

**BOARD OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
MINUTES**

May 14, 2020

The Board of Agriculture, Trade and Consumer Protection (Board) met via videoconference on **May 14, 2020**. 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 9:05 a.m.

Members Present

Miranda Leis, Paul Bauer, Andy Diercks, Patty Edelburg, Paul Palmby and Carla Washington.

Minutes

Motion

A motion was made and seconded to approve the April 24, 2020 DATCP Board minutes. Motion was approved unanimously.

Public Appearances

Ann Retzlaff Owner and Operator of Annie's Campground, LLC appeared before the Board to speak regarding Hemp. Ms. Retzlaff started the Shawano Hemp Co-op and is requesting that DATCP remove the testing regulations and regulatory licensing requirements at the state level because it is suffocating our farmers.

**Secretary Mary Kolar
Department of Veterans Affairs**

Interim Secretary Randy Romanski introduced the Wisconsin Department of Veterans Affairs (WDVA) Secretary Mary Kolar to the Board. The WDVA is home to 335,000 veterans and works so that our veterans know they are appreciated for their service. The WDVA provides Wisconsin veterans and their family members access to programs designed for health, education, and economic assistance, which include nursing care, memorial cemeteries, military funeral honors, federal veterans claims assistance, housing, mental health and crisis services.

Our Veterans Resource Center staff usually are the first person a veteran speaks to when they have questions about his or her eligibility for benefits. In 2019, our resource center responded to nearly 40,000 contacts and the eligible staff processed about 12,000 grant applications. We also make sure that all Wisconsin veterans have access to their federal benefits by having the claims office help navigate the process for disability, pension and medical care benefits. One of our newer and very successful programs is the Veteran's Outreach and Recovery Program. This program is the cornerstone of the Department's efforts to address the mental health needs of veterans. The program coordinator's work directly with veterans to assist with referral services, such as medical

care, financial assistance, legal needs, childcare, housing, substance abuse, mental health needs and more. This program to date has had a tremendous impact helping about 1500 veterans.

The WDVA administers three skilled nursing facilities which together provide over 700 veterans and their spouses around the clock care and three cemeteries that offer a beautiful dignified resting place. Also the WDVA manages the Wisconsin Veteran's Museum which consists of exhibits, living histories, informational programs, speakers and much more. A Smithsonian affiliate, the museum welcomes about 90,000 visitors a year.

Ms. Kolar believes we can work together in the agriculture community to make a difference and understands that farmers are already dealing with significant economic challenges, falling commodity prices, uncertainty about international trade and unprecedented weather. The WDVA will continue to support veteran farmers any way they can and develop more solutions to reach the farming communities who are in distress.

Hemp Update **Division of Agricultural Resource Management**

Brian Kuhn, Plant Industry Bureau Director in the Division of Agricultural Resource Management presented a hemp program update to the Board. The hemp program has come on fast and furious across the county and we are moving into year 3 of growing hemp. In 2018 we had 185 licensed and registered growers, with 82 processors planting 1850 acres. Last year in 2019 we had 1250 registered growers, which is a 500% increase from the prior year, with about 5000 acres getting planted. In 2020 we are seeing a flattening of the increase we saw in 2019 and the numbers look like they will stay about the same as last year. The workload that comes with the dramatic increase in hemp growers was in 2018 we collected about 800 hemp samples, to about 2200 samples collected last year.

Legislation:

- The original federal enabling legislation was the 2014 Farm Bill, which allowed the Hemp Pilot Research Programs.
- The original state enabling legislation was the 2017 Wisconsin Act 100 which allowed the Department to participate in the federal research program. Based on Act 100 the Department had to develop rules. The original emergency rule ATCP 22 is set to expire July 1, 2020. Therefore we are working on emergency rule #2 and want to have that in place before the current rule expires. Emergency rule #2 is to maintain the pilot research program through this growing season.
- The 2018 Farm Bill came along and provided the blueprint for USDA to draft a federal rule around this program, which resulted in the Interim Final Rule for Domestic Hemp Production. This program outlines in more detail what state's need to put into their program, removed hemp from the controlled substance list and allows hemp to be moved interstate into different markets. This program gives also more clarity for our growers.
- Prior to November 1st, the Department must now develop another emergency rule #3 that will align with the USDA Interim Final Rule and must develop a State Plan with USDA approval to have primary authority in our state to run the program.

- The 2019 Wisconsin Act 68, is state legislation that lines up the state hemp provisions with the 2018 Farm Bill.

Staffing:

- We have had significant staffing come to the program in the last year and a half. Initially 15 staff positions were shifted to hemp to help with the crunch of the licensing and sampling season, but now we have 7 full time staff (2 FTE, 2 project, 1 lab and 2 LTE) working in the program. This is an administrative heavy program with a lot of regulatory detail.
- This year our plan it to hire 20 LTEs which is double the sampling staff compared to 2019, and hire an additional 12 LTEs at the lab for processing and analysis.
- This year we will be working to automate our interactions with growers during the season. This would allow for movement back and forth between the Department and growers for planting reports, 30-day harvest notifications and field sampling activities. It should be a much quicker and less expensive process, which is our overall goal.

**AACP Council Member Re-Appointments
Division of Agricultural Resource Management**

Lori Bowman, Bureau Director from the Division of Agricultural Resource Management presented the ACCP Council membership reappointment recommendations to the Board. Ms. Bowman requested that Marv Prestrud, Joe Sikora and Benjamin Nelson, be approved as members of the AACP Council, with a new term expiring on June 30, 2022.

Motion

A motion was made by Paul Bauer and seconded by Patty Edelburg to approve the reappointments of Marv Prestrud, Joe Sikora and Benjamin Nelson to the AACP Council to a term expiring on June 30, 2022. Motion was approved unanimously.

Exports Update

Division of Agricultural Development

Mark Rhoda-Reis, Bureau Director from the Division of Agricultural Development presented an export update to the Board. Mr. Rhoda-Reis stated that the expectation by quarter one was that the market would be stable, but as the COVID virus hit, ports and other markets were shutdown. Interestingly through, in the first quarter Wisconsin exported over \$800.8 million in agriculture and food products to 132 countries, which is an increase of 0.05 percent or \$367,000. But, looking overall at the US food and Ag exports, Wisconsin's overall goods exports were down 0.3%, which is a bit flat to last year's reports.

The strongest markets, Canada is down 10%, Mexico is down 6.5% and China is down 14.7%, together they make up over 51.3% of total exports. The top ten markets make up over 74% of the total \$800.8 million. Japan, Germany, Finland and Vietnam were the only markets showing a gain over the previous year, with Finland up 4500% due to their mink production. Traditionally, we have been the nation's top mink producer, but a company is importing into Finland. Mink benefits

the meat industry because the pieces that do not go into human food, go into feeding mink which keeps prices up on the meat side.

Our top product categories, vegetable are down 5.3%, dairy is up 16.1%, edible preparations are down 9.5%, wood is up 8.9% and beverages, including ethanol, are also up 16.4%. In the meat and fish exports category, the US exported more pork than beef, but for Wisconsin the beef export is higher than pork. This industry exported \$80 million dollars, which is up 10%.

Wisconsin currently ranks 14th in the US for agriculture exports, first in the export of ginseng root, then cranberries, fur skins and bovine semen. Wisconsin ranks second in the export of sweet corn, and third in the export of whey and edible preparations of meat, fish and crustaceans. Wisconsin also ranks fifth in the export of cheese.

During quarantine, the international research team has been reaching out and have spoken to more than 50 companies. The companies we spoke with are exporting and will continue to do so during quarantine. Also, a number of the major trade shows have been cancelled or rescheduled. We are currently looking into virtual trade shows.

Wisconsin Agricultural Statistics Survey Update

Greg Bussler

Greg Bussler, State Statistician from the USDA National Agricultural Statistics Service presented his March 14, 2020 agricultural statistics on 2020 corn planting intentions, milk production, cheese production, March prices received, crop progress as of May 4, 2020, chicken and eggs, and upcoming NASS surveys. See Mr. Bussler's report which is included in the Board meeting packet for more specific details.

Federal Aid Update

Office of Secretary

Interim Secretary Randy Romanksi stated that on March 27, 2020 the federal government passed a federal stimulus package, aka the Federal CARES Act, which is providing funding in stages to states for the COVID-19 response.

The first stage of funding is that the federal government is providing \$1.9 billion. This funding was originally targeted towards response for healthcare, PPE, first responders, unemployment insurance, etc. That \$1.9 billion had a lot of potential access points and came with initial limited guidance from US Department of Treasury. We have to know how the funding is able to be spent and how it should be accounted back to the federal government. From the beginning the Governor has been supportive in using a portion of that funding to assist the agriculture industry. We have fielded inquiries from organizations representing agriculture, have established a discussion group and have had discussions with those groups on how an aid package can be delivered, timing of delivery and what is the best way to get dollars into the hands of farmers.

The other steps in process is that the USDA has an additional aid package and Congress is contemplating what the next round of funding will look like. Specifically, what does the funding looks like for agriculture? As part of our weekly stakeholder calls with the industry we have invited our states congressional members to be on those calls. These calls have helped our congressional members understand the stress points for Wisconsin agriculture. Senator Baldwin has proposed a relief package that would provide flexibility to states to work on areas that are most in need of relief.

Secretary's Office Update

Interim Secretary Randy Romanski presented the Secretary's Office Update to the Board. Mr. Romanski stated that since the initial onset of COVID 19 DATCP staff continue to work on creative ways to serve the industry.

The Supreme Court Safer at Home ruling is now less than 24 hours old and essentially will not change the way DATCP operates on a daily basis. Since the ruling is so new, we will continue to learn more as we navigate the decision, but we do expect it to complicate some of our local county health programs. Our inspectors are well versed in the reopening guidelines that have already been distributed. In fact, our DFRS has been involved in drafting those reopening guidelines. We are still working to analyze all the impacts of that ruling. We do know that DOA is developing a Badger Bounce Back guideline for state government. What does it mean for DATCP as the state begins to open up? It means that state employees have been directed to work in the same structure as they have been approved to work. We will continue to deliver services the way we are currently doing them. From our prospective, responding to the pandemic has always been about the health and safety of the State of Wisconsin.

The DATCP Dairy Farmers of Wisconsin Hunger Task Force joined together to help provide relief to the underfed and unemployed by connecting milk to emergency foods around the state. In the last month millions of dollars and thousands of pounds of food have been donated to food banks in Wisconsin. Wisconsin understands the challenges and is willing to pitch in and use the partnerships we have to help those in need.

On April 1st, DATCP sent letters to USDA Secretary Purdue asking him to purchase commodities and to expedite additional programming details for the Coronavirus Food Assistance Program. Some of the recipients of the Coronavirus Food Assistance program have been announced. So far it appears that Wisconsin is underrepresented in that program, which is disappointing. There were \$3 billion set aside for this program and only \$1.2 billion was released, in which Wisconsin only received \$9 million dollars. There are a lot of questions now and we will work with USDA for answers.

Along the lines of food and food delivery. Last week we contacted the USDA Food Safety service for a temporary exception to allow state inspected meat to be sold or donated across state lines. This would allow additional state inspected plants to ship interstate, especially now when a lot of those plants are staying open extra hours and taking extra animals to get them to consumers.

DATCP Assistant Deputy Secretary Angela James and Interim Secretary Randy Romanski participate in weekly regional director's calls. The goal in these calls is to share best practices and combine voices to address regional agricultural concerns. These calls have been helpful, we have been able to share some of the details of programs we have been working on. We shared a copy of a letter that Governor Evers sent asking USDA Secretary Purdue to provide national resources to Wisconsin's farm growers and ethanol producers. We are currently having discussions with the regional director's on FEMA to apply to carcass disposal when a farmer has to euthanize an animal.

The DATCP Farm Center staff continue to provide service to farmers. The call volume into the Center continues to be high and has been focused mostly on mental health vouchers. So far this year, the number of vouchers requested is more than the total for 2018. Please share information available at the Farm Center with your networks.

The 2020 DATCP employee of the year awards were given to the following staff members:

Lois Federman is the Something Special from Wisconsin Program Manager and took her first position with the department in 2005. She helped grow the Something Special *from* Wisconsin Program to nearly 500 members as well as added member benefits to the program.

Marcia Wensing is a Plant, Pest & Disease Specialist in the Plant Industry Bureau and a DATCP team member for more than five years. In addition to compliance work involving boxwood blight, invasive plant sales, and gypsy moths at nurseries, Marcia provides outreach at events.

Tyler Mortenson has been with DATCP for more than three years as an Animal Health Inspector. He has proven to be consistently invaluable to the department's animal disease emergency response efforts and has consistently performed at a very high level as an inspector. He has also been a key member of the DAH Equipment and Supply Team, helping ensure that equipment is inventoried and readied for dispatch.

Victoria Perreault has been at the department for nearly two years, and in that time, she has transformed the way the Division of Food and Recreational Safety utilizes its licensing software (CRM) in the Manufactured Food CRM Inspection Project. Victoria has learned the software, sought out resources, worked with the staff, provided training, and successfully implemented the program.

Amy DeBaker has worked for the Bureau of Laboratory Services her entire career, which encompasses 34 years. Amy manages the Chemistry Section and is a tireless advocate for accurate and impactful testing. After spearheading the set up the Hemp testing program in 2018, she ramped up operations to meet the needs of a 700% increase in hemp samples last year.

Robert Klein has been an Agriculture Auditor in the Agricultural Producer Security Section for more than 14 years. Robert was the primary auditor investigating a grain elevator that mishandled thousands of dollars of grain and purchases from producers. His work resulted in minimizing producer losses and supporting their default claims.

Congrats to all of these individuals. We are proud of all DATCP staff.

Carla Washington asked Mr. Romanski to address DATCP hiring. Mr. Romanski stated that the state government has had to tighten the belt and mandated a temporary hiring freeze on non-essential positions. The TCP position that Ms. Washington participated in continues to proceed because the recruitment started before the hiring freeze and it is an essential position.

Board Member Update

Carla Washington: Carla is going into the office every day and keeping up with the rules and updates coming out of the consumer protection area because it impacts clients from her agency. The domestic violence numbers continue to go up during the COVID pandemic. Ms. Washington thanked the Consumer Protection Division for acting quickly on rule changes and helping consumers.

Andy Diercks: Andy is trying to get things in the ground, he planted soybeans yesterday. Potatoes are in disarray with all the quick restaurant closures, and processors are trying to move product into storage. There are lots of potatoes in the Pacific Northwest, some fear what the fresh market will look like this fall if the market doesn't get opened up soon. In the short term, potatoes are good if you are in the chip business.

Paul Bauer: Dairy plants had a steady routine and the routines are now destroyed with the lack of food service and milk sales. The economy is not working normal because items are not available. There is some increase in retail sales, but no consistency. Food service sales are just starting to move up. Pricing barrel cheese was \$1 and is now \$1.66, which is flat out crazy. On the cow side, beef plant closures effected a lot of people and asked farmers to cut back 7%. As a co-op we have been creative, encouraged people who were going to quit to quit early. April is a horrible month for dairy farming, prices in 1970 were higher than they are in April this year.

Patty Edelburg: Patty is still having a lot of virtual meetings regarding response work, mental health, and the CARES act. She is trying to get daily information out to make sure farmers are informed as changes are made. Milk prices have been insane up and down, our milk plant asked us to contract milk for May and June, milk is up \$16.

Miranda Leis: For organic dairy, it is heavily retail based business and with the COVID spike we were able to keep up with retail demand. The next step is to monitor the recession, which is almost a guarantee that it will affect retail businesses and try to prepare for anticipated losses. On a farm level, it has been a nice planning season and they have almost completed planting.

Adjournment

Motion

A motion to adjourn was made by Carla Washington and seconded by Paul Bauer, motion approved unanimously. The Board adjourned at approximately 11:23 p.m.