# State of Misconsin 2019 - 2020 LEGISLATURE

LRB-0149/4 MCP:amn&ahe

# 2019 ASSEMBLY BILL 495

October 1, 2019 – Introduced by Representatives Vruwink, Tranel, Anderson, Billings, Bowen, Considine, Doyle, Edming, Emerson, Fields, Hebl, Hintz, Kolste, Kulp, Neubauer, Sargent, Shankland, Skowronski, Spreitzer, Stuck, Zamarripa, Haywood and C. Taylor, cosponsored by Senators Smith, Carpenter, Erpenbach, Larson, Ringhand, Schachtner, Shilling and L. Taylor. Referred to Committee on Agriculture.

- 1 AN ACT to create 20.115 (4) (ap) and 93.485 of the statutes; relating to: creating
- a Small Farm Diversity grant program, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation.

## Analysis by the Legislative Reference Bureau

This bill requires the Department of Agriculture, Trade and Consumer Protection to create a Small Farm Diversity grant program, under which DATCP may award grants of up to \$50,000 to 1) a new agricultural producer to fund start-up costs for a new agricultural operation that will be conducted on 50 acres or less of land; 2) an existing agricultural producer to fund costs for adding a new agricultural product or increasing production of an agricultural product as part of an agricultural operation that is conducted on 50 acres or less of land; or 3) an existing agricultural producer, for the purpose of reducing existing equipment debt, if the producer has added a new agricultural product or increased production of an agricultural product as part of an agricultural operation that is conducted on 50 acres or less of land. The bill appropriates \$500,000 in general purpose revenue biennially for this purpose. The bill also requires a grant recipient to provide equal matching funds for its operations and outlines certain reporting requirements the recipient must follow during the three years after receiving a grant. Under the bill, if a grant recipient does not use the grant funds for the purpose for which the grant is made, fails to submit required information, or falsifies information submitted, the recipient must repay the grant funds to the extent directed by DATCP.

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For further information see the *state* 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. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

2019-20 2020-21

- 20.115 Agriculture, trade and consumer
- 4 protection, department of
- 5 (4) AGRICULTURAL ASSISTANCE

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- (ap) Small farm diversity grants GPR B 250,000 250,000
- **SECTION 2.** 20.115 (4) (ap) of the statutes is created to read:
  - 20.115 (4) (ap) Small farm diversity grants. Biennially, the amounts in the schedule for small farm diversity grants under s. 93.485.
    - **Section 3.** 93.485 of the statutes is created to read:
  - 93.485 Small farm diversity grant program. (1) For the purposes of supporting new agricultural producers and increasing the diversity of agricultural production in this state, the department may award grants from the appropriation under s. 20.115 (4) (ap) to new agricultural producers to fund start-up costs for new agricultural production operations that will be conducted on 50 acres or less of land; to existing agricultural producers to fund costs for adding a new agricultural product, as defined in s. 348.27 (18) (a), or increasing production of an agricultural product, as part of an agricultural production operation that is conducted on 50 acres or less of land; or to existing agricultural producers that have added a new

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agricultural product or increased production of an agricultural product as part of an agricultural production operation that is conducted on 50 acres or less of land, for the purpose of reducing existing equipment debt. The department may not award a grant under this section of more than \$50,000, and may not award a grant under this section unless the applicant contributes matching funds equal to the amount of the proposed grant. The department shall promulgate rules for the program under this section.

- (2) An individual or organization that receives a grant under this section shall submit all of the following to the department:
- (a) One year after receiving the grant, a report that includes an itemized list of expenditures for which the grant was used and the amount of each expenditure; the amount of income earned from the agricultural operation; the number of employees of the agricultural operation; and any other information required by the department by rule.
- (b) Two years and 3 years after receiving the grant, reports that include the amount of income earned from the agricultural operation; the number of employees of the agricultural operation; and any other information required by the department by rule.
- (3) If the recipient of a grant under this section fails to use the grant funds for the purposes specified in sub. (1), fails to submit the reports under sub. (2), or knowingly provides false information in a report submitted under sub. (2), the grant recipient shall repay the grant funds to the department to the extent and in the manner directed by the department, and the department shall include this requirement in any grant agreement with the grant recipient.

# **SECTION 4. Nonstatutory provisions.**

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(1) EMERGENCY RULES. The department of agriculture, trade and consumer protection may promulgate emergency rules under s. 227.24 implementing s. 93.485. Notwithstanding s. 227.24 (1) (c) and (2), emergency rules promulgated under this subsection remain in effect until the first day of the 19th month beginning after the effective date of this subsection or the date on which permanent rules take effect, whichever is sooner. Notwithstanding s. 227.24 (1) (a) and (3), the department of agriculture, trade and consumer protection is not required to provide evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this subsection.

11 (END)