# BOARD OF AGRICULTURE, TRADE AND CONSUMER PROTECTION MINUTES

### December 17, 2020

The Board of Agriculture, Trade and Consumer Protection (Board) met via videoconference on **December 17, 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 9:02 a.m.

### **Members Present**

Miranda Leis, Paul Bauer, Andy Diercks, Patty Edelburg, Kurt Hallstrand, Paul Palmby, Doug Rebout, Dan Smith, and Carla Washington.

#### Minutes

#### Motion

A motion was made by Paul Palmby and seconded by Paul Bauer to approve the November 19, 2020 DATCP Board minutes. Motion was approved unanimously.

#### **Public Appearances**

No public appearances.

### Introduce Eric Ebersberger Assistant Deputy Secretary Office of the Secretary

Secretary Randy Romanski introduced Assistant Deputy Secretary Eric Ebersberger to the Board. We are glad to have Eric as part of our team. He brings a great amount of experience and knowledge to the Department and we are fortunate to have him. Assistant Deputy Secretary Eric Ebersberger greeted the Board and stated it is a privilege to be at DATCP and he is looking forward to meeting everyone in person.

### Secretary Emilie Amundsen Wisconsin Department of Children and Families

Secretary Randy Romanski introduced Secretary Emilie Amundsen of the Wisconsin Department of Children and Families (DCF) to the Board. Secretary Amundson was appointed by Governor Tony Evers on January 7, 2019 and comes to the Agency with over a decade of experience in state government.

DCF's programming was born out of programs from DWD and DHS during the Doyle era. DCF administers programs to assist children and families in need of protection or services, adoption and foster care, licensing of facilities that provide out-of-home care for children, background

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investigations of child care providers, child abuse and neglect investigations, and communitybased juvenile justice services. DCF also administers the Wisconsin Works public assistance program, Shares, YoungStar, the child support enforcement and paternity establishment program, and programs related to the federal Temporary Assistance to Needy Families income support program.

One hot button issue DCF is working on is child care in rural and urban areas. We have seen that even when there is a 2-person working family, child care is more expensive than college tuition. Largely the female workforce brings home around \$10-\$13 an hour which results in affordability, access, and work force issues. The pandemic has brought this topic into the forefront for us. Also, WEDC's Blue Ribbon Commission made recommendations to the Governor regarding the state's child care issues. The recommendations are as follows: 1. Child care funding should be a clear state priority because DCF runs entirely on federal funds; 2. We should be fostering the development of private/public partnerships to develop and sustain rural child care options; 3. We should be supporting child care professional development. What is it going to take to keep these professionals in the field? and 4. There needs to be a central point of contact at the state level for child care providers.

There are also opportunities to connect the dots with DATCP and the agricultural/rural community. One area we can learn from is the co-op model and shared services industry. For example, there needs to be more assistance for in-home child care providers to help with paperwork, purchasing, payroll, and taxes. We have seen a 90% decline in last 10 years of in-home providers and we see a need to support these workers which would allow for more child care options.

Recently DCF received a grant for the Preschool Development Program and a Farm to ECE grant. These grants are a win/win for both the agriculture industry and early education centers.

# **State FFA Officer Presentation**

Secretary Randy Romanski introduced the FFA President Joe Schlies to the Board. The FFA's mission is to make a positive difference in the lives of students by developing their potential for leadership, public speaking, personal growth, and career success. Joe Schlies introduced the current FFA officers to the Board: Jackie Rosenbush (Sentinel), Ben Styer (Vice President), Carisa Cleven (Vice President), Kendra Jentz (Treasurer), Brooks Lueck (Vice President), Cortney Zimmerman (Vice President), Kaite Loehrke (Secretary), Katrina Hoesly (Parliamentarian), and Melissa Konkel (Vice President).

The FFA members serve as ambassadors for agriculture. We engage with FFA alumni sponsors, and educators in the agriculture industry and help our members grow personally and professionally. Currently we have 21,000 FFA members in Wisconsin from 252 chapters. The past team was nervous on how we would impact our members during the pandemic, but we are pleased with the results. We have reached over 392 agriculture posts, we engaged in virtual training workshops, and participated in many presentations and conferences throughout the year. We also participated in Wisconsin agriculture tours state-wide to understand the diversity of agriculture in our state. Finally, we attended the 2020 National FFA virtual convention. Where

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there were 217,000 members and guests that attended. We served as national FFA delegates and helped with the local Ronald McDonald house, Soup or Socks program, and the FFA Blue Room.

As for our upcoming career development events, we are in partnership with UW Madison, UW River Falls, UW Platteville, Fox Valley Technical College, and Mid-State Technical College where we focus on 19 areas of development, such as agriculture technology and mechanical systems, farm business management, milk quality & products and marketing plans. These partnerships allow us to learn effective decision making and critical thinking skills.

Finally, our upcoming leadership development events will focus on agricultural issues, employment skills, creed speaking, prepared public speaking, extemporaneous public speaking parliamentary procedure, middle school quiz bowl, discussion meet, and conduct of chapter meetings. These events promote communication and teamwork.

# Wisconsin Agricultural Statistics Survey Update Greg Bussler

Greg Bussler, State Statistician from the USDA National Agricultural Statistics Service presented his December 17, 2020 Agricultural statistics report on Milk Production, Chicken and Eggs, October Prices Received, 2018 Census of Irrigation, and other noteworthy items, to the Board. See Mr. Bussler's report which is included in the Board meeting packet for more specific details.

### Wisconsin Exports Update Division of Agricultural Development

Mark Rhoda-Reis, Bureau Director in the Division of Agricultural Development presented an export update to the Board. Mr. Rhoda-Reis stated that as of September, Wisconsin is down in exports \$2.44 billion or 2.8% due to COVID and the continuation of retaliatory tariffs. Our projection is that Wisconsin will be down \$47 million by end of this year. The U.S. overall in food, agriculture, and forestry exports are also down \$3 billion or 2.5%.

Canada is the No. 1 market and is down 13.5 % due to COVID and its economic impact. In notable news, Ambassador Lighthizer, our U.S. trade representative put Canada on notice that he was exercising his right to enforce the USMCA on their TRQs for dairy products, cheese specifically. The concern is that Canada is not buying at the level that were expected.

China is the No. 2 market and is up 18.3% largely due to regaining repopulation of their swine heard. There are some concerns in this market, one is the continuing trade tensions. We are waiting to see if China takes some measures against the U.S. The other concern is that agriculture purchases are not living up to the dollar levels agreed and there is no way we could force them to buy the agreed upon amounts.

Japan is the No. 3 market and is flat or down 0.5%. Dairy and meat are the major gain in that area. We have a virtual trade mission going to Japan. We are trying to help companies find customers

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in their market. So far, we have found 7 companies that we have been speaking with, and introducing them to retail buyers, wholesalers, agents, and representatives.

Korea, the No. 4 market is down 12.7% largely due to COVID and their related market. Korea was traditionally a strong market in diary and meat products, and processed foods.

Mexico, the No. 5 market is down 31%. Retaliatory tariffs are their major issue and the market downturn with COVID. They have at least another year before we see their market recovering.

At the product level, prepared vegetables are down 15%. Dairy, prepared cereals, and flour are up 57%. Mink last year was up 4000% due to a Finish company buying Saga Furs and all those furs started to go to Finland instead of Canada. The closing of that industry positions the U.S. and Wisconsin in a way that could be significant in that product.

Tracking animal and meat products. Livestock genetics, prepared meat, and meat cuts are down \$47 million dollars or 8.9%. This category will continue to be a strong category for us.

Overall, the market is down this year and it may take 1-2 quarters next year to see an upturn. We look to finish off 2021 in a better spot than 2020.

# **COVID-19 Update** Office of the Secretary

Deputy Secretary Angela James provided a COVID-19 update to the Board. As of yesterday, nearly \$2 billion from the CARES Act has been distributed in Wisconsin with just over \$78 million allocated to DATCP programs. First, \$50 million in direct aid payments were sent to the Wisconsin Farm Support program in July and September. The second program which was administered entirely through DATCP is the Food Insecurity Initiative. The first round of payments was \$5 million in infostructure grants which allocated money to food banks and food panty systems to help them adapt to the demands of COVID. The first round also included \$10 million for the Food Security Network to purchase Wisconsin food products to distribute to Wisconsin's hungry. There is an additional \$10 million we received to purchase more food. The total for the Food Insecurity Initiative equals \$25 million which was distributed through DATCP. Our final program is an additional \$3.25 million for the ethanol industry. We expect to have that money out shortly and are working with DOR to calculate an equitable distribution method among Wisconsin's ethanol plants. A total of \$78.25 million has gone through DATCP and the CARES Act. This is an astonishing amount of money moving through DATCP and we are proud of our staff that worked to get those dollars distributed.

# Secretary's Office Update

Ashley Andre, Policy Initiatives Advisor in the Office of the Secretary presented the 2020 employee survey to the Board. The DATCP employee survey was open for three weeks this fall. Secretary Romanski announced the survey in a staff email and the completion of the employee survey was promoted on Intranet announcements, additional staff emails, and in staff meetings. A

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summary of the results was provided to all employees in an email and the Pulse employee newsletter.

The survey includes 32 multiple-choice questions, organized by topics such as my job, my work unit, my supervisor, and my satisfaction and all submissions are anonymous. To allow the Department to evaluate long-term trends, the questions have remained consistent for five years. We received responses from 415 DATCP staff, and of these submissions 142 included additional written comments.

Our next step is to acknowledge what is working well, consider where there are opportunities for improvement, designate a further communication plan, determine an accountability plan, and discuss how to report progress.

Secretary Randy Romanski presented the Secretary's Office update to the Board.

We appreciate the Board's support for the youth today because it helps connect the dots with the future. Starting with Secretary Amundsen's presentation about the need for child care services, FFA leaders, and earlier today we had our monthly Agriculture Youth Council meeting which all points to an investment in the future for our State and agriculture.

The Governor's Task Force on Climate Change released its final report with a series of 55 recommendations to minimize climate change. I am proud to have served on the task force, along with several representatives in Wisconsin agriculture, including Doug Rebout. Farmers want to be and were included in this discussion of climate change. The recommendations in the agriculture and food section of the report included funding to promote more sustainable farming practices. The food system section builds on supporting local farmers and producers by connecting the dots between producers and consumers.

The Blue-Ribbon Commission on Rural Prosperity also released its report. The key details are: 1. There is a need and opportunity for rural prosperity across the state, for example a need for child care; 2. We need to listen to and partner with rural and tribal communities to make sure their specific needs are represented in the conversations; and 3. We want to invest in Wisconsin through economic development incentives, technical assistance, and other programs to help our rural communities utilize existing assets.

We are currently compiling a report that summarizes how our agency has been responding to COVID-19 both internally with staff and externally with partners. We are also working with our Midwest neighboring states on a video urging people to follow public health guidelines. The video will be released next week.

# **Board Member Updates**

**Carla Washington:** I am looking forward to the holidays and to continue to see people with smiles and holiday spirit at work. I want to thank Randy and his team for their work during COVID and wish everyone happy holidays.

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**Andy Diercks:** DATCP continues to impress me with the way they are willing to put in the work to support agriculture in the state. The potato industry is busy good with the Federal Food Box program and because we are all still going through drive throughs. Happy holidays everyone and welcome Eric.

**Paul Bauer:** Happy holidays everyone. We have so much milk right now, the farms are up 13% for the year. I am greatly concerned where processing capabilities will be because the plants are not willing to put in their inventory with COVID. It will not be pretty on the milk supply side and dumping of milk.

**Kurt Hallstrand**: I echo the comments about thanking Randy and his staff on their handling of the diversity they encounter every day. Thank you to FFA. It is great to hear young people learning what it takes to get into the agriculture industry. That organization is super on building leadership. Up north there is a trace of snow on the ground. Logging is stable, but not super. On the cattle side we are good to stable. I wish everyone a Merry Christmas and a safe new year.

**Dan Smith:** Thank you to Randy and the DATCP staff for all you do for Wisconsin agriculture every day. I wish more people would appreciate you and your staff. At the cooperative, weather was great, and markets rebounded quicker than anticipated. I wish everyone a wonderful holiday season and looking forward to working with you in 2021.

**Doug Rebout:** This year crops were good, and we are now just getting ready to close out year-end books and looking forward to next year. Merry Christmas everyone.

**Paul Palmby:** I echo the comments on the Department. It seems like stability at DATCP is a sign of good leadership. As for trends in the industry, largely the food service part of business in down. It has been a tough year with the COVID challenges. We are not able to adjust to the pandemic until 2021 because steel prices will be a challenge and commodities will push vegetable prices up. Merry Christmas.

**Patty Edelburg:** Thanks for all the good work at DATCP. At the national level we just kicked off a climate change task force to see what farmers and ranchers across the nation can do and are doing to mitigate climate change. Happy holidays.

**Miranda Leis:** I echo the same comments about the Department's extraordinary job. DATCP continues to preserver through all the challenges and continues to serve the agriculture community. We had a fabulous fall, and it was a late grazing season this year, but the supply is up, and we may see supply chain challenges. We have a flood of milk coming at us, which is a concern, and it will not surprise me if we see milk dumping. Merry Christmas and thank you for your service to our state.

# **Future Agenda Items**

General Counsel Jane Landretti stated at the January Board meeting we will have elections for board officers, our connect the dots speaker will be Dawn Crim from DSPS, there will be an equity and inclusion update, and a budget update.

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Doug Rebout requested an update on the Agricultural Youth Council.

Andy Diercks requested an update on the NR 151 rule making from DNR.

### Adjournment

### Motion

A motion to adjourn was made by Patty Edelburg and seconded by Andy Diercks, motion approved unanimously. The Board adjourned at approximately 11:15 a.m.

All reports and any associated documents presented during a Board meeting can be accessed by contacting the Office the Secretary, Legal Counsel at (608) 224-5029.