

**RevEx Subcommittee on Issues #4 and #5 – ACCP
Meeting Notes
April 13, 2016**

Present: Jim Bruncker, Tom Bressner, Bob Welch, Amy Winters, John Manske, Kristen Faucon (on phone), Dave Flakne (on phone), Mark Dawson, Amy Haak (on phone), Rob Richard, Paul Ferguson (on phone), Bruce Barganz, Scott Firlus (on phone) Stan Senger, Mae Friederich, Trevor Bannister, Steve Martin, Jennifer Heaton-Amrhein, Lori Bowman, Stacie Ashby, Robby Personette, Lacey Cochart

Lori Bowman called the meeting to order at 10:00 am and welcomed the subcommittee and provided a brief review of the last meeting. She also went over the goals of the meeting: 1) Review DATCP proposal to the group 2) Receive feedback from the group and discuss an industry suggested change to the proposal

ACCP proposal

Bowman reviewed DATCP’s ACCP proposal.

License Type	~ Number	Proposed Surcharge	Total Revenue	% of Total Revenue
Pesticide Business Location (PBL)	2,400	\$35	\$84,000	10%
Individual Commercial Applicator (ICAL)	8,500	\$15	\$127,500	15%
Restricted Use (RU) Dealer	420	\$25	\$10,500	1%
Fertilizer License	775	\$35	\$27,125	3%
Fertilizer Tonnage	1,900,000	\$0.15	\$285,000	34%
Pesticide Registration (NHH)	5,300	\$50	\$265,000	31%
Bulk Storage – Fertilizer *NEW*	279	\$100	\$27,900	3%
Bulk Storage – Pesticides *NEW*	235	\$100	\$23,500	3%
TOTAL			\$850,525	100%

In addition to the revised surcharges, the proposal also recommended:

- Establishing a statutory trigger for surcharge reductions
 - Automatic surcharge holiday if the fund balance is > \$1.5 million on May 1
 - Automatic 50% reduction in the surcharge if the fund balance is > \$750,000 < \$1.5 million on May 1
- Keeping the lifetime maximum at \$400,000
- Repealing s. 94.74, authorization for agrichemical pollution prevention grants
- Repealing s. 94.73 (3m)(w), related to ineligibility of “greenfield” sites (i.e. restore eligibility to all sites)

Suggested Revision and Discussion

Tom Bressner provided some feedback from the Wisconsin-Agribusiness Association’s members and a suggested revision. He said they supported lowering the direct cost to producers based on the historical data, agreed with trying to balance contributions from the fertilizer and pesticide sectors more evenly, and were ok with keeping the co-payments and deductibles that same as they are currently. He said his

members were not enthusiastic about what would be a 34% increase in direct fees by their businesses, but were willing to agree to if they could get an inflationary increase in the lifetime maximum to \$650,000, on expenses after the effective date of the statute change.

The group discussed the proposal.

Dave Flakne stated that he would want to make controls were in place to ensure that the cost of clean-ups does not increase because there would be a higher cap. He thinks the 25% co-pay is a good incentive for businesses to keep costs down.

Mark Dawson said their increase in costs over time almost exactly matches inflation, except remediation costs that fluctuate up and down with the petroleum market.

John Manske said that if the fund balance remains high and the trigger mechanism passes, there could be a fee holiday for a long time.

Bob Welch stated that he would support the original proposal but does not support an increase in the lifetime maximum. He stated if the fertilizer tonnage fee went away completely, he would not care what happens to the program. He also suggested a compromise position of a \$400,000 cap, that would increase to \$650,000 if a fund user contributes an additional deductible (or some amount) after reaching \$400,000 in eligible costs..

Bruce Barganz stated that most of the historic problems have been clean up. Normally he would not support a proposal that is only helpful for 1-2% of sites, but because this is for environmental clean-up, he would support it.

Amy Winters supported the increase. She stated that she did not see the value in creating an extra deductible and hoop for businesses to jump through. The increase simply reflects inflation since 1993, and is not an expansion or lengthening of the program. She said it is a reasonable proposal and the state does not want to lose retailers over clean-up costs, which would be bad for producers.

Jim Brunner said there is a large anti-farming sentiment out there, and since the fund has money available and the proposal would reflect inflation, he would support an increase to expedite clean-ups.

Rob Richard said he is more concerned with stopping the raids on the fund than over the lifetime maximum.

Bowman stated that she received written comments from Bob Zimpel (February 18), Brian Swingle (March 30) and Amy Haak (April 12) who all supported an inflationary increase in the lifetime maximum.

Next Steps

Bowman concluded the meeting and asked members to get additional feedback on the proposal. Bressner said he would like to hear from a broader representation of producers. Bowman reiterated that consensus may not be possible, and that is ok as long as the report reflects who will support the proposal and who will be against it. The department will be in touch on how to proceed with this subcommittee.

The meeting adjourned at 11:20 a.m.