

AGRICULTURE, TRADE AND CONSUMER PROTECTION

Budget Summary							
Fund	2022-23 Base Year Doubled	2023-25 Governor	2023-25 Jt. Finance	Joint Finance Change to:			
				Governor		Base	
				Amount	Percent	Amount	Percent
GPR	\$61,674,200	\$112,024,200	\$75,457,700	- \$36,566,500	- 32.6%	\$13,783,500	22.3%
FED	23,398,800	23,671,200	23,545,600	- 125,600	- 0.5	146,800	0.6
PR	62,124,800	68,375,600	67,601,800	- 773,800	- 1.1	5,477,000	8.8
SEG	<u>73,647,800</u>	<u>88,887,600</u>	<u>83,167,300</u>	<u>- 5,720,300</u>	<u>- 6.4</u>	<u>9,519,500</u>	<u>12.9</u>
TOTAL	\$220,845,600	\$292,958,600	\$249,772,400	- \$43,186,200	- 14.7%	\$28,926,800	13.1%
BR		\$7,000,000	\$0				

FTE Position Summary					
Fund	2022-23 Base	2024-25 Governor	2024-25 Jt. Finance	Joint Finance Change to:	
				Governor	2022-23 Base
GPR	201.40	214.90	201.40	- 13.50	0.00
FED	91.52	90.77	88.77	- 2.00	- 2.75
PR	217.87	222.62	218.62	- 4.00	0.75
SEG	<u>130.50</u>	<u>130.50</u>	<u>130.50</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	641.29	658.79	639.29	- 19.50	- 2.00

Budget Change Items

Departmentwide

1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 105]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	- \$54,200	- \$270,000	- \$324,200
FED	1,078,200	- 125,600	952,600
PR	1,073,200	- 246,400	826,800
SEG	<u>403,400</u>	<u>0</u>	<u>403,400</u>
Total	\$2,500,600	- \$642,000	\$1,858,600

Governor: Provide adjustments to the agency base budget for the following: (a) reductions

for staff turnover (-\$202,600 GPR, -\$94,400 FED and -\$184,700 PR annually); (b) removal of non-continuing elements from the base (-\$265,800 FED in 2024-25); (c) full funding of continuing position salaries and fringe benefits (\$399,000 GPR, \$793,100 FED, \$723,000 PR, and \$196,000 SEG annually); (d) reclassifications and semi-automatic pay progression (\$4,800 GPR annually, \$51,100 PR in 2023-24 and \$56,900 PR in 2024-25, and \$76,100 SEG in 2023-24 and \$81,700 SEG in 2024-25); and (e) full funding of lease and directed move costs (-\$176,300 GPR, -\$22,100 FED, -\$33,200 PR, and -\$54,400 SEG in 2023-24 and -\$280,300 GPR, -\$31,300 FED, -\$78,200 PR, and -\$92,000 SEG in 2024-25).

Joint Finance: Increase the rate used to calculate turnover reduction from 3% to 5% for all appropriations subject to a 3% turnover rate. Reduce funding under the turnover reduction standard budget adjustment by -\$135,000 GPR, -\$123,200 PR, and -\$62,800 FED annually.

2. BUREAU OF LABORATORY SERVICES [LFB Paper 170]

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
GPR	\$696,000	0.00	-\$696,000	0.00	\$0	0.00
PR	367,400	1.00	864,600	-1.00	1,232,000	0.00
SEG	<u>0</u>	<u>0.00</u>	<u>360,000</u>	<u>0.00</u>	<u>360,000</u>	<u>0.00</u>
Total	\$1,063,400	1.00	\$528,600	-1.00	\$1,592,000	0.00

Governor: Provide \$375,000 GPR and \$74,200 PR in 2023-24 and \$321,000 GPR and \$93,200 PR in 2024-25 with 1.0 PR position to support additional staff and equipment acquisition within the Bureau of Laboratory Services (BLS). Additionally, provide \$100,000 PR each year for general operations and services.

BLS analyzes samples gathered during inspections and regulatory actions under the food safety and agrichemical management programs. The Bureau charges Department programs for its services, with the charges reflected as expenditures to those programs and as revenues to the laboratory. Funding of \$74,200 PR in 2023-24 and \$93,200 PR in 2024-25 would be directly associated with the 1.0 PR position, while \$100,000 PR each year would support additional general costs of laboratory operations. Additional base funding of \$300,000 GPR each year would be used to support replacement of instruments and equipment. In addition, the Department intends to use \$54,000 GPR in one-time funding in 2023-24 to purchase wireless temperature monitoring equipment, and use \$21,000 GPR each year for maintenance of the wireless monitoring system.

Joint Finance: Modify funding to provide the following from BLS general operations PR: (a) \$600,000 PR in 2023-24 to support equipment acquisition and maintenance; (b) \$54,000 PR in 2023-24 for wireless temperature monitoring equipment; and (c) \$21,000 PR each year of the biennium for maintenance of the wireless temperature monitoring system. Provide funding in programs outside of BLS as follows to cover lab-assessed costs of equipment: (a) \$349,500 in 2023-24 and \$10,500 in 2024-25 from the segregated agrichemical management (ACM) fund; and (b) \$325,500 PR in 2023-24 and \$10,500 PR in 2024-25 from fees on regulation of food, lodging, and recreational facilities.

Additionally, include the provision for \$100,000 PR each year to support maintenance and general laboratory operations within BLS. Funding in programs outside of BLS would consist of: (a) \$52,000 SEG each year from the agrichemical management SEG; and (b) \$48,000 each year from fees on of food, lodging, and recreational facilities. [See "Agriculture, Trade and Consumer Protection -- Regulatory Programs."]

3. AGENCY SUPPLIES AND SERVICES FUNDING INCREASE *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$226,800	- \$226,800	\$0
SEG	<u>34,200</u>	<u>- 34,200</u>	<u>0</u>
Total	\$261,000	- \$261,000	\$0

4. TRIBAL LIAISON POSITION *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
GPR	\$149,900	1.00	- \$149,900	- 1.00	\$0	0.00

5. EQUITY OFFICER POSITION *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
GPR	\$86,400	0.50	- \$86,400	- 0.50	\$0	0.00

6. COMPUTER SYSTEM EQUIPMENT, STAFF AND SERVICES

PR	\$300,000
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Governor/Joint Finance: Provide \$150,000 in each of 2023-24 and 2024-25 for additional expenditures for information technology services throughout the Department. DATCP information technology services are funded from assessments charged to appropriations of other DATCP programs. Total budgeted amounts for computer system equipment, staff, and services are \$3,871,600 in 2023-24 and \$3,868,900 in 2024-25.

7. DEBT SERVICE REESTIMATE [LFB Paper 106]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	-\$25,600	- \$145,300	- \$170,900
SEG	<u>1,061,800</u>	<u>- 84,200</u>	<u>977,600</u>
Total	<u>\$1,036,200</u>	<u>- \$229,500</u>	<u>\$806,700</u>

Governor: Provide the following adjustments to debt service appropriations to reflect estimated principal and interest payments on previously issued general obligation bonds: (a) -\$100 GPR in 2023-24 and -\$500 GPR in 2024-25 for bonds issued for past upgrades to the Wisconsin Veterinary Diagnostic Laboratory (WVDL); (b) \$61,600 GPR in 2023-24 and -\$86,600 GPR in 2024-25 for bonds issued for landowner cost-sharing and enrollment incentive payments under the Conservation Reserve Enhancement Program (CREP), a state-federal land and water conservation program; and (c) \$203,400 SEG in 2023-24 and \$858,400 SEG in 2024-25 from the nonpoint account of the environmental fund for bonds issued to support cost-sharing grants to landowners for structural best management practices installed under the soil and water resource management (SWRM) program.

Under the bill, debt service is budgeted as follows: (a) for the WVDL, \$700 GPR in 2023-24 and \$300 GPR in 2024-25; (b) for CREP, \$1,060,600 GPR in 2023-24 and \$912,400 GPR in 2024-25; and (c) for SWRM grants, \$4,943,700 SEG in 2023-24 and \$5,598,700 SEG in 2024-25.

Joint Finance: Reestimate an additional -\$78,200 GPR in 2023-24 and -\$67,100 GPR in 2024-25 for CREP debt service, and -\$61,400 SEG in 2023-24 and -\$22,800 SEG in 2024-25 for SWRM debt service. Under Joint Finance action, debt service is budgeted as follows: (a) for WVDL upgrades, \$700 GPR in 2023-24 and \$300 GPR in 2024-25; (b) for CREP, \$982,400 GPR in 2023-24 and \$845,300 GPR in 2024-25; and (c) for SWRM grants, \$4,882,300 SEG in 2023-24 and \$5,575,900 SEG in 2022-23.

8. POSITION REALIGNMENT

Governor/Joint Finance: Transfer the following positions and associated salary and fringe benefit costs shown in the table between appropriations to align the funding sources of the positions with their current duties within the Department.

	Funding	Positions
GPR	- \$5,000	0.00
FED	- 162,800	- 0.75
PR	159,200	0.75
SEG	<u>2,200</u>	<u>0.00</u>
Total	<u>- \$6,400</u>	<u>0.00</u>

DATCP Position Realignment

<u>Division/Appropriation</u>	<u>Fund</u>	<u>Annual Funding</u>	<u>Positions 2023-25</u>
<i>Food and Recreational Safety</i>			
Food inspection	GPR	-\$77,700	-0.75
<i>Animal Health</i>			
General program operations	GPR	10,900	0.15
<i>Trade and Consumer Protection</i>			
Public warehouse regulation	PR	-22,500	-0.25
Dairy trade regulation	PR	-45,100	-0.50
Grain inspection and certification	PR	-184,400	-2.00
Weights and measures inspection	PR	107,100	1.25
Federal funds; weights and measures	FED	-70,700	-1.00
Unfair Sales Act enforcement	SEG	-22,500	-0.25
Telephone solicitation regulation	PR	69,900	0.75
<i>Agricultural Development</i>			
General program operations	GPR	64,300	0.60
Federal funds; Wisconsin Farm Center	FED	-11,100	-0.10
<i>Agricultural Resource Management</i>			
Related services	PR	187,100	2.00
Industrial hemp	PR	-187,100	-2.00
Agricultural resource management services	PR	-23,600	-0.25
Soil and water administration	SEG	23,600	0.25
<i>Management Services</i>			
Computer system equipment, staff, and services	PR	178,200	1.75
Indirect cost reimbursements	FED	<u>400</u>	<u>0.35</u>
Total		-\$3,200	0.00

The transfers would result in a net change of \$3,200 annually and affect funds by source annually as follows: (a) -\$2,500 GPR; (b) \$79,600 PR with 0.75 positions; (c) -\$81,400 FED with -0.75 positions; and (d) \$1,100 SEG.

9. PROGRAM REVENUE REESTIMATES

PR	- \$57,000
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Governor/Joint Finance: Reestimate the program revenue appropriation associated with the former industrial hemp program by -\$28,500 per year. Beginning on January 1, 2022, administration of the Wisconsin hemp program was transferred from DATCP to the U.S. Department of Agriculture (USDA). This provision and others in separate items would delete all base funding budgeted for the industrial hemp program.

10. FEDERAL REVENUE REESTIMATES

FED	- \$643,000
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Governor/Joint Finance: Reestimate federal funds for the Division of Agricultural Development by -\$321,500 each year. The affected appropriation receives funds primarily associated with the federal Specialty Crop Block Grant program and other market development grants for certain crops.

11. DELETE VACANT POSITIONS

Joint Finance: Delete 2.0 positions vacant for more than 18 months under the Department's federal funds appropriations for food safety and central administrative services.

	Positions
FED	- 2.00

Agricultural Assistance

1. AGRICULTURAL ASSISTANCE GRANT PROGRAMS [LFB Papers 175 thru 178]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$35,000,000	- \$32,800,000	\$2,200,000

Governor: Provide \$17,500,000 each year of the 2023-25 biennium for various agricultural assistance programs, allocated as listed below. Consolidate existing appropriations for Buy Local, Buy Wisconsin grants (\$200,000 each year), dairy processor grants (\$200,000 each year), meat processing facility grants (\$200,000 each year), and the dairy producer loan grant program (no base funding), in an existing biennial grants and loans appropriation, and expand the purposes of the appropriation to include the programs created as described in the subsequent paragraphs. While the bill provides an intended allocation for each grant program as shown in the table below, the new appropriation does not establish limitations on use of funding for these programs, and DATCP would retain discretion to allocate funding among these programs.

Agricultural Assistance Grants

	<u>Base</u>	<u>2023-24</u>	<u>Governor</u> <u>2024-25</u>	<u>Biennium</u>
Food Security Grant Program		\$15,000,000	\$15,000,000	\$30,000,000
Meat Processor Grant Program	\$200,000	1,000,000	1,000,000	2,000,000
Dairy Processor Grant Program	200,000	1,000,000	1,000,000	2,000,000
Value-Added Agriculture Program		400,000	400,000	800,000
Buy Local, Buy Wisconsin	200,000	200,000	200,000	400,000
Farm-to-Fork Grant Program		200,000	200,000	400,000
Something Special from Wisconsin		200,000	200,000	400,000
Farm Business Consultant Grants		<u>100,000</u>	<u>100,000</u>	<u>200,000</u>
Total	\$600,000	\$18,100,000	\$18,100,000	\$36,200,000
Increase over Base		17,500,000	17,500,000	35,000,000

Food Security Grant Program. Allocate \$15,000,000 each year for grants to eligible

nonprofit food assistance organizations to support the purchase of food products made or grown in Wisconsin. Eligible organizations would include food banks, food pantries, and other nonprofit organizations that provide food assistance. Funding for the Food Security Initiative has previously been provided by: (a) \$25 million in federal relief funds allocated by the Governor under the Coronavirus Aid, Relief, and Economic Security (CARES) Act; and (b) \$40 million allocated from the State Fiscal Recovery Fund (SFRF) under the federal American Recovery Plan Act (ARPA).

Meat Processor Grant Program. Provide an additional \$800,000 each year of the 2023-25 biennium for grants to facilities that slaughter animals for human consumption, or that process meat or meat products, excluding rendering plants, to promote the growth of the meat industry in Wisconsin. Under 2021 Act 58 and subsequent action by the Joint Committee on Finance, a biennial appropriation allocating \$200,000 GPR each year was created for meat processing grants. In addition to state funding, \$10 million in one-time federal ARPA funding was provided for grants to meat processors in 2021-22 through the Meat and Poultry Supply Chain Resiliency grant program. The bill would provide \$1,000,000 each year in ongoing funding for the program.

Dairy Processor Grant Program. Provide an additional \$800,000 each year of the 2023-25 biennium for grants to dairy processors to fund projects intended to grow processing plants, contribute to processor innovation, or improve production and profitability of processing plants. 2021 Act 58 provided \$200,000 each year in base funding and \$200,000 per year in one-time funding in the 2021-23 biennium for dairy processing grants. The bill would provide a total of \$1,000,000 each year in ongoing funding for dairy processor grants.

Value-Added Agriculture Program. Allocate \$400,000 in each year of the 2023-25 biennium for the value-added agriculture program. Allow DATCP to provide education, technical assistance, and grants related to the promotion and implementation of agricultural practices that produce value-added agriculture products. Specify that activities include: (a) providing assistance related to organic farming practices, including business and market development assistance; (b) collaborating with organic producers and industry participants; and (c) providing grants to organic producers and industry participants for education or technical assistance related to organic farming, creating organic farming plans, assisting farmers in the transition to organic farming, or educating and training farmers on best practices related to grazing; and (d) general market promotion of value-added agricultural products, including those produced using resource-conserving practices. (The bill as introduced omits a definition for resource-conserving practices. An amendment would be required to reflect the bill's intent.)

Buy Local, Buy Wisconsin. Maintain base funding of \$200,000 each year of the 2023-25 biennium for Buy Local, Buy Wisconsin grants. Grants may be provided for projects that create, expand, diversify, or promote: (a) local food marketing systems and market outlets; (b) local food and cultural tourism routes; or (c) production, processing, marketing, and distribution of Wisconsin food products for sale to local purchasers. Projects have included food processing and distribution improvements, creating and expanding farmers' markets, agritourism projects, and marketing and awareness campaigns.

Farm-to-Fork Grant Program. Allocate \$200,000 in each year of the 2023-25 biennium for the farm-to-fork grant program. Define a farm-to-fork program as one that: (a) connects entities

that have cafeterias, other than school districts, to nearby farms to provide locally produced fresh fruit, vegetables, dairy products, and other nutritious, locally produced foods; (b) develops healthy eating habits in the general public; (c) provides nutritional and agricultural education; and (d) improves farmers' incomes and direct access to markets.

Allow DATCP to award grants to businesses, universities, hospitals, and other entities to create and expand farm-to-fork programs. Specify that grants may support projects that include: (a) creating, expanding, diversifying, or promoting production, processing, marketing, and distribution of food produced in Wisconsin for sale to entities in Wisconsin other than schools; (b) construction or improvement of facilities, including purchases of equipment, intended to support consumption of food produced in Wisconsin in entities other than schools; (c) training for food service personnel, farmers, and distributors; and (d) nutritional and agricultural education. Require DATCP to consult with interested persons to establish grant priorities each year and specify that DATCP give preference to proposals that are innovative or provide models other entities may adopt. Require DATCP to promote agricultural development and farm profitability in awarding farm-to-fork grants by supporting the development and adoption of practices and agribusiness opportunities that involve the production of value-added agricultural products. Require a report at least once a year to the DATCP Secretary and appropriate standing committees of the Legislature on the need and opportunity for farm-to-fork programs. Authorize DATCP to promulgate rules to administer the farm-to-fork program.

Define a value-added agricultural product as a product that: (a) has undergone a change in physical state; (b) is produced in a manner that enhances its value; (c) is physically segregated in a manner that enhances its value; (d) is a source of farm-based or ranch-based renewable energy; or (e) is aggregated and marketed as a locally produced farm product. Allow the Department to promulgate rules to administer the value-added agriculture program.

Something Special from Wisconsin. Increase funding for the Something Special from Wisconsin program by providing \$200,000 GPR in one-time funding each year of the 2023-25 biennium to support program marketing efforts. Under current law, DATCP offers a marketing program for participants that sell products whose value is at least 50% attributable to Wisconsin ingredients, production, or processing activities. Participants that certify their Wisconsin-made status may affix the Something Special from Wisconsin logo on their products. The program is typically PR-funded, and the Administration intends for GPR-supported grants to increase overall program participation and program revenues long-term. If DATCP is unable to use GPR funding for grants, the intended allocation could support other programs within the agricultural assistance grant and loan appropriation.

Farm Business Consultant Grant Program. Allocate \$100,000 in each year of the 2023-25 biennium for grants to county agriculture agents of the University of Wisconsin-Madison Division of Extension to help farm operators hire business consultants and attorneys to examine farmers' business plans and create farm succession plans. Authorize DATCP to promulgate rules to administer the farm business consultant grant program.

Joint Finance: Modify provision to provide an additional \$1,600,000 for grants to meat processing facilities in 2023-24. Total funding for meat processing grants would be \$1,800,000 in

2023-24 and \$200,000 in 2024-25. Provide an additional \$300,000 each year in the 2023-25 biennium for grants to dairy processors on a one-time basis. Funding for the program would be \$500,000 each year. Buy Local, Buy Wisconsin grants would continue with base funding of \$200,000 each year. Separate appropriations would continue for each of the meat processing facility, dairy processing plant and Buy Local, Buy Wisconsin grant programs. The table below summarizes program allocations through Joint Finance action.

Agricultural Assistance Grants -- Joint Finance

	<u>Base</u>	<u>Governor</u>		<u>Jt. Finance</u>	
		<u>2023-24</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2024-25</u>
Food Security Grant Program		\$15,000,000	\$15,000,000		
Meat Processor Grant Program	\$200,000	1,000,000	1,000,000	\$1,800,000	\$200,000
Dairy Processor Grant Program	200,000	1,000,000	1,000,000	500,000	500,000
Value-Added Agriculture Program		400,000	400,000		
Buy Local, Buy Wisconsin	200,000	200,000	200,000	200,000	200,000
Farm-to-Fork Grant Program		200,000	200,000		
Something Special from Wisconsin		200,000	200,000		
Farm Business Consultant Grants		<u>100,000</u>	<u>100,000</u>		
Total	\$600,000	\$18,100,000	\$18,100,000	\$2,500,000	\$900,000
JFC Change to Governor				-15,600,000	-17,200,000

2. TRIBAL FOOD SECURITY PROGRAM [LFB Paper 175]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
PR	\$4,000,000	- \$1,000,000	\$3,000,000

Governor: Provide \$2,000,000 tribal gaming PR annually for grants to nonprofit food assistance organizations that purchase and distribute food to tribal elders and to entities supporting the growth and operation of participating food producers. Specify that grant recipients should give preference to indigenous-based food producers and local food producers when purchasing food for distribution. Provide DATCP with rule-making authority to implement the program. The program would provide ongoing state funding for the Tribal Elder Food Box program, which began in 2021 with funding from Feeding Wisconsin Association of Food Banks and USDA.

Joint Finance: Modify provision to provide \$1,500,000 tribal gaming PR annually and specify funding be provided on a one-time basis during the 2023-25 biennium.

3. WISCONSIN AGRICULTURAL EXPORT PROMOTION [LFB Paper 179]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$2,883,200	- \$883,200	\$2,000,000

Governor: Eliminate the \$1,000,000-per-year statutory spending cap and provide \$1,883,200 in 2023-24 and \$1,000,000 in 2024-25 to DATCP's International Agribusiness Center to support agricultural export promotion through the Wisconsin Initiative for Agricultural Exports (WIAE).

2021 Wisconsin Act 92 established the WIAE and requires DATCP, in collaboration with the Wisconsin Economic Development Corporation (WEDC), to seek to increase Wisconsin agricultural exports to 25% more than their December 31, 2021, amount by June 30, 2026, for the following: (a) milk and dairy products; (b) meat, poultry, and fish products; and (c) crops and crop products. Of the amounts appropriated for the program, \$2,500,000 (50%) must be expended for milk and dairy products, \$1,250,000 (25%) must be expended for meat, poultry, and fish products, and \$1,250,000 (25%) must be expended for crops and crop products. Act 92 specifies DATCP may not expend more than \$1,000,000 per year under the program.

2021 Act 58 created a GPR continuing appropriation to DATCP and set aside \$558,400 GPR each year of the 2021-23 biennium in the Joint Committee on Finance's supplemental appropriation to support the WIAE program. Subsequent action by the Committee approved transfers of \$558,400 in each of February and August, 2022, to the agricultural exports appropriation. Additionally, 2021 Wisconsin Act 207 provided DATCP the ability to use available PR balances of an inactive rural development program for the purposes of promoting dairy exports under WIAE. A total of \$441,600 each year in the 2021-23 biennium was allocable to WIAE from this source, resulting in total funding of \$1,000,000 each year. Funding in 2021-22 supported export expansion grants, international market access grants, and various trade promotion activities.

The bill would eliminate the \$1,000,000-per-year cap on program expenditures and allocate additional funds to WIAE surpassing the \$1,000,000 per year established by 2021 Act 92. The proposal would result in total funding for the biennium of \$2,883,200, including ongoing funding of \$1,000,000 in 2024-25.

Joint Finance: Modify provision to provide \$1,000,000 GPR annually for WIAE.

4. MEAT TALENT DEVELOPMENT GRANT PROGRAM [LFB Paper 180]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$1,237,500	- \$1,237,500	\$0

Governor: Provide \$1,237,000 beginning in 2024-25 for tuition assistance grants to individuals pursuing meat processing programming at any higher education institution in Wisconsin. Tuition reimbursement grants would cover up to 80% of the first \$9,375 in tuition costs, or \$7,500 per grant. In addition, authorize grants to support curriculum development for meat processing programs.

The program would provide ongoing state funding for the Meat Talent Development program, which was begun in 2022 with federal ARPA funding. The Governor has allocated up to

\$5 million for the program. Funding through 2022 has supported: (a) training in establishing operational plans for hazardous food processing; (b) development for meat processing education through high school agricultural education programs; (c) training in humane handling; (d) introductory courses for high school and post-secondary students considering careers in meat processing; and (e) tuition reimbursement for certain courses.

Joint Finance: Provision not included.

5. REGIONAL FARMER SUPPORT *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$352,600	2.00	-\$352,600	- 2.00	\$0	0.00

6. FARMER MENTAL HEALTH ASSISTANCE [LFB Paper 181]

GPR	\$200,000
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Governor: Provide \$100,000 annually as ongoing funding for farmer mental health assistance programming. Under 2019 Act 9 and 2021 Act 58, DATCP has been provided \$100,000 each year since 2019-20 in one-time funding for farmer mental health assistance to support: (a) a 24-hour helpline for providing immediate support; (b) tele-counseling sessions that can be administered online by a licensed mental health professional; and (c) counseling vouchers that farmers and their family members can redeem for free in-person care at participating mental health providers in their area. In addition to counseling services, funding supported: (a) free virtual courses for agricultural service providers such as lenders and agribusiness firms in understanding and managing the stresses of farming; (b) online farmer and farm couple support groups for bringing farmers together to discuss their shared challenges; and (c) a podcast on farm-related challenges.

Joint Finance: Modify provision to specify that funding is provided on a one-time basis in the 2023-25 biennium.

7. AGRICULTURAL ECONOMIST

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$167,500	1.00	-\$167,500	- 1.00	\$0	0.00

Governor: Provide \$74,300 in 2023-24 and \$93,200 in 2024-25 with 1.0 position for an agricultural economist. The position would be funded from Division of Management Services general program operations. Currently, DATCP does not employ an agricultural economist.

Joint Finance: Provision not included.

8. FOOD WASTE REDUCTION GRANTS *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$200,000	- \$200,000	\$0

9. COUNTY FAIR AIDS

GPR	\$387,200
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Joint Finance: Provide an additional \$193,600 for aids to county and district fairs each year. Total funding for the program would be \$650,000 annually. Section 93.23 of the statues requires DATCP to provide fair aids to counties and certain organized agricultural societies, associations, and boards in the state in an amount equal to 95% of the first \$8,000 paid in net premiums and 70% of all net premiums that exceed \$8,000, up to a maximum amount of \$10,000 per fair. If premium reimbursement requests exceed available funding, the Department must prorate the amount of aids provided to each fair. Under current law, premium payments are appropriated \$456,400 GPR annually.

10. AGRICULTURE IN THE CLASSROOM

SEG	\$100,000
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Joint Finance: Provide an additional \$50,000 annually from the segregated agrichemical management fund for the Agriculture in the Classroom grant. Total funding for the grant would be \$143,900 annually. Annual grants are made to the Wisconsin Farm Bureau Federation for administration of the program.

Environment

1. COUNTY CONSERVATION STAFF AND PROGRAM EXPANSION [LFB Paper 185]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$5,737,600	- \$4,321,400	\$1,416,200
SEG	<u>7,134,200</u>	<u>- 4,301,900</u>	<u>2,832,300</u>
Total	\$12,871,800	- \$8,623,300	\$4,248,500

Governor: Provide \$3,369,100 in 2023-24 and \$3,765,100 in 2024- 25 from nonpoint SEG and \$2,766,800 GPR in 2023-24 and \$2,970,800 GPR in 2024-25 for additional grants to counties to support land and water conservation staff that perform work related to achieving state goals for soil conservation and water quality. The bill would provide a total of \$15,100,000 in 2023-24 and \$15,700,000 in 2024-25 for county staffing grants, as shown in the table.

County Conservation Staffing Funding

Fiscal Year	GPR		Nonpoint SEG		Annual Total
	Base	Additional	Base	Additional	
2020	\$3,027,200		\$5,936,900	\$475,000	\$9,439,100
2021	3,027,200		5,936,900	475,000	9,439,100
2022	3,027,200	\$688,600	5,936,900	1,377,300	11,030,000
2023	3,027,200	772,000	5,936,900	1,543,900	11,280,000
2024	3,027,200	2,766,800	5,936,900	3,369,100	15,100,000
2025	3,027,200	2,970,800	5,936,900	3,765,100	15,700,000

Note: Additional amounts shown in the 2019-21 and 2021-23 biennia were one-time funding amounts. Additional amounts in the 2023-25 biennium would increase base funding.

Under current law, county conservation staff activities eligible for funding include: (a) implementation of land and water resource management plans, which are required of every county by statute to identify local objectives for soil and water conservation; (b) conservation practice engineering, design, and installation; (c) cost-share grant administration; (d) farmland preservation program administration; and (e) livestock regulation. The bill would expand this list to include staff administering or implementing long-range planning and erosion control mitigation.

Grants are awarded in a tiered process, providing each county full funding for its first position, 70% funding for its second position, and 50% funding for subsequent positions as available funds allow. In the 2023 allocation, first and second positions at each county were funded at 100% and 70% respectively, and 5% of costs on average associated with third positions were funded. Under the 2023 allocation, fully funding the state share of first, second, and third positions would have cost approximately \$13.5 million.

Current law requires DNR and DATCP to attempt to provide an average of \$100,000 to each county for staffing grants. The bill provides that if any funding remains after meeting current statutory goals, DATCP and DNR may assist counties in meeting their funding goals for second or third positions by providing grants to lower match requirements and increasing the state share. Grants may also be awarded to counties for fourth or subsequent positions. The Administration indicates such allocations would be determined by DATCP as part of the joint allocation plan allocating state aids for nonpoint pollution abatement and land conservation programs.

Joint Finance: Modify provision to provide \$1,332,100 nonpoint SEG and \$666,100 GPR in 2023-24 and \$1,500,200 nonpoint SEG and \$750,100 GPR in 2024-25 on a one-time basis for

county conservation grants. Total funding for the program is \$10,962,300 in 2023-24 and \$11,214,400 in 2024-25, as shown in the table. No changes are included regarding uses of grant funds.

County Conservation Staffing Funding -- Joint Finance

Fiscal Year	GPR		Nonpoint SEG		Annual Total
	Base	One-Time	Base	One-Time	
2020	\$3,027,200		\$5,936,900	\$475,000	\$9,439,100
2021	3,027,200		5,936,900	475,000	9,439,100
2022	3,027,200	\$688,600	5,936,900	1,377,300	11,030,000
2023	3,027,200	772,000	5,936,900	1,543,900	11,280,000
2024	3,027,200	666,100	5,936,900	1,332,100	10,962,300
2025	3,027,200	750,100	5,936,900	1,500,200	11,214,400

2. NITROGEN OPTIMIZATION PILOT PROGRAM [LFB Paper 186]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$4,800,000	-\$1,200,000	\$3,600,000

Governor: Provide \$2,400,000 nonpoint SEG in ongoing funding in each year of the 2023-25 biennium for nitrogen optimization and cover crop insurance rebate programs funded initially in 2022-23. 2021 Wisconsin Act 223 established a commercial nitrogen optimization pilot program and a cover crop insurance rebate program administered by DATCP to implement strategies that optimize the application of commercial nitrogen and to encourage broader use of cover crops to benefit Wisconsin soils, surface water, and groundwater. The act did not appropriate funding, but the Joint Committee on Finance approved supplemental funding of \$2,400,000 nonpoint SEG in 2022-23 for DATCP to begin implementing the programs. Application periods for 2022-23 funding for each program closed January 31, 2023. Funding under the bill would support \$1,600,000 for the commercial nitrogen optimization pilot program and \$800,000 for the cover crop insurance premium rebate program annually.

Joint Finance: Modify provision to provide \$1,000,000 nonpoint SEG annually on a one-time basis for the nitrogen optimization pilot program and \$800,000 nonpoint SEG annually on a one-time basis for the cover crop rebate program.

3. PRODUCER-LED WATERSHED PROTECTION GRANTS

[LFB Paper 186]

SEG	\$500,000
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Governor: Increase funding for producer-led watershed protection grants by an additional \$250,000 nonpoint SEG annually. Under 2021 Act 58, the statutory cap on annual producer-led watershed protection grant awards was increased from \$750,000 to \$1,000,000 and an additional \$250,000 nonpoint SEG each year was appropriated on a one-time basis during the 2021-23 biennium to provide a total of \$1,000,000 in each year of the biennium. For 2023, DATCP has

awarded 43 grants to producer-led watershed protection groups. Groups may receive grants for such activities as: (a) planning and shared learning programs; (b) surveying and identification of management practices and solutions; (c) increasing participation in conservation, including through incentive payments; and (d) measurement and promotion of the benefits of conservation practices, including water and soil testing.

Joint Finance: Adopt provision, but specify funding is on a one-time basis in the 2023-25 biennium.

4. SOIL AND WATER RESOURCE MANAGEMENT BONDING AUTHORITY [LFB Paper 187]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
BR	\$7,000,000	- \$7,000,000	\$0
GPR	\$0	\$7,000,000	\$7,000,000

Governor: Provide \$7 million in additional bonding authority for cost-sharing grants in the soil and water resource management (SWRM) program. SWRM cost-sharing grants funded by bond revenues support landowner installation of structural best management practices at agricultural sites, such as those intended to reduce soil erosion from agricultural lands and to provide for manure storage and containment. DATCP has been authorized \$7 million in new bonding authority in each biennium beginning in 2007-09, and the Department typically provides \$3.5 million per year for grants to landowners.

In general, state law requires that agricultural landowners receive a cost-sharing offer of at least 70% of the cost of installing a structure or practice if the landowner is to be required to modify an existing structure or operation. Funding for these activities comes from both nonpoint SEG and DATCP general obligation bonding authority; nonstructural practices cannot be supported by bonding and are funded from nonpoint SEG.

Joint Finance: Modify provision to provide \$7,000,000 GPR in 2023-24 in an existing continuing appropriation to support cost-sharing grants to landowners for installation of structural practices.

5. SOIL AND WATER RESOURCE MANAGEMENT AIDS [LFB Paper 187]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$200,000	- \$200,000	\$0

Governor: Provide an additional \$100,000 nonpoint SEG annually for soil and water resource management noncapital projects. Funding would be used for nonstructural costs largely

related to agricultural best management practices. Allocations would be determined by DATCP and DNR in the annual joint allocation plan.

Joint Finance: Provision not included.

6. WATER STEWARDSHIP CERTIFICATION GRANTS

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$500,000	- \$500,000	\$0

Governor: Create a continuing appropriation with \$250,000 each year for grants to agricultural producers to reimburse payments made to the Alliance for Water Stewardship (AWS) to receive certification of water stewardship. Specify that grants awarded for water stewardship certification may not cover implementation costs necessary to meet the certification standard. The Alliance for Water Stewardship (AWS) is an independent nonprofit organization created by various national and international nonprofit conservation organizations and international governing bodies. AWS certification provides a detailed framework for program participants to engage in water stewardship projects.

Joint Finance: Provision not included.

7. CLEAN SWEEP GRANTS [LFB Paper 188]

SEG	\$500,000
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Governor/Joint Finance: Provide an additional \$250,000 annually from the environmental management account of the segregated environmental fund for clean sweep grants. Clean sweep grants are provided to counties and municipalities for the collection and disposal of pesticides, farm chemicals, unwanted prescription drugs, and hazardous wastes. Funding for clean sweep grants in the 2021-23 biennium is \$750,000 annually from environmental management SEG. Base funding for the program would be \$1,000,000 under the bill.

8. BIODIGESTER PLANNING GRANTS [LFB Paper 189]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
SEG	\$500,000	- \$500,000	\$0

Governor: Provide \$250,000 environmental management SEG annually for grants to support planning for installation of regional biodigesters. Require the Department to promulgate rules to administer the grant program.

Joint Finance: Provision not included.

9. BIODIGESTER OPERATOR CERTIFICATION GRANTS [LFB Paper 189]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$100,000	- \$100,000	\$0

Governor: Provide \$50,000 annually for grants to individuals pursuing biodigester operator certifications. Require the Department to promulgate rules to administer the grant program. The Administration intends to use programming and certification provided by the American Biogas Council, which in recent years has conducted courses for participants at UW-Oshkosh.

Joint Finance: Provision not included.

10. FARMLAND PRESERVATION PLANNING GRANTS *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

Regulatory Programs

1. MEAT INSPECTION PROGRAM STAFF [LFB Paper 195]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$953,800	\$126,400	\$1,080,200

Governor: Convert 2.0 GPR and 2.0 FED project positions provided by 2021 Act 58, and scheduled to expire June 30, 2025, to permanent positions. The provision would reallocate \$88,300 annually within the state budget system for each fund source from project position salaries to permanent position salaries, but no additional funding for positions would be provided.

Additionally, provide \$476,900 GPR in each year of the 2023-25 biennium to match FED expenditures for inspection and sampling at meat processors. DATCP's meat safety program conducts inspection of animal and poultry slaughtering and processing in establishments not otherwise inspected by USDA. State-inspected facilities are typically smaller operations. The state-funded portion of the inspection program is supported by GPR, and USDA provides matching FED on a dollar-for-dollar basis. State inspection programs by law must enforce standards that are "at least equal to" federal food-safety standards, including having sufficient levels of staffing to meet required inspections of processing establishments.

Joint Finance: Modify provision to provide an additional \$538,800 GPR in 2023-24 and

\$541,400 GPR in 2024-25 to meet federal matching requirements for DATCP's meat inspection program on a one-time basis. This increases bill amounts by \$61,900 in 2023-24 and by \$64,500 in 2024-25. Maintain project positions set to expire June 30, 2025.

2. ANIMAL DISEASE RESPONSE AND PREVENTION UNIT *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base) Funding Positions		Jt. Finance (Chg. to Gov) Funding Positions		Net Change Funding Positions	
GPR	\$1,070,500	6.00	-\$1,070,500	- 6.00	\$0	0.00

3. DOG FACILITY, RABIES CONTROL AND HUMANE OFFICER PROGRAM STAFFING [LFB Paper 196]

	Governor (Chg. to Base) Funding Positions		Jt. Finance (Chg. to Gov) Funding Positions		Net Change Funding Positions	
GPR	\$320,800	1.00	-\$320,800	- 1.00	\$0	0.00
PR	<u>- 320,800</u>	<u>- 1.00</u>	<u>240,800</u>	<u>1.00</u>	<u>- 80,000</u>	<u>0.00</u>
Total	\$0	0.00	-\$80,000	0.00	- \$80,000	0.00

Governor: Transfer 1.0 humane officer position and \$160,400 from the Division of Animal Health dog licenses, rabies control, and related services PR appropriation to the Division of Animal Health general program operations GPR appropriation. Funding to be transferred would include \$142,900 in salary and fringe benefits and \$17,500 for supplies and services each year.

The dog licenses, rabies control, and related services appropriation has carried an unsupported overdraft since 2018-19. As required by 2021 Act 58, DATCP in 2021-22 transferred \$450,000 from the Veterinary Examining Board PR appropriation to the dog licenses, rabies control, and related services appropriation to reduce the overdraft. As of June 30, 2022, the appropriation has an unsupported overdraft of \$70,200. The Administration intends for the position transfer to further reduce program expenditures while additional fee revenues anticipated over the next several years would be expected to eliminate the overdraft.

Joint Finance: Maintain the 1.0 humane officer as PR-funded. Reduce supplies and services funding within the PR appropriation by \$40,000 annually. Base funding for the appropriation would be \$464,600 in 2023-24 and \$464,200 in 2024-25.

4. LIVESTOCK PREMISES REGISTRATION SUPPORT [LFB Paper 197]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$140,000	- \$140,000	\$0
SEG	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total	\$140,000	\$0	\$140,000

Governor: Increase funding in the Division of Animal Health livestock premises registration appropriation by \$70,000 in each year of the 2023-25 biennium. Under current law, any person keeping livestock must register with DATCP the premises at which the animals are kept. Premises holding any of the following animals are required to register with DATCP: (a) bovine animals; (b) equine animals; (c) goats; (d) sheep; (e) swine; (f) poultry; (g) farm-raised deer or elk; (h) captive game birds, such as pheasant, quail or duck; (i) camelids, such as camels, llamas or alpacas; (j) ratites, such as ostrich or emu; and (k) fish. Additional funding would be used to support the administration of registration. Base funding for the program is \$350,000 GPR annually. The program is administered through a contract with the Wisconsin Livestock Identification Consortium. The bill would provide total base funding of \$437,500 for the program, including an increase of \$17,500 annually under a separate item for state operations adjustments.

Joint Finance: Modify provision to provide \$70,000 annually from the segregated agricultural management fund. Amend an existing ACM SEG appropriation for animal health inspection, testing, and enforcement to authorize expenditures for the livestock premises registration program. Funding for the program would be \$420,000 annually.

5. REPEAL MINIMUM MARKUP FOR MOTOR VEHICLE FUEL *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

6. VEHICLE OWNERS CONSUMER PROTECTIONS *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$412,200	2.00	- \$412,200	- 2.00	\$0	0.00

7. MARIJUANA REGULATION *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
PR	\$467,500	3.00	- \$467,500	- 3.00	\$0	0.00

8. AGRICHEMICAL MANAGEMENT OPERATIONS [LFB

SEG	\$104,000
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 Paper 170]

Governor/Joint Finance: Provide \$52,000 annually from the segregated agrichemical management fund for general program operations in the Division of Agricultural Resource Management.

9. FOOD, LODGING AND RECREATION REGULATION [LFB

PR	\$96,000
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 Paper 170]

Governor/Joint Finance: Provide \$48,000 in each year of the biennium for additional expenditures associated with the Division of Food and Recreational Safety, consisting of \$24,000 each year for each of the food establishment and recreational facility establishment program areas. The Division of Food and Recreational Safety regulates and collects license and other fees associated with: (a) food production, processing, and distribution, including dairy farms, food warehouses, restaurants, and grocery stores; and (b) lodging and recreation facilities, including hotels, campgrounds, and swimming pools. Total budgeted amounts from fees for food, lodging, and recreation regulation are \$12.1 million in 2023-24 and \$11.8 million in 2024-25.

10. BROADBAND CONSUMER PROTECTIONS *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

	<u>Governor</u> <u>(Chg. to Base)</u> Funding Positions		<u>Jt. Finance</u> <u>(Chg. to Gov)</u> Funding Positions		<u>Net Change</u> Funding Positions	
PR	\$165,300	1.00	-\$165,300	-1.00	\$0	0.00

11. MANOOMIN (WILD RICE) TRUTH-IN-LABELING *(Removed from budget consideration pursuant to Joint Finance Motion #10)*

12. LANDLORD-TENANT PROTECTIONS *(Removed from budget consideration pursuant to Joint Finance Motion #10)*