



Amy Loudenbeck

REPRESENTING WISCONSIN'S 31ST ASSEMBLY DISTRICT

**Testimony before Assembly Committee on Agriculture
Assembly Bill 278
Rep. Amy Loudenbeck
May 30, 2017**

Thank you, Mr. Chairman and committee members for the opportunity to testify in favor of Assembly Bill 278 relating to a sales and use tax exemption for beekeeping. Current law exempts from state sales and use tax certain property items and services sold to farming and agriculture businesses. This legislation would extend those same exemptions for the business of beekeeping.

As we all know, bees play an important and under-appreciated role in the world's food supply chain. As members of the Agriculture Committee, you all are well aware that many of the foods that we all enjoy, like cranberries, broccoli, squash, apples, coffee and almonds, are reliant on pollination by bees. In fact, of the top 100 crop species that provide nearly 90% of the global food supply, 71 of those crops are pollinated by bees.¹ Not to mention, the two important direct products that bees provide, honey and wax.

Bees are facing unprecedented challenges to their survival, and are disappearing at an alarming rate due to pesticides, parasites, disease, and habitat loss. Colony Collapse Disorder (CCD) has also taken a tremendous toll on the bee population. "CCD is the phenomenon that occurs when the majority of worker bees in a colony disappear and leave behind a queen, plenty of food and a few nurse bees to care for the remaining immature bees and the queen."² While the threat of CCD has somewhat subsided in recent years, CCD demonstrates the fragile nature of our bee populations, and the need to continue building their population.

It is interesting to note that General Mills Corporation recently removed their bee mascot "Buzz the Bee" from boxes of Honey Nut Cheerios. Their hope is to help boost the global bee populations with a campaign to "Bring back the bees." This campaign's goal is to raise consumer awareness to bees and other pollinators that are facing challenges. The Cheerios website states: "Buzz is missing because there's something serious going on with the world's bees. Bee populations everywhere have been declining at an alarming rate and that includes honeybees like Buzz." General Mills pledged to giveaway 100 million wildflowers seeds to help bee populations recover, but the demand has been overwhelming and the company actually gave away 1.5 billion seeds.

¹ <http://www.cnn.com/2014/05/17/opinion/spivak-loss-of-bees/>

² <https://www.epa.gov/pollinator-protection/colony-collapse-disorder>



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If you are interested, you can read more about their campaign here:

<http://www.cheerios.com/BringBackTheBees> .

I am not aware of any other type of agriculture that has a numeric threshold which must be met before qualifying for a sales and use tax exemption. Under current law, there is an exemption for producers of honey products by a beekeeper of 50 or more hives.³ One hive can contain from 10,000 to 60,000 honey bees, and the larger the hive the more effective it is at producing honey.⁴ This means that for a business to begin and qualify for the tax exemption it would need to have between 500,000 and 3 million bees. Quite honestly, no one would start a business with 50 hives and up to 3 million bees. Additionally, CCD can and has hit beekeepers, which could drop them below the 50 hive threshold.

Beekeeping is vital to agriculture in Wisconsin and should receive the same sales tax exemptions as other farming businesses. In recognition of the important role that beekeeping plays in production agriculture, I hope you can support Assembly Bill 278.

Thank you, and I would be happy to answer any questions at this time.

³ <https://www.revenue.wi.gov/DOR%20Publications/pb221.pdf>

⁴ <http://www.groworganic.com/organic-gardening/articles/meet-the-three-kinds-of-honey-bees-in-a-bee-hive>