



State of Wisconsin  
2019 - 2020 LEGISLATURE

January 2020 Special Session

LRB-5424/1  
KP:amn/wlj/ahe

## BILL

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

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***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) an existing agricultural producer to fund costs for adding a new agricultural product or increasing production of an agricultural product where market opportunities exist; 2) 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 where market opportunities exist; or 3) a new agricultural producer to fund start-up costs for a new agricultural operation. A person may receive a grant only if in the most recent year before first receiving the grant, the person meets certain annual gross cash farm income requirements specified in the bill. The bill appropriates \$1,000,000 in general purpose revenue biennially for this purpose. The bill also outlines certain reporting requirements grant recipients 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.

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

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

1           **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
2           the following amounts for the purposes indicated:

|   |               |  |           | <b>2019-20</b> | <b>2020-21</b> |
|---|---------------|--|-----------|----------------|----------------|
| 3 | <b>20.115</b> | <b>Agriculture, trade and consumer</b> |           |                |                |
| 4 |               | <b>protection, department of</b>       |           |                |                |
| 5 | (4)           | AGRICULTURAL ASSISTANCE                |           |                |                |
| 6 | (ap)          | Small farm diversity grants            | GPR     B | 500,000        | 500,000        |

7           **SECTION 2.** 20.115 (4) (ap) of the statutes is created to read:

8           20.115 (4) (ap) *Small farm diversity grants.* Biennially, the amounts in the  
9           schedule for small farm diversity grants under s. 93.485.

10          **SECTION 3.** 93.485 of the statutes is created to read:

11          **93.485 Small farm diversity grant program.** (1) In this section, “new  
12          agricultural producer” means an individual who manages a farm or a component of  
13          a farm in this state as his or her primary occupation and who has produced farm  
14          products for no more than 10 consecutive years.

15          (2) For the purposes of increasing the diversity of agricultural production in  
16          this state and supporting new agricultural producers, the department may award  
17          grants from the appropriation under s. 20.115 (4) (ap) to existing agricultural  
18          producers to fund costs for adding a new agricultural product, as defined in s. 348.27  
19          (18) (a), or increasing production of an agricultural product where market

1 opportunities exist; to existing agricultural producers that have added a new  
2 agricultural product or increased production of an agricultural product where  
3 market opportunities exist, for the purpose of reducing existing equipment debt; or  
4 to new agricultural producers to fund start-up costs for new agricultural production  
5 operations. The department shall promulgate rules for the program under this  
6 section.

7 (3) The department may not award a grant under this section unless in the  
8 most recent year before first receiving the grant, the recipient earned from activities  
9 conducted on a farm premises, as defined in s. 102.04 (3), annual gross cash farm  
10 income that is not less than \$35,000 and not more than 150 percent of the maximum  
11 annual gross cash farm income for a small family farm under the farm typology of  
12 the economic research service of the U.S. department of agriculture.

13 (4) The department may not award a grant under this section of more than  
14 \$50,000.

15 (5) A recipient of a grant under this section is not required to contribute  
16 matching funds equal to the proposed grant to receive a grant under this section.

17 (6) An individual or organization that receives a grant under this section shall  
18 submit all of the following to the department:

19 (a) One year after receiving the grant, a report that includes an itemized list  
20 of expenditures for which the grant was used and the amount of each expenditure;  
21 the amount of income earned from the agricultural operation; the number of  
22 employees of the agricultural operation; and any other information required by the  
23 department by rule.

24 (b) Two years and 3 years after receiving the grant, reports that include the  
25 amount of income earned from the agricultural operation; the number of employees

1 of the agricultural operation; and any other information required by the department  
2 by rule.

3 (7) If the recipient of a grant under this section fails to use the grant funds for  
4 the purposes specified in sub. (2), fails to submit the reports under sub. (6), or  
5 knowingly provides false information in a report submitted under sub. (6), the grant  
6 recipient shall repay the grant funds to the department to the extent and in the  
7 manner directed by the department, and the department shall include this  
8 requirement in any grant agreement with the grant recipient.

9 **SECTION 4. Nonstatutory provisions.**

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

20 (END)