

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

March 4, 2021

The Board of Agriculture, Trade and Consumer Protection (Board) met via videoconference on **March 4, 2021**. 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 9:01 a.m.

Members Present

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

Minutes

Doug Rebout stated there is a typo in the Climate Change Task Force update section of the proposed January 28, 2021 minutes. The sentence in the second paragraph states December 2016, and should read December 2019.

Motion

A motion was made by Doug Rebout and seconded by Paul Palmby to approve the January 28, 2021 DATCP Board minutes as amended. Motion was approved unanimously.

Public Appearances

No public appearances.

**Joel Brennan, Secretary
Wisconsin Department of Administration**

Secretary Randy Romanski introduced the Wisconsin Department of Administration (DOA) Secretary Joel Brennan to the Board. DOA currently has approximately 1400 employees and a billion-dollar budget. DOA is one of the agencies that has less tax revenue and more revenue gained by servicing the enterprise. In other words, we charge our colleagues from other departments for the services we provide. We are also a service agency to the Governor, the Legislature, other State Government agencies, and to our colleagues around Wisconsin.

One function DOA serves is that we are the Human Resource Agency (HR) for the entire State of Wisconsin. The HR Department consists of approximately 400 employees who are nested in other Agencies, such as DATCP. Another DOA function is that we manage all of the fleet and real estate for State of Wisconsin. DOA has a wide berth in what we do, including managing 40 capitol police officers that protect the state capitol and buildings, and manage a number of energy programs for low-income housing, homelessness, and other federally funded housing programs. DOA also has many partners around the State, including intergovernmental relations with counties,

cities, towns and villages. We interplay between different levels of government in Wisconsin, such as regulating all the tribal gaming with casinos. We also employ Administrative Law Judges who conduct hearings in partnership with DOC and workers compensation.

DOA has a very diverse portfolio and because of that broad reach, the Governor called on us to be part of the response to COVID-19 by administering \$2 billion through the CARES Act. Approximately, half of the \$2 billion went to public health response (testing, contact tracing, local public health, PPE) and the other billion went into economic support (providing to farmers, food security, and ethanol industry).

The state budget office is also housed in DOA. The Governor's priorities in the current budget are not just focused a return to where we were before COVID, but on how our State will move forward. The Governor's budget focuses on increased funding in education, economic development in agriculture, infrastructure related to economic development such as broadband, sustainability in climate change, equity in communities and minority representatives, and the expansion of Badger Care.

Bureau of Laboratory Services Update Division of Management Services

Gil Kelley, Lab Director of the Bureau of Laboratory Services (BLS) presented a lab update to the Board. The lab's main goal is to provide defensible laboratory results that will stand up in court in support of our DATCP programs and State and Federal regulations.

A few key lab updates are that the testing volumes continue to rise across DARM and DFRS. We administered 22,624 tests at the lab in 2014 and in 2019 there was an increase to 30,360 tests. In 2021 we are projecting 34,000 tests for this fiscal year, with increased testing in DFRS and DARM, but hemp testing should stay about the same as last year at 6,000 tests. There have been many challenges at the lab with COVID. The testing volumes did not meet projections for FY20 due to food safety testing inspectors were not allowed to travel, groundwater samples were put on hold from May to June, and fertilizer samples were cancelled. The lab operations also faced COVID challenges even though our staff continued to work during the entire pandemic as essential workers, we needed to adjust cubicle spacing, requiring wearing of gloves in touch points, and provide hand sanitizer at desks and doorways.

A few of the lab's current and future projects are:

1. The Laboratory Information System (LIMS) Selection. LIMS is the heart of the laboratory and runs all aspects of the lab functions, from beginning to final report. The current LIMS is outdated and no longer supported by the vendor. We hope to have LIMS implemented in the first part of calendar year 2023.
2. The Statewide Survey of Agricultural Chemicals in Wisconsin Groundwater project occurs every 5-6 years. We are starting 1 year in advance of the actual start date. Some of the notable contaminants we are testing for are Atrazine, Thiamethoxam, Imidacloprid and Nitrates.
3. Cyclospora Cayetanensis is another project we are working on. Cyclospora Cayetanensis is a microscopic parasite that causes the intestinal illnesses Cyclosporas. People can become

infected with Cyclospora by consuming food or water contaminated with the parasite. The most recent cases were found in veggie trays, bagged salads and fresh basil.

4. The FDA funded Laboratory Flexible Funding Model (LFFM) grant is a cooperative agreement to enhance the capacity and capabilities of human and animal food testing laboratories in support of an integrated food system. This grant is funding \$400,000 annually with 5 one-year grants that are renewable each year.
5. Finally, a few other items on the Lab's radar are CBD in food products, moving to a less paper environment by providing tablets at work stations, and FRAS/PFOS research.

Human Resources Update Division of Management Services

Stacy Davidsaver, Human Resources (HR) Bureau Director from the Division of Management Services presented an update to the Board. In 2019 the HR department at DATCP, DWD, DNR and DCF combined to create a shared HR services region 3. The goal of shared services is to increase efficiencies, quality of service, and save tax payer money. For example, we consolidated all payroll and benefit staff into one unit so that all staff can respond to employees instead of just one staff member.

Some HR accomplishments from the past year was managing COVID-19 by moving employees to work at home, determine when necessary employees need to quarantine, administering emergency leave provisions, and vaccine eligibility for workers. We filled 79 DATCP positions in 2020. The numbers are low because we had a hiring freeze and could only hire essential employees during COVID. We also updated employee exit surveys to include age, race/ethnicity, disability veteran status, and gender the equity inclusion protected status.

Another accomplishment we completed was updating our HR policy. The biggest change was to include a new respectful workplace policy that replaces the traditional harassment policy, and adding a new employee performance review form and process. Also, the updated Equity and Inclusion Plan now requires supervision training for the interviewing process and questions. Our goal is to give as much information to employees on diversity in our workplace.

ATCP 149 – Potato Industry Preliminary Public Hearing Division of Agricultural Development

Sharon Henes, Program Policy Analyst from the Division of Agricultural Development presented the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 149, to the Board. Ms. Henes gave a brief overview and requested the Board approve the Preliminary Public Hearing Notice.

Motion

A motion was made by Paul Palmby and seconded by Andy Diercks to approve the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 149. Motion was approved unanimously.

**ATCP 160 – County and District Fairs
Preliminary Public Hearing
Division of Agricultural Development**

Sharon Henes, Program Policy Analyst from the Division of Agricultural Development presented the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 160, to the Board. Ms. Henes gave a brief overview and requested the Board approve the Preliminary Public Hearing Notice.

Motion

A motion was made by Paul Palmby and seconded by Doug Rebout to approve the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 160. Motion was approved unanimously.

**ATCP 161 – Something Special from Wisconsin
Preliminary Public Hearing
Division of Agricultural Development**

Sharon Henes, Program Policy Analyst from the Division of Agricultural Development presented the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 161, to the Board. Ms. Henes gave a brief overview and requested the Board approve the Preliminary Public Hearing Notice.

Motion

A motion was made by Doug Rebout and seconded by Dan Smith to approve the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 161. Motion was approved unanimously.

**ATCP 57 – Inedible Animal Byproducts
Preliminary Public Hearing
Division of Food and Recreational Safety**

Steve Ingham, Division Administrator from the Division of Food and Recreational Safety presented the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 57, to the Board. Mr. Ingham gave a brief overview and requested the Board approve the Preliminary Public Hearing Notice.

Motion

A motion was made by Dan Smith and seconded by Paul Palmby to approve the Preliminary Public Hearing Notice for Wis. Admin. Code ch. ATCP 57. Motion was approved unanimously.

**Wisconsin Agricultural Statistics Survey Update
Greg Bussler**

Greg Bussler, State Statistician from the USDA National Agricultural Statistics Service presented his March 5, 2021 Agricultural statistics report on Corn and Soybean County Estimates, Vegetables, Milk Production, Results from the January Livestock Surveys, Ag Labor, and Farms

and Land in Farms, to the Board. See Mr. Bussler's report which is included in the Board meeting packet for more specific details.

Export Update from End-of-Year 2020 Division of Agricultural Development

Mark Rhoda-Reis, Bureau Director in the Division of Agricultural Development presented an export update to the Board. In 2020 Wisconsin food, forestry and agriculture exported more than \$3.37 billion in products to 145 countries, which is an increase of 1.37% or nearly \$45 billion. But, compared to 2019 export values are still down and we are even down compared with the five year average of \$3.43 billion and the ten year average of \$3.85 billion.

Our DATCP team led a virtual trade mission to Japan recently where we took seven companies to meet with distributors and end-user customers. We were able to wrap that project up in the last few weeks but it will be a month before we see any early returns. During this project we were able to help businesses gain new customers in the market. Another project our team is working on is e-commerce in China where we are helping companies expand their business. We are focusing on nine companies in China who have the capability to sell in that market on e-commerce platforms. We plan to complete this project by April with hopes to see some of the results in May. We are also working with the Food Export Association of the Midwest. All trade shows are virtual so we are working mostly in areas of Latin America and the Middle East. We are looking forward to September as the target to start in person shows and working directly with perspective companies.

2020 Year End Food Forestry and Agriculture Exports by Country:

- 2020 Exports are up 1.4% for Wisconsin and overall, 4.0% for the U.S., but we are still down from previous years.
- China was the only market that went up out of our top five export markets. China is up nearly 30% at \$275 million, but it is still below the five-year high of \$300 million and the ten-year high of \$309 million. The main drivers for the growth in China is an economic recovery from the declines of the COVID pandemic, rebuilding of the swine herd after a loss of 30% to 50%, and purchase commitments from the Phase 1 Trade Deal.
- Mexico has been the number two market for many years, but now has dropped to number five. Where Mexico is right now is still well below the five year average of \$282 million. If we look at the 10 year high of \$412 million, we really need that market to rebound to pull the rest of the international sales up. Wisconsin exports will not fully recover until Mexico's economy improves.

By product categories, the diversity of our food, forestry and agricultural exports is part of our strength. Looking at the five year view of meats, processed foods, and livestock genetics they have been up to the five year average. Areas like prepared and fresh vegetables, beverages, including ethanol, grains, and cereals are all down to the five year average. We need to work in the traditional markets and to reach out to new and growing markets.

DATCP Budget Update
Division of Management Services

Jason Gherke, Finance Bureau Director from the Division of Management Services presented a budget update to the Board. The Department's base budget in FY21 is \$106,694,400 with 636.29 FTEs. We recommended in FY22 an increase to \$132,886,600 with 663.29 FTEs and in FY23 \$133,141,800 with 658.29 FTE positions.

Below are the recommendations in the Governor's 21-23 budget that have an impact on DATCP:

1. Encouraging Market Development for Wisconsin Agricultural Products.
2. Investing in Wisconsin's Dairy and Meat Processors.
3. Providing Technical Support for Producer-driven Soil and Water Solutions.
4. Providing Resources to Support Producer Resiliency.
5. Bolstering DATCP's Internal Functions.
6. Protecting Consumers.

See Mr. Gherke's handout which is included in the Board documents for the specific funding recommendations.

Office of the Secretary Report

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

We have seen some improvements in Wisconsin's agricultural exports in 2020. We are optimistic to see the continued upward trend.

DATCP's budget has a \$43 million proposed increase. There are a lot of items in the Governor's budget on how to help consumers and businesses navigate and maintain a safe and secure marketplace.

1. Encouraging market development for Wisconsin agricultural products. The Governor's proposed budget invests in the Wisconsin Initiative for Agricultural Exports and now is the time as we build back from down years, we can make some key investments that can add to that benefit.
2. Investing in Wisconsin's dairy and meat processors who are clearly foundations of our State's economy. Local meat and dairy processors are essential and COVID-19 showed us how important it is to make sure we have resiliency in our meat and dairy supply chain.
3. Providing technical support for producer driven soil and water solutions. This recognized the fact that farmers are in the lead of developing and implementing practices in soil and water resources. It is key to see the investments in successful programs.
4. Providing resources to support producer resiliency, such as investments in mental health programs for farmers.
5. DATCP's internal functions. Do we have the resources we need to do the things our agency is supposed to be doing? With the increasing volume at the lab, we need to invest additional resources there because it is an essential service DATCP provides.

This is the start of the budget process; we will be a resource to the legislature as the process continues.

Last week was the winter policy conference of the National Association of State Departments of Agriculture. We are proud to partner with our fellow member states to speak with one voice on climate change, meat processing, and diversity inclusion to name a few topics.

Recently we put out press releases calling attention to weights and measures week and consumer protection week. We hosted the first part of our consumer protection summit yesterday. Consumer Protection is an important part of DATCP it is nice to highlight how our staff is helping consumers every day.

Another press release was issued announcing the application period for the next class of the Wisconsin Agricultural Youth Council. I am looking forward to working with the next group of students. It is a great chance for young people to engage with DATCP and the world of agriculture.

Wisconsin continues to be a national leader in vaccine distribution. We have administered 1.4 million doses to 17% of Wisconsin's population. Wisconsin currently ranks 3rd in the nation for percentages of doses administered. For most up to date vaccine information we encourage you to reference DHS' website.

There was a story in the newspaper today on the World Dairy Expo. This event is important because it highlights Wisconsin's world class dairy industry. We will defer to the Expo's voting Board members, but we feel that the World Dairy Expo belongs in America's dairyland.

The Governor's Climate Change Task Force continues to meet and we expect to go over the climate related items in the Governor's budget today. That meeting will be livestreamed on Wisconsin eye if anyone is interested.

Board Member Updates

Andy Diercks: The potato market is slow this time of year in Wisconsin. Idaho has too many potatoes, but things are good in the industry. Andy also stated his ongoing interest in issues involving nitrates.

Paul Bauer: We are dealing with more milk than ever. Farm based responded up another 3-4% this year. Just a lot of milk to handle with some reduction capacity in the Midwest. How do we get out of COVID, how do we manage through packaging supply shortages? We are also trying to get Menomonie plant built with the opening target date still this fall.

Kurt Hallstrand: The logging season is coming to an end next week. We have moved out and brought equipment home. It was not too bad of a logging season despite some of the mill closures. We are now getting ready for the annual bull sale, which is coming up in April. Calving will be starting in the next couple weeks too.

Dan Smith: We are very pleased that Governor Evers signed into law to allow cooperatives to hold governance meetings virtually. We will be working in upcoming months to support budget proposals and are excited about the investment in agriculture and DATCP. We are also seeing a lot of optimism in the industry if we can get through COVID and get everyone vaccinated.

Doug Rebout: We are winding down on the meeting season. We recently attended the MCGA meetings virtually and will be wrapping up tomorrow with the US Secretary of Agriculture speaking in the general session. On the farm, we are starting to see bare spots and getting equipment out. Hopefully in the next 3-4 weeks we can get in the fields and start working.

Paul Palmby: In the industry, acres are up, soybean prices are up, and so the economy. Prices are up 25% to the producer on the contracts. Also, everyone is scrambling to get folks vaccinated and anxious to get that done.

Patty Edelburg: Convention season is winding down. We are excited to see the budget investment on agriculture, especially on watershed. Also, the Wisconsin Farmer's Union is working with meat processing by holding monthly meetings with them.

Miranda Leis: We are bursting at the seams with milk. The State of Texas freezing over is bad for the supply chains everywhere. We are finally getting back to a normal pace even though we have a higher supply. We are also moving a few more people into office and wrapping up a projects. Everyone is glad to be back in person.

Future Agenda Items

General Counsel Jane Landretti stated that the next meeting on May 13th will be virtual because we do not know at this point when our building will open to the public. Our connecting the dots speaker will be Secretary Craig Thompson from the Department of Transportation and there will be scope statement for consideration from DAD and DFRS.

Adjournment

Motion

A motion to adjourn was made by Andy Diercks and seconded by Dan Smith motion approved unanimously. The Board adjourned at approximately 11:37 a.m.