



WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

Assembly Bill 882
Tuesday, February 1, 2022
Assembly Committee on Agriculture

Thank you Chairman Tauchen and committee members for hearing Assembly Bill 882 (AB 882) today and allowing me to testify.

The Department of Agriculture, Trade, and Consumer Protection (DATCP) has a rural development loan program fund that was originally financed through federal funding, with principal and interest paid to DATCP. The program was created to finance rural economic and business development in Wisconsin. The last time a loan was issued from the program was in 2012, which is the last time the federal government provided funding for the state for this program. The appropriation continued to collect repayments on outstanding loans until DATCP reported that all outstanding loans were paid off on March 1, 2021, and the appropriation now has a balance of \$883,160.00. Our agricultural export bill, now 2021 Wisconsin Act 92 requires DATCP to expend \$5 million for the promotion of dairy, meat, and crops. The Department has indicated that the funds from the rural development loan program qualify to be used for dairy promotion and that they would like to use the funds as grants for the purposes of promotion of dairy exports.

Assembly Bill 882 allows the Department of Agriculture, Trade and Consumer Protection the ability to use the rural development loan funds for the purposes of dairy exports in conjunction with funding for 2021 Wisconsin Act 92.

This bill will help our dairy farmers and the overall intent of the agricultural export bill that was signed into law. It is a win for Wisconsin agricultural and the State of Wisconsin.



State of Wisconsin
Governor Tony Evers

Department of Agriculture, Trade and Consumer Protection

February 1, 2022

Re: grants for dairy exports promotion and making an appropriation

Chairman Tauchen, and members of the Assembly Committee on Agriculture, my name is Bradford Steine, Legislative Liaison at DATCP. Thank you for the opportunity to testify in support of Assembly Bill 882 (AB 882) related to grants for dairy exports promotion.

DATCP currently has over \$880,000 in USDA funds under s. 93.06 (1qm) to issue loans for the development of rural business enterprises or rural economic development, including funding to modernize and innovate the Wisconsin dairy industry. USDA has indicated that all remaining funds of the cooperative agreement are to be used by DATCP to advance the original purpose of the loan funds. Since DATCP no longer administers a loan program, the statute modification in AB 882 would allow DATCP to distribute the money as grants for the purpose of promoting dairy exports which advances the original purpose of the loan funds.

Thank you again for allowing me to provide written comments in support of this proposal. The Governor's 2021-23' biennial budget included a provision to allow for these loans to be issued as grants. DATCP also supports the idea to utilize this loan program for grants to specifically support Wisconsin's dairy exports.

Thank you again for allowing me to provide written comments in support of this proposal.

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February 2, 2022

Assembly Agriculture Committee

Testimony in Favor of Assembly Bill 882 - grant funding for dairy exports promotion

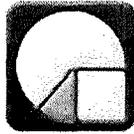
Good morning, Chairman Tauchen, Ranking Member Considine and committee members. Thank you for the opportunity to provide testimony today in support of Assembly Bill 882.

My name is Chad Zuleger. I am the associate director of government affairs representing the Dairy Business Association. Our members include dairy farmers, processors and a variety of affiliated businesses that help ensure farmers are successful in our state and that the products they produce remain delicious, nutritious, desired and available here at home and around the world.

Assembly Bill 882 makes a technical change that will allow unused loan funds at the Department of Agriculture, Trade and Consumer Protection (DATCP) to be made available to the newly established agricultural exports program within the Center for International Agribusiness Marketing for the promotion of dairy exports. The core objective of this program is to achieve a 25 percent increase in the export of milk/dairy products, meat/fish/poultry and crop/crop products by 2026.

We appreciate the work of bill authors, Representative Kurtz and Senator Ballweg as well as support of cosponsors who serve on this committee, Representatives Oldenburg, Novak, VanderMeer, Moses, Shankland and Vruwink. With bipartisan support, AB 882 builds on actions taken in the state budget and recently enacted in 2021 Wisconsin Act 92, which established and launched the new agricultural exports program.

DBA thanks committee members for their time today and, bill authors for their continued leadership on this issue. We encourage approval of AB 882 by this committee and action by the full Assembly.



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February 1, 2022

Wisconsin State Assembly Committee on Agriculture

Public Hearing on Assembly Bill 882

Testimony Submitted by: Rebekah Sweeney, Wisconsin Cheese Makers Association

Chairman Tauchen and Members,

Thank you for your past support of the Wisconsin Initiative for Agricultural Exports, and for this hearing on Assembly Bill 882. I'm Rebekah Sweeney, and I work as Senior Director of Programs and Policy for the Wisconsin Cheese Makers Association.

Since 1891, WCMA has served as an advocate, networking hub and trusted provider of information and education for dairy product manufacturers. Today, our organization represents nearly 700 companies and cooperatives nationwide, with membership including 92 dairy manufacturers or processors with Wisconsin operations and 230 companies based in Wisconsin that supply goods or services to our industry.

I'm pleased to have the opportunity to speak on behalf of WCMA members and in support of AB 882 and its companion, Senate Bill 827, trailer bills to Act 92 that are designed to provide full funding for the Wisconsin Initiative for Agricultural Exports in its first two years of operation.

You may recall, Act 92 offers a mechanism for the Department of Agriculture, Trade and Consumer Protection to access \$558,400 in general purpose revenue for each of the first two years of this program. The intent of legislators was to also apply a leftover pot of money at DATCP, approximately \$880,000 previously allocated by the federal government for rural business loans, to bring total funding to \$1 million per year.

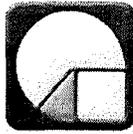
The devil's in the details, and federal restrictions on the use of this money meant it had to be used only for dairy-related endeavors, and that's why we're here today.

AB 882 takes that same pot of unused federal money at DATCP and specifically notes it will be used only to boost dairy exports.

This clearly benefits dairy processors and their farmer partners, but I want to note that the higher overall total funding benefits all parties in the agricultural community.

As directed by Act 92, the Wisconsin Initiative for Agricultural Exports will allocate half of all available funds to dairy endeavors, a quarter to crop-based export efforts, and a quarter to boosting meat exports.

So, when dairy exports are fully funded with the application of the monies noted in AB 882, our colleagues in other branches of agriculture will see maximum funding available for their efforts, as well.



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We're all eager to partner with DATCP, to get this program up and running and realize the full potential of new trade agreements, key court rulings, and the soaring rise of an international middle class.

The department has issued a report to the Joint Finance Committee, detailing how it might use state monies, and we're very pleased with plans laid out by our friends at the International Agribusiness Center to expand on the trade promotions they've been executing with limited federal and regional resources.

Should monies be released via passage of AB 882 and Joint Finance approval of the agency's 13.10 request, the Center will increase the number of participating manufacturers and processors in their promotions, increase the number of Wisconsin booths at foreign trade shows – and the number of shows in which we're engaging, and launch social media campaigns to support sales.

In addition, these funds will allow Wisconsin to join new trade shows or develop all-new foreign buyer missions in Wisconsin.

Financial support and export education will be realized in a new Export Expansion Grant, designed to support collaborative industry projects.

The plan also details how funds will support increased participation in two existing services: ExporTech, a 12-week exporter training program at the University of Wisconsin-Stout, and the Wisconsin Economic Development Corporation's International Market Access Grant (IMAG), which provides funds companies use for trade promotion activities, marketing, translation and consultants.

These are smart, practical strategies to boost Wisconsin's agricultural exports – and, in turn, our industry, as a whole. They have the support of WCMA members – and our promise of full partnership in the effort to make them successful.

We just need these dollars, to get the ball rolling.

We want to express gratitude to our persistent bill authors Rep. Tony Kurtz and Sen. Joan Ballweg, as well as the bipartisan group of lawmakers who've championed their proposal. We thank you, Mr. Chair, all of the members of this committee and indeed, all of the members of the Wisconsin State Legislature, and Governor Tony Evers, for recognizing the potential of export investments.

With your quick action on this bill, and Joint Finance's consideration of the 13.10 request, we will get to work.

Thank you.

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