are designed to increase the sale of agricultural products grown in this state that are purchased in close proximity to where they are produced. The department may not award a grant under this section unless the applicant contributes matching funds equal to at least 50 percent of the costs of the project. The department shall promulgate rules for the program under this section.

SECTION 9. 93.49 (1), (2), (3) (b) and (c), (4) and (5) of the statutes are renumbered 93.61 (1), (2), (3) (b) and (c), (4) and (5).

SECTION 10. 93.49 (3) (a) of the statutes is renumbered 93.61 (3) (a) (intro.) and amended to read:

93.61 (3) (a) (intro.) From the appropriation under s. 20.115 (4) ~~(as)~~ (f), the department shall provide grants to school districts, in coordination with the department of public instruction, and to nonprofit organizations, farmers, and any other entities for the creation and expansion of farm to school programs. The department shall give preference to the following types of proposals:

2. Proposals that are innovative or that provide models that other school districts can adopt.

SECTION 11. 93.60 of the statutes is created to read:

93.60 Food security and Wisconsin products grant program. (1)

GRANTS. The department may award grants from the appropriation under s. 20.115 (4) (f) to nonprofit food banks, nonprofit food pantries, and other nonprofit organizations that provide food assistance for the purpose of purchasing food products that are made or grown in this state.

(2) RULES. The department may promulgate rules to administer this section.

SECTION 12. 93.61 (3) (a) 1. of the statutes is created to read:

93.61 (3) (a) 1. Proposals from school districts in which a high percentage of pupils satisfy the income eligibility criteria under [42 USC 1758](#) (b) (1) for a free or reduced-price meal.

SECTION 13. 93.62 of the statutes is created to read:

93.62 Farm to fork program. (1) DEFINITION. In this section, “farm to fork program” means a program to connect entities that are not school districts and that have cafeterias to nearby farms to provide locally produced fresh fruits and vegetables, dairy products, and other nutritious, locally produced foods in meals and snacks; to help the public develop healthy eating habits; to provide nutritional and agricultural education; and to improve farmers’ incomes and direct access to markets.

(2) GRANTS. (a) The department may award grants from the appropriation under s. 20.115 (4) (f) to businesses, universities, hospitals, and other entities that are not school districts and that have cafeterias for the creation and expansion of farm to fork programs. The department shall give preference to proposals that are innovative or that provide models that other entities can adopt.

(b) In awarding grants under this section, the department shall promote agricultural development and farm profitability by supporting the development and

adoption of practices and agribusiness opportunities that involve the production of value-added agricultural products, as defined under s. 93.65 (1).

(c) The department may award grants under this subsection for projects that do any of the following:

1. Create, expand, diversify, or promote production, processing, marketing, and distribution of food produced in this state for sale to entities in this state other than school districts.

2. Create, expand, or renovate facilities, including purchases of equipment for the facilities, that would ensure the use of food produced in this state in locations in this state other than schools.

3. Provide, expand, or promote training for food service personnel, farmers, and distributors.

4. Provide, expand, or promote nutritional and agricultural education.

(d) The department shall consult with interested persons to establish grant priorities for each fiscal year.

(3) REPORTS. At least annually, the department shall report to the legislature under s. 13.172 (2) and to the secretary on the needs and opportunities for farm to fork programs.

(4) RULES. The department may promulgate rules to administer this section.

SECTION 14. 93.64 of the statutes is created to read:

93.64 Small farm diversity grant program. (1) GRANTS. The department may award grants from the appropriation under s. 20.115 (4) (f) to agricultural producers that have been in operation for at least one year and that, in the year prior to applying for a grant, earned less than \$350,000 in gross cash farm income. Grants awarded under this section shall be in an amount no less than \$5,000 and no more

than \$50,000. The recipient of a grant under this section shall provide matching funds of 30 percent of the amount of the grant.

(2) ELIGIBLE COSTS. Grants awarded under this section may be used to pay for any of the following:

(a) Costs to develop a new agricultural product or increase production of an agricultural product where market opportunities exist, including business planning, feasibility research, engineering, and architectural designs.

(b) Start-up costs for new agricultural production operations.

(c) Research and development of uses for food, feed, and fiber products that are innovative and add value to agricultural products.

(d) Developing on-farm processing of agricultural commodities.

(e) Developing an agritourism venue.

(3) PRIORITY. The department, in awarding grants under this section, shall give preference to applications that do any of the following:

(a) Develop a business plan with market research and income projections including new and innovative plans for marketing.

(b) Demonstrate a high probability of increased revenue, job creation, or enhanced viability.

(c) Feature research that is innovative as well as commercially plausible.

(d) Demonstrate a high probability of rapid commercialization.

(e) Demonstrate a commitment for funding from other private or public sources or from the applicant.

(4) REPORTS. The recipient of a grant under this section shall submit annual reports to the department documenting grant money expenses and results.

(5) RULES. The department may promulgate rules to administer this section.

SECTION 15. 93.65 of the statutes is created to read:

93.65 Value-added agricultural practices. (1) DEFINITION. In this section, “value-added agricultural product” means a farm product that satisfies any of the following:

- (a) The product has undergone a change in physical state.
- (b) The product is produced in a manner that enhances its value.
- (c) The product is physically segregated in a manner that enhances its value.
- (d) The product is a source of farm-based or ranch-based renewable energy.
- (e) The product is aggregated and marketed as a locally produced farm product.

(2) VALUE-ADDED PRODUCTS. The department may provide education and technical assistance related to promoting and implementing agricultural practices that produce value-added agricultural products, including by doing all of the following:

(a) *Assistance for organic farming practices.* Providing education and technical assistance related to organic farming practices, including business and market development assistance; collaborating with organic producers, industry participants, and local organizations that coordinate organic farming; and stimulating interest and investment in organic production. The department may award grants from the appropriation under s. 20.115 (4) (f) to organic producers, industry participants, and local organizations that coordinate organic farming. The department may award a grant to an organic producer, industry participant, or local organization under this paragraph for any of the following purposes:

1. Providing education and technical assistance related to implementing organic farming practices.
2. Helping to create organic farming plans.

3. Assisting farmers to transition to organic farming.

(b) *Grazing grants.* Awarding grants from the appropriation under s. 20.115 (4) (f) to appropriate entities to provide education and training to farmers about best practices related to grazing.

(c) *Promotion.* Helping producers market value-added agricultural products, including products produced through the use of a practice described in s. 93.67.

(3) RULES. The department may promulgate rules to administer this section.

SECTION 16. 93.66 of the statutes is created to read:

93.66 Grants for hiring farm business consultants. The department may award grants from the appropriation under s. 20.115 (4) (f) to county agriculture agents of the University of Wisconsin-Extension to help farm operators hire business consultants and attorneys to examine their farm business plans and create a farm succession plan. The department may promulgate rules to administer this section.

SECTION 17. 93.67 of the statutes is created to read:

93.67 Technical assistance on resource conservation. (1) **TECHNICAL ASSISTANCE.** The department may provide technical assistance to farmers related to increasing or maintaining agricultural yields while promoting soil health, water quality, and regenerative agricultural practices, including by doing all of the following:

(a) Connecting farmers with technologies or practices that address water quality and other environmental sustainability goals, including technologies or practices developed by the University of Wisconsin System, private sector businesses, and other agricultural producers.

(b) Developing technical resources to assist farmers in promoting soil health, water quality, and regenerative agricultural practices.

(c) Awarding grants under sub. (2).

(2) GRANTS. The department may award grants from the appropriation under s. 20.115 (4) (f) to local governments, nongovernmental organizations, federally recognized American Indian tribes or bands, businesses, and individuals for developing technologies and strategies that support conservation efforts on working lands and for developing market-based solutions to environmental and resource challenges in modern farming systems. The department may not award a grant under this section of more than \$25,000.

(3) RULES. The department may promulgate rules to administer this section.

SECTION 18. 93.68 of the statutes is created to read:

93.68 Grants for meat processing facilities. **(1) DEFINITION.** In this section, “meat processing facility” means a plant or premises where animals are slaughtered for human consumption, or where meat or meat products are processed, but does not include rendering plants.

(2) GRANTS. The department may award grants from the appropriation under s. 20.115 (4) (f) to meat processing facilities for the purpose of promoting the growth of the meat industry in this state.

(3) RULES. The department may promulgate rules to administer this section.

SECTION 9102. Nonstatutory provisions; Agriculture, Trade and Consumer Protection

(1) EMERGENCY RULES FOR FOOD SECURITY AND WISCONSIN PRODUCTS GRANT PROGRAM. The department of agriculture, trade and consumer protection may use the procedure under s. 227.24 to promulgate emergency rules relating to the food

security and Wisconsin products grant program under s. 93.60 for the period before the effective date of any permanent rules promulgated under s. 93.60 but not to exceed the period authorized under s. 227.24 (1) (c), subject to extension under s. 227.24 (2). Notwithstanding s. 227.24 (1) (a), (2) (b), and (3), when promulgating emergency rules under this subsection, the department is not required to provide evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this subsection. Notwithstanding s. 227.24 (1) (e) 1d. and 1g., for emergency rules promulgated under this subsection, the department is not required to prepare a statement of scope of the rules or to submit the proposed rules in final draft form to the governor for approval.

(2) EMERGENCY RULES FOR MEAT PROCESSING FACILITY GRANT PROGRAM. The department of agriculture, trade and consumer protection may use the procedure under s. 227.24 to promulgate emergency rules relating to the meat processing facility grant program under s. 93.68 for the period before the effective date of any permanent rules promulgated under s. 93.68 but not to exceed the period authorized under s. 227.24 (1) (c), subject to extension under s. 227.24 (2). Notwithstanding s. 227.24 (1) (a), (2) (b), and (3), when promulgating emergency rules under this subsection, the department is not required to provide evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this subsection. Notwithstanding s. 227.24 (1) (e) 1d. and 1g., for emergency rules promulgated under this subsection, the

department is not required to prepare a statement of scope of the rules or to submit the proposed rules in final draft form to the governor for approval.

(END)