

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

**March 16, 2017**

The Board of Agriculture, Trade and Consumer Protection (“Board”) met on March 16, 2017, beginning at 9:00 a.m. for a tour of Vita Plus Corporation, located at 1508 West Badger Road, Madison, WI 53713. Following the tour, the Board held its business meeting at the Department of Agriculture, Trade and Consumer Protection (“Department”), 2811 Agriculture Drive, Board Room, Madison, WI. 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 11:01 a.m.

**Members Present**

Dennis Badtke, Miranda Leis, Greg Zwald, Paul Palmby, Andy Diercks, Kurt Hallstrand, Nicole Hansen, Dean Strauss, and Mark Schleitwiler were present. None were absent.

**Minutes**

**Motion**

Dennis Badtke moved, and Greg Zwald seconded, a motion to approve the February 16, 2017, Board minutes. Motion approved.

**ATCP 70, 55, 65, 71, and 75–Food Processing Plants  
(Scope Statement)**

Dr. Steve Ingham, Administrator of the Division of Food and Recreational Safety, presented the Scope Statement of Wis. Admin. Code Chs. ATCP 70, 55, 65, 71, and 75 to the Board.

**Motion**

Dennis Badtke moved, and Nicole Hansen seconded, a motion to approve the Scope Statement of Wis. Admin. Code Chs. ATCP 70, 55, 65, 71, and 75. Motion approved unanimously.

### **Cooperative Interstate Meat Shipment Program (Report)**

Dr. Steve Ingham, Administrator for the Division of Food and Recreational Safety, along with Cindy Klug, Director of the Food and Recreational Business Bureau, presented a report on the Cooperative Interstate Meat Shipment (“CIS”) program.

The CIS program allows selected state-licensed meat establishments to sell designated products as interstate commerce. The process by which an establishment applies for and is accepted into the CIS program involves 10 steps, most of which are required by the United States Department of Agriculture, Food Safety and Inspection Services (“USDA-FSIS”). The Division provides outreach to those plants that are interested in the CIS program and provides guidance when working through the application process.

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

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

### **ATCP 16–Dog Seller and Dog Facility Operators (Scope Statement)**

Dr. Paul McGraw, Administrator for the Division of Animal Health, presented a Scope Statement related to Wis. Admin. Code Ch. ATCP 16.

#### **Motion**

Paul Palmby moved, and Dean Strauss seconded, a motion to approve the Scope Statement of Wis. Admin. Ch. ATCP 16. Motion approved unanimously.

### **ATCP 17–Livestock Premises Registration (Scope Statement)**

Dr. Paul McGraw, Administrator for the Division of Animal Health, presented a Scope Statement related to Wis. Admin. Code Ch. ATCP 17.

#### **Motion**

Dean Strauss moved, and Dennis Badtke seconded, a motion to approve the Scope Statement of Wis. Admin. Ch. ATCP 17. Motion approved unanimously.

### **ATCP 10 and 12–Animal Disease and Movement; Animal Markets, Dealers and Truckers (Scope Statement)**

Dr. Paul McGraw, Administrator for the Division of Animal Health, presented a Scope Statement related to Wis. Admin. Code Chs. ATCP 10 and 12.

#### **Motion**

Paul Palmby moved, and Mark Schleitwiler seconded, a motion to approve the Scope Statement of Wis. Admin. Chs. ATCP 10 and 12. Motion approved unanimously.

#### **Avian Influenza Update**

There was a recent highly pathogenic avian influenza (H7N9) detected in Tennessee in a commercial poultry farm. This is the North American strain, which is different than the strain seen in China. Wisconsin had a low pathogenic avian influenza (H5N9) detected in a turkey flock. The Department is in the process of control marketing, which means the birds are tested every week. Once the birds test negative for the virus, they can be sent to slaughter and processed as normal, with no risk to humans. Area surveillance of commercial flocks within ten kilometers has been in place. Iowa and Arkansas are requiring specific testing from Wisconsin before allowing birds to enter. Additionally, Japan, Russia, and South Korea are currently not taking any poultry from Wisconsin.

#### **Wisconsin Farm Center (Report)**

Kathy Schmitt, Director of the Wisconsin Farm Center Bureau, in the Division of Agricultural Development, along with Farm Center staff, provided an update to the Board on the Farm Center activities, including receiving an average of 2,200 helpline calls and opening 123 cases last year. The Farm Center recently worked in collaboration with UW Extension to provide 5 workshops geared to agriculture professionals who work directly with farmers, titled “Coaching your client through the rough patch.”

The Wisconsin Farm center works with farmers to improve their wellbeing so they can grow Wisconsin agriculture. Staff work with farmers to provide objective information they can use to make informed decisions. Assistance is provided through the use of a toll-free helpline, as well as individualized service at the farm table. Core services include: financial consultations and feasibility analysis, farm succession planning, mediation, minority and beginning farmer services, specialty enterprise development, and information and referral services.

### **Annual Gypsy Moth Treatment Plan and Exotic Pest (Report)**

Melody Walker, Chief of the Pest Survey and Control Section, along with Christopher Foelker, Gypsy Moth Control Program Manager, in the Division of Agricultural Resource Management, presented a PowerPoint and provided an update on the Gypsy Moth spread. The presentation covered a summary of the 2016 treatment program, plans for this year's Gypsy Moth treatments, along with information on two emerging plant pests, Thousand Cankers Disease and Hemlock Woolly Adelgid.

### **Conservation Funding From DATCP (Report)**

Keith Foye, Director of the Land and Water Bureau, within the Division of Agricultural Resource Management, presented a PowerPoint report to the Board summarizing the conservation funding by the Department.

Governor Walker recently released the 2017-2019 Biennial Budget. The budget includes an increase of \$825,000 in segregated ("SEG") funding from the Nonpoint Source Account of the SEG Environmental Fund. The statutory language included with the budget would make changes to Chapter 92 that: "the department and the department of natural resources shall consider the existence and location of impaired water bodies that the department of natural resources has identified to the federal environmental protection agency under 33 USC 1313 (d) (1) (A) and agricultural enterprise areas designated under s. 91.84, and shall give priority to projects that are in or near, or that affect, those areas."

The Governor's Budget also proposes to switch the \$250,000 in funding allocated for the Producer Led Watershed Protection grant program from the SEG fund to general purpose revenue ("GPR") funding. The Governor's Budget continues funding available over the past several budgets to enable cost sharing of "structural" conservation practices through \$7 million in bond revenue authority through the biennium.

### **Agricultural Producer Security Audit Process (Report)**

Jeremy McPherson, Director of the Business and Trade Practices Bureau, within the Division of Trade & Consumer Protection, presented a report to the Board regarding the producer security licensee auditing process conducted by the Department. The report also covered the difference between an "audit" and a "review" and the financial review process that a Certified Public Accounts conducts compared to what the Department assesses.

The Department's four Agricultural Producer Security Programs, grain dealer, grain warehouse, milk contractors, and vegetables contractors, license a total of 465 entities, with 165 licensees filing audits and 100 filing reviews.

## Board Member Reports

**Dennis Badtke**—The process of merging Badgerland Financial with AgStar Financial Services of Minnesota and 1<sup>st</sup> Farm Credit Services of Northern Illinois continues to progress. Members were mailed an informational packet and must vote by the first week of April. If the vote passes, the merger will take place in July. Dennis recently returned from a trip to Kansas where he attended a meeting in which land values and economics were discussed. Wisconsin is the only state where land values have not dropped significantly. There was also discussion of the amendments to the Farm Bill and the need to fix the cotton and dairy categories, as the money allotted to those categories was not fully utilized.

**Greg Zwald**—Greg is ready for winter to wrap up and is excited to start raising a new crop of ginger for the year. He recently spent three days near San Antonio and met with a rancher and toured his farm. He was interested to see farming from another part of the country where the seasons are different, affecting planting and harvesting timeframes.

**Miranda Leis**—At home, Miranda's daughters have a 4-H lamb project that they are focusing on while at the same time, transitioning out of basketball and into softball, track, and archery. Organic Valley was recently represented at the Natural Products Expo West in Anaheim, California. The event is the world's largest natural, organic, and healthy products event and welcomed over 80,000 attendees and several thousand vendors. Miranda enjoyed the expo and felt the expansive variety of different products were invigorating for the market. Organic Valley will have its annual meeting next week in Lacrosse.

**Andy Diercks**—Andy recently spent a day at the Capitol testifying on high capacity wells, along with a group of other growers and industry members. He recently returned from a trip to D.C. where he was lobbying on behalf of the UW and extension regarding the land grant university system. Andy will be attending a three training regarding the Food Safety Modernization Act ("FSMA"). On a personal note, Andy returned from a skiing trip to Colorado and was surprised to see many of the trees were cut or dead, significantly changing the landscape in his skiing area.

**Paul Palmby**—Contracts for Seneca Foods have been finalized and planting will start within the month. A club store expressed late interest in the organic market so Seneca Foods is looking to acquire more organic acres. Seneca Foods has continued to make several acquisitions and is working with a new company to acquire retortable and microwavable pouches and trays. The canned category continues to shrink so Seneca Foods is focusing on bringing more awareness and new companies into it.

**Dean Strauss**—Planting is right around the corner for Majestic Crossing Dairy. The farms robotic milking parlor project has been approved by the Department of Natural Resources ("DNR") to incorporate multiple manure lines. The project will officially start April 3<sup>rd</sup> and is anticipated to take six months to become fully operational.

**Nicole Hansen**—The unexpected and early warm weather days of January and February caused panic for the cranberry growers as the ice cover over their plants thawed and melted away. Additional heavy winds and frost on the ground were concerning as well. Cranberry Creek Cranberries was able to reflow their water and create more ice cover to protect their cranberry crop for the year. There have been no recent acquisitions at Cranberry Creek Cranberries, which allows more time to focus on the current products and plans for this year. Nicole attended several industry meetings this month regarding funding, crop health, and communication research. Nicole is starting to look ahead to bee colonies and bee health as they are a critical aspect of the cranberry growing process.

**Mark Schleitwiler**—Mark was able to visit one of his daughters recently and another daughter moved back home. Mark retired, for the second time, from Belgioioso Cheese last Thursday. Belgioioso Cheese recently submitted their 2016 audit to the Department, which indicated that it was a good year for the company. Milk supply has been abundant and Belgioioso Cheese is excited to continue working on their projects for 2017.

**Kurt Hallstrand**—Calving season is approaching on the farm and with that comes concerns of wolves. The logging industry took a break from normal operations three weeks ago due to road bans but recently were able to start back up. The logging mills were able to get caught up on their supply of wood but are now ready for more.

### Secretary's Report

**Secretary Ben Brancel**—In February, the Secretary attended the Wisconsin Cattleman's Association 2017 Winter Conference in the Wisconsin Dells, which included a legislative update. He also spoke at the Hoof Trimmers Conference in Tomah. This event brought in people from multiple states, with a majority of the attendees coming from other states than Wisconsin, which allowed the Secretary to highlight Wisconsin but also speak about more national topics.

The Secretary gave an update on Department programs and the state budget at the Agricultural Community Engagement or "ACE" meeting in Wisconsin Dells. This meeting is coordinated by the Professional Dairy Producers of Wisconsin ("PDPW"), the Wisconsin Towns Association, and the Wisconsin Counties Association.

The Wisconsin Farm Bureau Federation Board of Directors welcomed the Secretary at their recent meeting. Topics discussed included international trade, immigration policies, state budget, the Farm Bill, and ground water legislation.

In March, the Secretary joined the Cabinet at the Wisconsin Governor's Conference on Tourism, which provided a great opportunity for the Secretary to interact with agribusiness companies.

The Secretary recently had a conference call with Ontario Minister Jeff Leal and shared his concerns with the countries dairy pricing policy and his hopes to find a resolution that is

agreeable to both countries. Minister Jeff Leal plans to come to Wisconsin in May where there will be further discussions.

The Canadian Consul General Steve Brereton met with the Secretary in Chicago to discuss agricultural in general and tensions surrounding the North American Free Trade Agreement (“NAFTA”).

The Secretary provided clarification on the Farm to School program and Stray Voltage program, both identified in the Governor’s Budget. The Farm to School program was created in 2009 and the associated grant (Ch. 94.39) was never funded by the legislature when the program was created.

In reality, the “grants” are federally-funded and will continue. The AmeriCorps Farm to School grant is from funds received from Serve Wisconsin, Wisconsin National and Community Service Board. Serve Wisconsin receives their award from the Corporation for National and Community Service which is a federal agency. There is also a Farm to School training grant from the USDA Food and Nutrition Service. The Department coordinates the grants, but in most cases, the work is contracted out to other partners like the Center for Integrated Agricultural Systems (“CIAS”) at the UW.

The Department has been working with the Department of Public Instruction (“DPI”) to transition the AmeriCorps grant management, and DPI will take it over going forward. DPI already coordinates school nutrition and works closely with USDA, making them well positioned to administer the grant program.

The Farm to School start-up has been successful. We now have a very engaged network of schools, community groups, growers, state and local agencies working together to get food grown and produced in Wisconsin into schools, early care, and education centers.

The Department’s local foods coordinator will continue to work with producers, food distributors, and processors to develop and expand market share for local products.

The Stray Voltage program is recommended for elimination due to improved practices in electrical installation and grounding, leading to fewer cases of stray voltage.

In 2016, Department staff were involved in 22 new cases or farm visits and continued work on 34 farms. None of the cases resulted in a finding of stray voltage.

The Department’s Farm Center services are available for all farmers, including technical assistance, transition planning, conflict mediation, production challenges and financial analysis. Even without a formal stray voltage program, Farm Center staff would continue to work with farmers and their utility provider, veterinarian, nutritionist, and other farm service professionals to assist with herd performance issues.

**Future Schedule and Agenda Items**

The Board is scheduled to meet May 25, 2017, in Arlington.

**Adjournment**

**Motion**

Mark Schleitwiler moved, and Greg Zwald seconded, a motion to adjourn. Motion approved unanimously.

The Board adjourned at approximately 3:15 p.m.

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Miranda Leis, Board Chair

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Paul Palmby, 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.