## BOARD OF AGRICULTURE, TRADE AND CONSUMER PROTECTION

## MINUTES

**February 27, 2018**

The Board of Agriculture, Trade and Consumer Protection (“Board”) met on **February 27, 2018**, beginning at 9:00 a.m. for a tour of the Bureau of Laboratory Services, located at 2601 Agriculture Drive, Madison, WI 53708. Following the tour, the Board held its business meeting in the Boardroom at the Department of Agriculture, Trade and Consumer Protection. The meeting was preceded by public notice as required by Wis. Stat. § 19.84.

**Call to Order**

Board Chair Miranda Leis called the meeting to order at 11:43 a.m. following a tour of the DATCP Bureau of Laboratory Services (BLS) facility.

## Members Present

Miranda Leis, Andy Diercks, Dennis Badtke, Greg Zwald, Nicole Hansen, Dean Strauss, Kurt Hallstrand, and Paul Bauer present. Paul Palmby excused.

**Minutes**

**Motion**

Dennis Badtke moved, and Kurt Hallstrand seconded, a motion to approve the January 25, 2018 Board minutes. Motion approved unanimously.

**Public Appearances**

There were no public appearances.

## Human Resources Year End (Report)

Alison Scherer, Human Resources Director in the Division of Management Services, provided an overview of HR activities during 2017 to the Board. Ms. Scherer opened with a discussion about Act 150 implementation which, she explained, resulted in changes to the recruitment and assessment processes for the Department. There were 126 recruitments in 2017. DATCP Recruitment has experienced a surge due to turnover amongst agency staff. In 2017, of the 90 staff who left the agency, 38 were retirements. Approximately 43% of departures completed their exit survey, the majority of whom left the agency to pursue higher wages.

In terms of the present, the DATCP HR Bureau partnered with DOT for training services. The HR Bureau continues to seek ways to increase efficiencies. In terms of training, 202 DATCP employees (representing 31% of agency staff) received Verbal Defense and Influence training, a high priority for DATCP field staff. The Board inquired about the possibility of experiencing the Verbal Defense and Influence training.

For the future, Ms. Scherer predicted that the HR Bureau would continue to seek more effective and efficient ways of doing business. For example, Ms. Scherer indicated that the Division of Personnel Management (DPM) in the Department of Administration (DOA) will centralize many HR services between DOA and state agencies in order to increase efficiencies throughout state government.

## Farm Center (Report)

Kathy Schmitt, Director of the Agricultural and Farm Center Services Bureau in the Division of Agriculture Development, provided an update to the Board pertaining to the Wisconsin Farm Center. Bureau Director Schmitt provided a written report to the board members.

The Wisconsin Farm Center receives calls from farmers. The Farm Center staff report that farmers are currently experiencing a great deal of stress. Identifying the early warning signs of this stress, as well as providing tools and coping strategies, has been an emphasis for the Farm Center. Whereas the Farm Center used to service mainly a large number of small farmers, there has been a recent trend of providing services for medium sized farms as well. DATCP Board members mentioned that the glut in milk, losses in premiums, and issues related to the increased costs of transporting milk, are amongst the most pressing concerns facing the dairy industry.

On the positive side, the Farm Center is providing services to farmers for farm succession and estate planning. This is encouraging because it means that farmers are planning for the next generations to continue in agriculture. Finally, Ms. Schmitt announced that the Veteran’s Program will be launched on March 6, 2018.

**Wisconsin Agricultural Statistics Services (WASS Report)**

Greg Bussler, State Statistician, updated the Board on the recent production and price reports.

**Lunch**

Lunch occurred at 12:15 p.m. The DATCP Board reconvened at 12:54 p.m.

## ATCP 20 – Seed Labeling and Sale (Noxious Weed) (Hearing Draft)

Greg Helmbrecht of the Division of Agriculture Resource Management, presented the Hearing Draft of Wis. Admin. Code ch. ATCP 20 to the Board. As of February 22, 2018, the emergency rule has been in place. Stakeholders support this action because of the dangers inherent in these invasive weed species. The goal is to keep these weed seeds out of seed sources in the state of Wisconsin. If this rule is not enacted, these two noxious weed seeds could invade the state.

**Motion**

Nicole Hansen moved, and Dennis Badtke seconded, a motion to approve the Hearing Draft of Wis. Admin. Code ch. ATCP 20. Motion approved unanimously.

## ATCP 21 – Exotic Plant Pest (Emergency Scope Statement)

Brian Kuhn of the Division of Agriculture Resource Management presented the Emergency Scope Statement of Wis. Admin. Code ch. ATCP 21 to the Board. This emergency scope statement has been presented in the past, beginning in 2011, and annually since that time. The governor approved the emergency scope on February 9, 2018.

**Motion**

Paul Bauer moved, and Dean Strauss seconded, a motion to approve the Hearing Draft of Wis. Admin. Code ch. ATCP 21. Motion approved unanimously.

## Industrial Hemp Pilot Research Program Rule Update (Report)

Brian Kuhn, Director of the Bureau of Plant Management in the Division of Agriculture Resource Management, provided an update to the Board on the Industrial Hemp Pilot Program for research of Industrial Hemp in the state of Wisconsin. DATCP consulted with many other states that have implemented similar programs throughout the country. DATCP learned a great deal from these consultations. The emergency rule is scheduled to be published on March 2, 2018, on which date the Industrial Hemp Pilot Research Program will take effect. DATCP has experienced a great deal of interest from citizens on the Department’s website. The 2018 growing season will open on March 2nd, and planting is likely to take place in late May and early June of 2018. Growers must provide research data back to DATCP.

Challenges persist. There is some disagreement of various definitions of language in the Farm Bill. These interpretations have caused confusion due to these varying interpretations of the law. Board member Zwald requested more information about law enforcement’s perspective on the possession of Industrial Hemp.

Work will proceed on a permanent rule by July of 2020. Because Industrial Hemp production is a Pilot Research Program, DATCP will receive data and learn from the research; therefore, variations to the language of the permanent rule are likely.

Board member Nicole Hansen queried Mr. Kuhn about the capacity of private labs in Wisconsin to test Industrial Hemp and processors in Wisconsin to process Industrial Hemp. DATCP has learned about many private entities in conversations to discuss the option of setting up processing facilities. So, the private sector may develop cannabis labs and/or processing facilities in the future. Board member Paul Bauer joined Nicole Hansen in expressing interest in building the economy in the state of Wisconsin for the processing of Industrial Hemp.

## Consumer Protection (Report)

Michelle Reinen, Director of the Bureau of Consumer Protection in the Division of Trade and Consumer Protection, presented the “Top Ten Consumer Complaints” list for 2017. Telemarketing leads the list. DATCP provided information pertaining to the “Yes” scam where telemarketers record a victim speaking the word, “Yes”, which is later used as evidence that the victim has assented to accepting credit card charges. Landlord Tenant laws also net a good number of complaints. Bureau Director Reinen addressed identity theft issues, home improvement complaints, and other areas of consumer concerns.

Board members queried Bureau Director Reinen pertaining to specific issues contained in the Top Ten Consumer List 2017. Michelle Reinen concluded her report by announcing that National Consumer Protection week is scheduled to begin on Sunday, March 4, 2018.

## ATCP 20, 21, Appendix A, 40, 42, 65, 71, 72, 73, 76, 77, 78, 79, 90,

## 91, 92, 94, 99, 105, 118, 163, 164, 165, 166 Technical Rule (Hearing Draft)

## Lacey Cochart, Assistant Legal Counsel of the Department of Agriculture, Trade and Consumer Protection, presented the Hearing Draft of Wis. Admin. Code ch. ATCP 20, 21, Appendix A, 40, 42, 65, 71, 72, 73, 76, 77, 78, 79, 90, 91, 92, 94, 99, 105, 118, 163, 164, 165, 166 Technical Rule to the Board. Every few years, the Department presents to the Board updates pertaining to minor errors, grammatical errors, and technical changes to a variety of administrative rules.

**Motion**

Nicole Hansen moved, and Dean Strauss seconded, a motion to approve the Hearing Draft of Wis. Admin. Code ch. ATCP 20, 21, Appendix A, 40, 42, 65, 71, 72, 73, 76, 77, 78, 79, 90, 91, 92, 94, 99, 105, 118, 163, 164, 165, 166 Technical Rule. Motion approved unanimously.

## ATCP 17 – Livestock Premises Registration (Hearing Draft)

Dr. Paul McGraw, Administrator of the Division of Animal Health, presented the Hearing Draft of Wis. Admin. Code ch. ATCP 17 to the Board. The goal of the rule is to allow premises registration for secondary premises. The proposal seeks to eliminate a gap in tracking premises. Board members asked questions about how addresses and locations would be tracked. The revisions to the rule will enable the Department to track the secondary locations. In the event of an outbreak, the Department will now be able to better respond to protect herds in multiple locations. All premises registration information is confidential, per state statute.

**Motion**

Dennis Badtke moved, and Dean Strauss seconded, a motion to approve the Hearing Draft of Wis. Admin. Code ch. ATCP 17 – Livestock Premises Registration. Motion approved unanimously.

**Board Member Reports**

**Board Director Greg Zwald** – Mr. Zwald provided some sentiments to the DATCP Board about the Moses organic conference held in LaCrosse, Wisconsin. He learned a great deal about soil fertility. He perceives the possibility for the development of new conversations and concepts about the innovations possible between conventional and organic farmers.

**Board Director Kurt Hallstrand** – Mr. Hallstrand reported on the recent Wisconsin Cattleman’s Association conference held with the Angus Association two weeks ago in the Dells. Mr. Hallstrand attended the conference with the Northcentral Cattleman. Mr. Hallstrand was most impressed about the recommendations for farmers to “tell their stories” and promote their industry for the sake of transparency. Mr. Hallstrand also reported on weather conditions in the north woods of Wisconsin, especially pertaining to snowfall. Cattle markets are strong at present.

**Board Director Dennis Badtke** – Mr. Badtke discussed some winter weather and some wintry outdoors activities in recent months. Mr. Badtke noted that many farmers are suffering through some difficult financial times in challenging economic circumstances. Mr. Badtke indicated that Foxconn purchases of farmland present an opportunity for some farmers to sell their farmland at this time. Some of the farms in the Village of Mount Pleasant are making a small fortune, and some farmers will be able to capitalize on this opportunity.

**Board Vice-Chair Andy Diercks** – Mr. Diercks indicated that the annual potato growers meetings occurred in early February of 2018. The meetings were well attended. Mr. Diercks provided a report to the Board about the health of the potato industry which Mr. Diercks indicated is strong at this time.

**Board Director Paul Bauer** – Mr. Bauer explained that he recently heard from the Director of the American Dairy Products Institute who predicted that the dairy industry will continue to struggle financially for an extended period in the future. Low prices continue, and Mr. Bauer stated that the industry is seeing a lot of economic issues pertaining to the current milk market and the existence of some stratification of pricing on the processing side of the industry. Mr. Bauer commented on the need to “tell the story” in regard to the good news about dairy proteins to dispute some of the negative and/or false press.

**Board Director Dean Strauss** – Mr. Strauss indicated that his family sold their tavern business on February 8, 2018. Mr. Strauss visited California and the World Ag Expo where he studied different dairy markets in varying economic circumstances. Mr. Strauss indicated that exposure to different commodities prompted him to seek answers to how farmers can better compete. Mr. Strauss also provided a memorial statement pertaining to dairy farmer and businessman, Mr. John Pagel of Kewaunee County, who recently died in an airplane crash.

**Board Director Nicole Hansen** – Ms. Hansen indicated that the Wisconsin cranberry industry recently experienced a major acquisition and a bankruptcy. Wisconsin still leads the nation in cranberry production with 7.2 million barrels of cranberries. There is not an excess or oversupply in the marketplace for whole food product. The oversupply would be in the area of concentrates. Ms. Hansen state that the added ice over their cranberry plants has served to preserve the plants.

**Board Chair Miranda** **Leis** – Ms. Leis provided an update on the Organic Industry which has not seen as much fluctuation as conventional markets. Ms. Leis expressed the notion that the Moses organic conference did create a positive buzz about organics and innovation. The Moses conference is much more than a trade show; it is an educational experience.

Transparency continues to be very important to the dairy industry. While the Olympics featured a number of positive marketing endeavors pertaining to the dairy industry and advertising; however, Ms. Leis expressed concern about advertising which targeted the dairy industry in a negative manner. National FFA week occurred also week. Agriculture needs a “long haul” perspective to promote future careers in agriculture for young people, and it is encouraging to see agriculture’s future through youth in this nation.

**Secretary’s Report**

Secretary Sheila Harsdorf attended her first NASDA (National Association of State Departments of Agriculture) conference where Secretary Harsdorf met with leaders from around the nation. Secretary Harsdorf noted that there was a great deal of sharing of ideas and approaches to improve the industry. NASDA featured dialogue concerning common interests and common issues across the gamut. Emphasis needs to continue to be placed upon investment in agriculture infrastructure, broad-band investment, food safety, food exports, as well as marketing the health benefits to consumers provided by the dairy industry and agriculture. Secretary Harsdorf met with NASDA Midwest leaders to discuss food exports.

During her time at the Conference on Rural Prosperity, Secretary Sheila Harsdorf visited the White House where she heard from USDA Secretary Sonny Perdue, FDA Commissioner Scott Gottlieb, Secretary of Interior Ryan Zinke, and Vice President Michael Pence.

During the month of February, Secretary Harsdorf and Assistant Deputy Secretary Keith Ripp both presented in various venues, including the Corn, Soy, Pork Expo where DATCP emphasized the significance of building and promoting our state’s exports to help overcome some of the challenges in the Agriculture Industry. Secretary Harsdorf attended and spoke at the Farmer’s Union Annual Meeting where she highlighted some of the Governor’s initiatives including the proposed scholarship to encourage youth to enter agricultural careers. She presented with Alliant Energy and how technology can improve agriculture. Very hopeful was Dairyfield Representatives annual conference in Madison as well.

Secretary Harsdorf also presented at the Great Lakes Inter-tribal Council, comprised of eleven tribal representatives in Wisconsin. There was a good deal of discussion on issues such as Industrial Hemp and CWD.

Assistant Deputy Secretary Keith Ripp conducted a great deal of outreach on behalf of the Department, presenting around the state with the Cranberry Growers, the Cooperative Network, Wisconsin Ag Tourism Group, and the Agri-Business Association. Secretary Harsdorf introduced Sean Brown, the new Division Administrator for TCP.

Governor Scott Walker has several proposals in the legislature to improve Agriculture. Secretary Harsdorf asked DATCP Board members a question: What can the Department do to better support and advocate on behalf of Wisconsin farmers? Secretary Harsdorf made a special request of the DATCP Board members to think about how the Department can best assist farmers in these difficult times.

**Future Schedule and Agenda Items**

The DATCP Board is scheduled to meet for its next Board meeting on March 29, 2018 in Madison, Wisconsin at the Department’s Headquarters.

**Adjournment**

The DATCP Board adjourned at approximately 2:22 PM on February 27, 2018 upon the motion of Board Member Dennis Badtke, seconded by Board Member Paul Bauer, and unanimous approval of the DATCP Board.

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Miranda Leis, DATCP Board Chair

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Paul Palmby, DATCP Board Secretary

All reports and any associated documents presented during a Board meeting can be accessed by contacting the Office the Secretary, Legal Counsel, at (608) 224-5023.