

## A Productive and Profitable Wisconsin Agriculture

Farm Bill Task Force Recommendations  
December 5, 2006

Wisconsin Farm Bureau Federation®

## **Farm Bill Task Force Formation**

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Over the years, the Farm Bill has become one of the most important pieces of legislation that Congress works on to benefit production agriculture and rural communities. The 2002 Farm Bill is scheduled to be reauthorized in 2007.

With ongoing efforts to reduce trade barriers worldwide, opportunities to expand the production of fuel and renewable energy, and ongoing environmental pressures, the need to change the Farm Bill, instead of simply extending it, is greatly elevated.

In November 2005, the WFBF Board of Directors approved the formation of the WFBF Farm Bill Task Force. The Task Force consisted of Farm Bureau members representing a variety of commodities and farm sizes, and members from eight Wisconsin commodity groups. The purpose of the Farm Bill Task Force was to examine current trends and farm policies and develop recommendations to present to the American Farm Bureau Federation and to assist members of the Wisconsin Congressional delegation during Farm Bill deliberations. Further, it was the WFBF Board of Directors' intention that other farm organizations and commodity groups would utilize the recommendations when developing their position statements.

## **Farm Bill Task Force**

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### **Farm Bureau Members:**

Kevin Malchine, Waterford

Dan Adams, Montfort

Jim Jarvis, Wautoma

Connie Seefeldt, Coleman

Mel Pittman, Plum City

Richard Gorder, Mineral Point.

Cal Dalton, Pardeeville

Todd Servais, La Crosse

Brent Sinkula, Two Rivers

Gene Gagas, Rosholt

Bill Bruins, Waupun

### **Organization Representatives:**

Dean Strauss, Professional Dairy Producers of Wisconsin

Karen Endres, Dairy Business Association

Bill Hoffman, Wisconsin Corn Growers Association

Bob Walton, Wisconsin Cattlemen's Association

Kevin Hoyer, Wisconsin Soybean Association

Mike Wehler, Wisconsin Pork Association

Jim Bacon, Wisconsin Potato & Vegetable Growers Association

Scott Schultz, Wisconsin State Cranberry Growers Association

## **Farm Bill Task Force Statements**

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- A new Farm Bill should be written in 2007 and not simply extended.
  - All of production agriculture needs to benefit from the 2007 Farm Bill.
  - The next Farm Bill should move from traditional commodity payments to a revenue assurance program with more conservation payments.
  - All types of farming practices and all sizes of farms are important to Wisconsin.
  - All farmers, regardless of their farming practice, need to support the end result – a safe food supply.
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Even though WTO trade negotiations have stalled, with various farm and commodity organizations asking for an extension of the current Farm Bill, the Task Force strongly supports 1) writing a new Farm Bill in 2007, and 2) continued efforts by US trade representatives to stay involved in WTO trade negotiations with the hope that in the near future there will be a satisfactory agreement that will allow greater market access for US grown commodities and processed food and fuel products. Now is the time to positively affect the profitability of production agriculture and move policy to a more market oriented approach.

The Task Force believes the 2007 Farm Bill should move from traditional commodity payments to a revenue assurance program with more conservation payments, however, it recommends that total government spending for commodity and conservation programs should stay at current levels if not increase as we transition from traditional commodity programs.

The Task Force feels strongly that all of production agriculture needs to benefit from the 2007 Farm Bill. Several members of the Task Force pointed out that commodity interests cannot battle each other or all will lose in the end.

The proper care of livestock is essential to efficient and profitable production. The Task Force believes farmers, utilizing commonly accepted animal husbandry practices that are based on sound science, should be allowed to raise their livestock in a manner they determine appropriate. The Task Force opposes any attempts to restrict how farmers raise their livestock.

Lastly, the Task Force is supportive of all types of farming practices and all sizes of farms that use commonly accepted farming practices and meet regulatory requirements. All farms contribute to a healthy, safe and abundant food supply. The Task Force is concerned about food safety and health claims made by farmers using one type of farming practice versus another farming practice. The Task Force believes that all farmers regardless of their farming practice need to support the end result – a safe food supply.

# **Farm Bill Task Force Key Recommendations**

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## **Farm Bill Rewrite**

- Congress should make changes to the current Farm Bill instead of extending it.

## **Feed Grains**

- Support the current grain program of direct payments tied to conservation compliance
- Support eliminating counter cyclical and LDP payments and moving to a revenue assurance program for all crops.

## **Dairy**

- Support a countercyclical program similar to the Milk Income Loss Contract program
- Support elimination of the milk price support program.
- Support a recourse loan program for processors.
- Oppose the creation of regional dairy compacts.
- Support a single national federal milk marketing order.

## **Conservation**

- Support an increase in the funding for the Environmental Quality Incentive Program.
- Support an increase in funding and expanding the Conservation Security Program to all farmers.
- Support a tiered approach to payments for the Conservation Reserve Program based on the type of land.
- Support targeting and prioritizing the Wetland Reserve Program to reestablish wetlands on farms to address water quality issues.

## **Trade**

- Support the Market Access Program (MAP) and increase the funding.
- Support the elimination of the Export Enhancement Program (EEP) and the Dairy Export Incentive Program (DEIP) and reallocating to go toward MAP.

## **Credit**

- Support lower ownership requirements by farmers to allow for more value-added ventures and to allow more community investment.
- Support broadening the types of investment opportunities for the Farm Credit Service, but they should be focused on agriculture related ventures.

## **Rural Development**

- Support the Value-Added Producer Grant Program.
- Support an increase in funding for USDA Rural Development business development programs in rural communities.
- Support new and expanded programs for broadband to get better service in rural areas.

## **Research**

- Support an overall increase in funding for agricultural research both formula funding and competitive grants.
- Support funding for the specialty crop block program
- Support the IR4 bio-pesticide research program for minor crops

**Energy**

- Support the 25x'25 Initiative, whereby 25 percent of the nation's energy will come from working lands by 2025
- Support authorization and full funding of the Energy Title
- Support requiring cooperative utilities to buy electricity generated from alternative and renewable resources.
- Support carbon sequestration payments to farmers.

## Title I – Commodity Programs

### Recommendations - Feed Grains

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- Support the current program of direct payments tied to conservation compliance
- Support eliminating counter cyclical and LDP payments and moving to a revenue assurance program for all crops
- Support taking amber box payments/funding and have it put into the Conservation Title and the Rural Development Title programs
- Support current payment limitation levels and the three entity rule
- Support complete planting flexibility



### Supporting Rationale

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The Task Force recommends a dramatic change in policy in the Farm Bill to move commodity programs toward a more market oriented approach which utilizes more risk management tools. Several types of revenue assurance programs have been introduced and should be seriously considered as an alternative to our current feed grain program. Revenue assurance programs are designed to protect against low revenue due to unavoidable natural disasters and market fluctuations.

A revenue assurance program could easily be funded by eliminating loan deficiency payments (LDP) and counter cyclical payments and shifting those dollars to the new program. Further, a revenue assurance program is World Trade Organization compliant, making it a better option than current programs. Lastly, a revenue assurance program would eliminate ad hoc disaster payment programs.

Between 2002 and 2006 Wisconsin farmers received nearly \$578 million in direct and counter cyclical payments. Wisconsin farmers received just over \$388 million in LDPs over that same time period.

The Task Force expressed concern that that the current feed grain program has helped to increase land values making it more difficult to acquire or rent land. The Task Force believes that there should be increased funding for conservation programs and be available to all farmers.

With farms getting larger and organized in many different ways, the Task Force believes the current system of payment limitations should be preserved. Currently direct payments are limited to \$40,000 per person, counter cyclical payments are limited to a \$65,000 limit, and LDPs are subject to a \$75,000 payment limit. Further, a person who receives payments as an individual can receive payments through two additional entities in which the individual has up to a 50 percent ownership share. The three-entity rule as it is known basically doubles the payment limit.

With respect to planting flexibility, the Task Force believes it should be preserved to allow producers to respond to market signals when deciding which crops to plant.

## Recommendations – Dairy

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- Support a countercyclical program similar to MILC.
- Support elimination of the milk price support program.
- Support a recourse loan program for dairy processors.
- Oppose the creation of regional dairy compacts.
- Support a single national federal milk marketing order.
- Support increased research and development funding for new products and marketing.



## Supporting Rationale

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With respect to federal dairy policy, the Task Force believes that regional inequities need to be removed and that the U.S. dairy industry needs to become more market orientated.

The price support program, which has been touted for years as an effective safety net, no longer serves that purpose for several reasons. The price support program does not provide a true floor price. The Task Force is concerned that raising the support price will trigger over production of milk and the subsequent purchase of dairy products by the federal government.

Because of changes in the way cheese is manufactured and marketed, the price support program and Commodity Credit Corporation (CCC) purchase program are not as valuable as they once were to the Upper Midwest Dairy industry.

Over the last few years, when there have been purchases by the CCC, they have been in the form of nonfat dry milk. Rather than selling nonfat dry milk, cheese or butter to the CCC, the Task Force supports a recourse loan program for processors during times of low prices. The Task Force would much rather have manufacturing plants produce a higher value product like Milk Protein Concentrates (MPCs). Incentives to produce MPCs would be beneficial to farmers and the dairy industry in the future.

The Task Force believes the Milk Income Loss Contract (MILC) program, or a similar counter cyclical program, is the best option to provide dairy farmers with an “effective safety net” when prices are low because it provides a true price floor. If structured properly a counter cyclical program could eliminate the need for our current price support program.

Between 2003 and 2006 Wisconsin dairy farmers have received nearly \$486 million from the MILC program.

While supportive of the current MILC program, the Task Force is concerned that the current MILC target price has been too high compared to average prices for milk over the last few years, which makes the program income-enhancing causing larger per hundredweight payments and large program costs. Any counter cyclical program needs to be a safety net and not a price guarantee. The Task Force believes a counter cyclical payment program for the dairy industry, while still an amber box (trade distorting) program under the World Trade Organization would cost less and be more accepted worldwide.

The Upper Midwest has called for major reform of Federal Milk Marketing Order system for years. The FMMO is antiquated system that works in conjunction with the price support program to determine prices around the country. The WFBF believes that federal milk marketing orders around the country need to be consolidated into a single national order to minimize regionalism and eliminate pooling issues.

Lastly, the Task Force is concerned that the current classified pricing system for milk allows for higher prices to be paid for lower value products.

## Title II - Conservation

### Recommendations - Conservation

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#### EQIP

- Support an increase in the funding level
- Support keeping expenditure decisions at the state level
- Support targeting and prioritizing funding at both the national and state level toward commercial agriculture

#### CSP

- Support an increase in funding and expanding the program to all farmers (not specific watersheds)
- Support keeping all three tiered payment levels
- Support Tier 1 eligibility for entire state
- Support Tier 2 & 3 eligibility for announced watersheds
- Support open enrollment for the program

#### CRP

- Support a change in the Environmental Benefits Index criteria
- Support having payment levels being below the local land rent price
- Support a tiered approach to payments based on type of land (higher payment for more marginal land – lesser payment for better land)

#### WRP

- Support targeting and prioritizing the program to reestablish wetlands on farms to address water quality issues. The program should not be used to take entire farms out of production.



### Supporting Rationale

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With increased attention both nationally and within the state to improve water quality, the Task Force overwhelmingly supports extension and a significant increase in funding for the Environmental Quality Incentive Program (EQIP) and Conservation Reserve Program (CSP) because they are the best two programs to help farmers improve water quality. The Task Force believes that the majority of funding for conservation should go toward working lands.

EQIP provides technical assistance, cost-share payments and incentive payments to assist producers with implementing conservation improvements on their farm. To qualify farmers, must prepare a conservation plan or a comprehensive nutrient management plan and describe their intended practices and the environmental purpose.

6,543 Wisconsin farmers have received EQIP funding since 2002. The state receives nearly \$16 million in EQIP funding annually. It is used primarily to assist with the construction of manure storage facilities.

The CSP program is designed to provide farmers with payments for adopting or maintaining conservation practices that address one or more resources of concern including soil, water or wildlife habitat.

The Task Force is extremely supportive of the CSP because it rewards farmers who have implemented conservation practices, however, the Task Force expressed concern that the program is only available to producers in selected watersheds and that the program has received inadequate funding. Currently, in Wisconsin, producers in the Lower

The CSP has provided a total of \$9.9 million over the last three years to Wisconsin farmers in six watersheds. A total of 648 contracts with 195,160 acres have been enrolled.

Chippewa River, Lake DuBay, Duck-Pensaukee, Grant-Little Maquoketa, Crawfish River and Kishwaukee River watersheds are eligible to participate in the CSP.

With respect to the CRP, the Task Force is concerned that the higher/increasing rates being paid to enroll are driving the market price/rent price. Further they expressed concern that USDA is looking at the number of acres and not the type of land that is being enrolled, which is increasing land purchase and rent costs because too much farmable land is being enrolled.

Wisconsin, landowners have received nearly \$208 million in CRP payments between 2002-06, an average of just over \$41.5 million per year.
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The WRP provides for the purchase of permanent and 30-year easements and cost sharing to landowners who agree to restore wetlands on agricultural land. In Wisconsin, 178 easements totaling 15,287 acres have been enrolled in the program. Landowners have received \$30.45 million between FY 2002 and FY 2006.

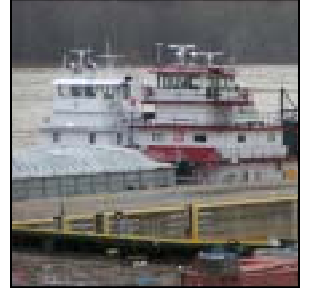
The Task Force believes that funding for conservation title programs should be targeted toward persons who list farming as their primary occupation

## Title III – Trade

### Recommendations -Trade

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- Support the Market Access Program (MAP) and increase the funding beyond the \$200 million in FY 2006 & FY 2007
- Support the elimination of the Export Enhancement Program (EEP) and the Dairy Export Incentive Program (DEIP) because they have not been utilized in recent years and are trade distorting.
- Support having funding that has been allocated for EEP and DEIP to go toward MAP.
- Support increasing funding for the Foreign Market Development Program (FMD)
- Support increasing funding for the Emerging Market Program (EMP)



### Supporting Rationale

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With 96 percent of the world's consumers living outside of the United States and 25 percent of farm income coming from exports, market access – the creation of new and expanding foreign markets for U.S. produced agricultural commodities and products is essential if U.S. agriculture is going to prosper in the future. The Task Force supports more value-added trade versus the selling of generic commodities.

The Task Force is disappointed that WTO trade talks have stalled. The group supports efforts to negotiate bilateral agreements, but prefers a favorable agreement for agriculture in the Doha Round of trade negotiations. Whether it is a bilateral or multilateral trade agreement, the Task Force is concerned that agricultural interests are not adequately protected and are given up in order to get an agreement.

The Task Force believes the President needs to continue to have trade promotion authority. While a new trade agreement is not likely to be approved in the near future, the Task Force recognizes that trade will continue and that there are several trade programs that need to be reauthorized and adequately funded to insure that U.S. produced products are available to foreign customers.

The Market Access Program (MAP) which is designed to encourage the development, maintenance and expansion of foreign markets for U.S. agricultural, fishery and forestry products. MAP utilizes a public-private sector cooperative arrangement to share costs of marketing and promotional activities. Under the 2002 Farm Bill, funding for MAP started at \$90 million and has gradually increased to \$200 million in 2006.

Wisconsin commodities and products benefiting from MAP include soybeans, cranberries, ginseng, dry beans, potatoes, dairy, livestock genetics and grains.

The Foreign Market Development Program (FMD) provides cost share assistance to U.S. nonprofit trade associations to conduct market development activities. The focus of the program is on exporting value-added products to developing markets. Under the program, USDA enters into agreements with nonprofit trade organizations that have the broadest producer representation of the commodity being promoted. The 2002 Farm Bill authorized \$34.5 million annually for the program.

Wisconsin commodities and products benefiting from FMD include soybeans, dry beans, dairy, grains, meat, and poultry.

The Export Enhancement Program (EEP) and the Dairy Export Enhancement Program (DEIP) are two programs that provide funding to U.S. exporters to help compete against subsidized prices or unfair trade practices. The 2002 Farm Bill reauthorized the funding for the EEP program at \$78 million per year. The EEP has been inactive in recent years and no allocations were announced for FY 2005.

The Dairy Export Incentive Program operates similar to EEP by subsidizing exports of U.S. dairy products. Under DEIP, the Commodity Credit Corporation is required to make payments on a bid basis to an entity that sells U.S. dairy products for export. In recent years, DEIP has not been used because U.S. dairy products have been competitive in world markets and have resulted in commercial sales. In FY 2005, no allocations for DEIP were announced.

## Title V - Credit

### Recommendations - Credit

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- Support lower ownership requirements by farmers to allow for more value-added ventures and to allow more community investment.
- Support broadening the types of investment opportunities for the Farm Credit Service, but they should be focused on agriculture related ventures.
- Support the guaranteed and direct loan program. The authorization and appropriation levels have been adequate.
- Support an increase in loan limits for operating and farm ownership loans.
- Support a much broader definition for on-farm income.
- Support requiring that borrowers have direct ties to agriculture.
- Support the loan program for beginning farmers.
- Support a much broader definition of agriculture related.



### Supporting Rationale

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Having several available sources of financing including the Farm Credit Service, commercial banks and the federal government is critical to the future of production agriculture. Financing is not only needed for typical production and farm ownership loans but for investment in supporting businesses.

USDA makes direct or guarantees several types of loans to farmers. They include farm ownership, operating, and emergency loans.

Loan limits for each type of loan are as follows: direct operating loans \$200,000; direct farm ownership \$200,000; direct farm ownership down payment (beginning farmers) \$100,000; guaranteed operating loan and farm ownership \$852,000; and emergency loans \$500,000.

In FY 2005 Wisconsin ranked first in the country in loans through the USDA loan program with 1,566 loans and \$191.725 million in total dollars obligated. The state was also first in the number of loans made to beginning farmers with 739 loans and \$62 million obligated to beginning farmers.

358 farm ownership loans providing \$83.2 million in credit were approved for Wisconsin farmers.

In 2006, the state Farm Service Agency had more than 2,400 direct loan borrowers with an unpaid principle of \$280 million and 2,000 guaranteed loan borrowers with unpaid principle of \$570 million. Annually about 33 percent of the portfolio is rolled over to conventional credit.

A healthy Farm Credit System is also essential to the well being of rural Wisconsin. Rural communities are changing to the point that many don't have the same ties to production agriculture that they once did. Still farmers need support businesses for inputs and place to sell the commodities they produce.

Changes are needed to allow businesses that farmers depend upon to directly support their business to be eligible for FCS financing. Further, farmer investment requirements need to be lowered to allow the FCS to provide financing. Lastly, consistency is needed between the definitions of rural area. Under current law, the FCS can provide rural home mortgage financing for a single family homes provided they are in communities with a population of 2,500 or less. USDA defines a rural area as 50,000 or less.

## Title VI - Rural Development

### Recommendations – Rural Development

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- Support the Value-Added Producer Grant Program
- Support an increase in funding for USDA Rural Development business development programs in rural communities
- Support new and expanded programs for broadband in order to get large multi-nationals to serve rural areas.
- Support more open enrollments for programs.
- Support reducing the number of single deadline programs. Support having 2, 3 or 4 enrollment periods.
- Support greater interagency communication between USDA Rural Development, USDA Farm Service Agency and University Extension



### Supporting Rationale

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Prospering rural communities with a variety of economic and educational opportunities are essential. Agribusinesses are needed for farm supplies, marketing and processing, while non-farm businesses provide more off-farm opportunities to farmers and their families. Increased economic opportunities will give farmers the ability to transfer their farm to their children.

With the recent interest in renewable energy, the Task Force is encouraged about possibilities of improving the prices they receive for the commodities they produce, adding value to those commodities and also having ownership of the processing facility.

The Task Force was impressed with the number of housing, utility, and business economic development programs available to assist rural residents and communities however, they believe the USDA Rural Development office needs to do a better job of letting people know about the programs offered.

With respect to the various programs presented, the Task Force noted that more open enrollment for programs and/or multiple deadline dates would be much more customer friendly since a single deadline isn't always right for the applicant. Also, single deadlines are sometimes difficult to administer with respect to staffing at the USDA RD office - increased workload during a short period of time versus balancing the workload over the entire year.

The Task Force noted that in cases where farmer income levels are part of determining program eligibility, provisions need to be included to make sure farmers can utilize depreciation etc. to make sure they qualify for programs. The Task Force members pointed that farm workers need to also be considered farmers as they are part of the agricultural community and need to be able to take advantage of programs.

The Task Force is supportive of the Value-Added Grant Program which enables individual producers, agriculture producer groups and agriculture cooperatives to develop businesses that produce and market value-added agricultural products. The maximum amount a project can receive is \$500,000 each fiscal year. The 2002 Farm Bill authorized \$40 million per year for the program.

In 2006, nine Wisconsin companies received \$1.8 million in grants through the Value-Added Grant Program. Since 2001 Wisconsin businesses have received nearly \$5.8 million.

## Title VII – Research & Related Matters

### Recommendations - Research

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- Support an overall increase in funding for agricultural research both formula funding and competitive grants.
- Support reorganization of agricultural research funding at the federal level.
- Support increased formula funding (Hatch Act), which allows researchers to be more flexible and quickly address immediate concerns in production agriculture.
- Support funding for the specialty crop block program
- Support the IR4 bio-pesticide research program for minor crops



### Supporting Rationale

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Support for basic and applied research has always been part of production agriculture. Research has allowed U.S. farmers to become the most productive farmers in the world. While additional research to improve productivity is always needed, farmers have other research needs which include various environmental concerns.

The Task Force is generally supportive of the provisions in the Research Title. The Task Force is pleased that the 2002 Farm Bill called for increases in funding for several research programs, but pointed out that research is always the first area to face cuts during budget deliberations. Funding for agriculture research, when adjusted for inflation, has not increased significantly since the 1970s.

At UW-Madison, the budget for the College of Agriculture and Life Sciences is \$155 million, of which \$100 million goes toward research. With respect to research funding, \$60 million comes from federal research awards, \$12.7 in non-federal research awards and \$5.3 million in federal formula funds.

Overall, the Task Force is concerned that the image of agricultural research and funding levels are not always favorable and are facing in trouble at the national and state level. The Task Force believes that the federal government is not adequately promoting the positive aspects of agricultural research. The Task Force noted that agricultural developments are cutting edge and provide an opportunity to solve food, energy, and animal health/disease concerns. Agricultural research is also part of our national security.

The Task Force noted that in the 2002 Farm Bill a Task Force was created to evaluate the merits of establishing a National Institute for Food and Agriculture (NIFA), similar to the National Institute of Health. The Task Force is supportive of a recommendation to establish a NIFA that supplements and enhances current USDA research programs.

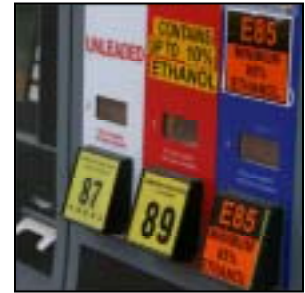
The Task Force is concerned that farmers are under utilized by UW-Madison, when it comes to determining research priorities and believes farmers should have greater input into determining priorities and research decisions.

## Title IX - Energy

### Recommendations -Energy

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- Support 25x'25 initiative/vision
- Support authorization and full funding of Energy Title
- Support the Renewable Energy & Energy Efficiency Program
- Support requiring cooperative utilities to buy electricity generated from digesters, wind, etc.
- Support farmer-owned clean energy feasibility and start up funding.
- Support carbon sequestration payments to farmers.



### Supporting Rationale

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Farmers are traditionally known as the producers of food and fiber. Now, renewable energy has been added to the list. The production of renewable fuels has taken off in the last few years and has become the single greatest opportunity for farmers to add value to the commodities they produce and the waste generated by livestock. While the Task Force is encouraged by the interest the government and the public have shown in promoting renewable energy, the Task Force believes that farmers need to become investors in the processing facilities to fully take advantage of the potential profits. Renewable energy production is capital intensive and project investors need to take advantage of federal grants and loans to offset the costs.

The Task Force supports the 25x'25 initiative/vision is a coalition of agriculture, environmental and business groups that have a goal to have 25 percent of the nation's energy (wind, solar, and biofuels) come from working lands by 2025. 25x'25 is supported financially by the *Energy Future Coalition*, a non-partisan public policy initiative funded by foundations. The initiative has been endorsed by all the major farm and commodity groups, the State of Wisconsin and Members of Congress.

In addition to several programs within the Rural Development Title that address renewable energy, the Task Force is supportive of the programs within the Energy Title, which was created in the 2002 Farm Bill, but is extremely disappointed that most of the projects have received minimal or no funding. The Task Force recommends that the programs be reauthorized and fully funded.

The Federal Procurement of Biobased Products Program requires federal agencies to give purchasing preference to biobased products whenever practicable, and when the purchase price exceeds \$10,000. There have been mandatory appropriations of \$1 million a year since 2002 from the Commodity Credit Corporation to support biobased products testing.

The Biorefinery Development Program supports the commercialization of new and emerging technologies for converting biomass into transportation and other fuels, chemicals, and electricity from renewable resources, but the program has not been funded.

The Biodiesel Fuel Education Program enables USDA to distribute grants for public education on the benefits of biodiesel fuel use. Eligible recipients are nonprofit organizations or colleges and universities that have demonstrated expertise in biodiesel fuel production, use, and distribution. There have been mandatory appropriations of \$1,000,000 each year since 2003 to support biodiesel fuel education.

The Assessments and Energy Audits Program is designed for farm energy audits and feasibility studies. The program allows for a 75 percent cost share but no funding has been appropriated for the program.

The Renewable Energy and Efficiency Program is available to farmers or rural small businesses that want to reduce energy costs and consumption. Renewable projects can receive from \$2,500 to \$500,000 maximum; while efficiency projects can receive \$2,500 to \$250,000 maximum.

In Wisconsin for the years between 2003 and 2006 Renewable Energy and Efficiency Program grants have been given for a variety of projects including 34 anaerobic digesters; \$8,002,232, six biomass/bio-energy; \$1,265,610, four building efficiency; \$39,239 one industrial efficiency; \$58,770, three small solar; \$25,314, one large wind; \$500,000 and seven small wind; \$219,983.

The Biomass Research and Development Act was extended through September 2007, providing for mandatory appropriations \$14 million a year. There is a corresponding program within the Department of Energy to assist with funding and technical research and development.

The Carbon Sequestration Program authorized research and development programs for quantifying and measuring carbon and other greenhouse gases in soil, plants and other agricultural settings. There has been little or no activity with his program.

Lastly, several Task Force members expressed concern that our rural electric cooperatives are not aggressively seeking Energy and Rural Development Title funding devoted to renewable energy.

## APPENDIX

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### Farm Bill Task Force Meetings

The Task Force met seven times from February 2006 through October 2006. The meetings consisted of presentations by experts addressing the provisions of various Farm Bill titles followed by discussions to develop recommendations. In January 2007 Task Force members are scheduled to meet with members of the Wisconsin Congressional delegation in Washington DC to discuss the recommendations and the prospects for reauthorization of the 2007 Farm Bill.

### Farm Bill Task Force Speakers and Topics

“The Mechanics of the 2002 Farm Bill” - Bruce Jones, Professor, Agricultural Economics, UW-Madison, Madison

“How have 2002 Farm Bill commodity programs benefited Wisconsin farmers?” - Ben Brancel, State Executive Director, USDA Farm Service Agency, Madison

“How have Wisconsin farmers responded to 2002 Farm Bill conservation programs?” – Pat Leavenworth, State Conservationist, Natural Resources and Conservation Service, Madison

“Making American Agriculture Productive and Profitable” - Richard Gorder, WFBF Vice-President and member of American Farm Bureau Federation MAAPP committee, Mineral Point

“Budget and Trade Implications for the 2007 Farm Bill” - Ron Gaskill, Director, Congressional Relations, American Farm Bureau Federation, Washington DC

“Conservation Title” - Don Baloun, Assistant State Conservationist, & Matt Otto, Resource Conservationist, USDA Natural Resources & Conservation Service, Madison

“Commodity Title” - Ron Litterer, Board Member, National Corn Growers Assn., Greene, Iowa

“Credit Title” - Dave Ladd, Manager, Government Affairs, Agribank, St. Paul, MN

“Energy Title” - Andy Olson, Policy Advocate, Environmental Law & Policy Center, Madison

“Sustainable Agriculture Issues” - Margaret Krome, Policy Program Director, Michael Fields Agriculture Institute, Madison

“Dairy Policy” - Ed Jesse, Professor, Agricultural Economics, UW-Madison, Madison; Bill Oemichen, President & CEO, WI Federation of Cooperatives, Madison; John Umhoefer, Executive Director, WI Cheese Makers’ Association, Madison

“Rural Development Title” - Mark Brodziski, Business & Community Programs Director, USDA Rural Development, Stevens Point

“Trade Title” - Dale Miller, Director, Office of Outreach & Exporter Assistant, USDA Foreign Agricultural Service, Washington DC (telephone); Dan Vogel, Agriculture Marketing Consultant, Wisconsin Department of Agriculture, Trade and Consumer Protection, Madison; Jen Pino-Gallagher, Economic Development Consultant, Wisconsin Department of Agriculture, Trade and Consumer Protection, Madison, WI

“Research Title” - Ben Miller, Assistant Dean for External Affairs, College of Agriculture & Life Sciences, Department of Administration, UW-Madison, Madison; Irwin Goldman, Interim Executive Associate Dean, College of Agriculture & Life Sciences, Research Division, UW-Madison, Madison; Dick Straub, Interim Associate Dean and Executive Director, College of Agriculture & Life Sciences, Research Division, UW- Madison, Madison

## **Members of the Task Force**

### **WFBF Appointees**

**Bill Bruins**, Waupun, Fond du Lac County, serves as president of the Wisconsin Farm Bureau Federation Board of Directors. He was elected to the board in 1988. He served as vice-president from 1997 until his election as president in 2003. He is the general manager of his family's dairy partnership, milking 600 cows on 1,100-acres. He is a board member of the coordinating committee for the Wisconsin Agricultural Stewardship Initiative, and was appointed to Governor Doyle's Biobased Industry Consortium in 2005. He previously served as vice president of the Equity Cooperative Livestock Association, on the Wisconsin Beef Council Board, and on the UW-Platteville Environmental Farm Steering Committee. Over the years he served on the National Rural Health and Safety Committee, the Wisconsin Farm Bureau dairy, policy development and rural health and safety committees and the American Farm Bureau Federation dairy advisory committee.

**Richard Gorder**, Mineral Point, Iowa County has served on the WFBF Board of Directors since 1998. He was elected Vice-President of the Wisconsin Farm Bureau Federation in 2003. He served on the American Farm Bureau Federation's Making American Agriculture Productive and Profitable (MAAPP) Committee in 2003. He has served on the WFBF Dairy Advisory Committee, Nonpoint Advisory Committee, Nutrient Management Committee, and Policy Development Committee. He serves on the Wisconsin Natural Resources Conservation State Technical Advisory Committee and is a past supervisor for Iowa County, and past member of the Southwest Regional Planning Commission. He owns and operates a 200 acre dairy farm.

**Kevin Malchine**, Waterford, Racine County grows corn, soybeans and wheat on 2,200 acres. He also raises 325 steers. He serves as treasurer of Conserv FS, a farm supply cooperative affiliated with Farm Bureau. Locally he serves as vice president of the high school.

**Cal Dalton**, Pardeeville, Columbia County grows corn, soybeans, winter wheat, hay and oats on nearly 2,600 acres. He has a 112 head of registered Black Angus cattle. He is a founding member/director of UWGP, an ethanol plant in Friesland. He is also a partner in 3<sup>rd</sup> Coast Biofuels, an ethanol development company. He has been active in the Corn Growers Association at both the state and national level. He currently serves on the NCGA board of directors and is a past director and president of the state association. He is active locally with 4-H, FFA and his county Farm Bureau.

**Dan Adams**, Montfort, Iowa County operates a 110 hog farrow to finish operation. He grows corn and soybeans on his 380 acre operation. He networks with another farmer on his crop operation. He serves as secretary/treasurer of the Iowa County Farm Bureau.

**Todd Servais**, La Crosse, La Crosse County operates a 300 cow dairy farm and grows corn, soybeans and alfalfa on 600 acres. He serves as president of the La Crosse County Farm Bureau and was a member of the advisory committee for his county's Land Conservation Board.

**Jim Jarvis**, Wautoma, Waushara County, is a dairy farmer growing corn, soybeans, barley and trees (for various forestry products) on his 280 operation. He serves as president of the Waushara County Farm Bureau and is a past member and chairman of the Wisconsin Farm Bureau Dairy Committee. He also served on the American Farm Bureau Federation's Forestry Committee.

**Brent Sinkula**, Two River, Manitowoc County, operates an 800 cow dairy farm and grows alfalfa, corn, oats and wheat on 1,300 acres. He has served as a director on his county Farm Bureau board since 1995. From 2003 -05 he served on the WFBF State Young Farmers Committee and was chairman in 2005. He serves currently serves as board president of the Manitowoc County DHIA.

**Connie Seefeldt**, Coleman, Marinette County operates a 100 cow dairy farm. She raises corn and hay on her 500 acre operation. She is vice-chair of the Wisconsin Milk Marketing Board and serves as a director on the National Dairy Board. Locally she serves as vice-chair of the Marinette County Board of Supervisors.

**Gene Gagas**, Rosholt, Portage County, farming with his father and brother grow potatoes, sweet corn, soybeans, field corn and alfalfa on 1,750 acres. They also raise 250 steers. He is vice-president of Portage County Farm Bureau and is a former town board supervisor

**Mel Pittman**, Plum City, Pierce County operates a 75 cow dairy farm. He grows corn, oats and hay on his 360 acre operation. For 12 years he served as a board of director for Foremost Farms USA, his milk cooperative. He served as president of the Pierce County Farm Bureau and on many WFBF committees over the years. He is former member of the University of Wisconsin- River Falls agriculture advisory committee. He served on the Pierce County Board of Supervisors.

### **Commodity Group Appointees**

**Karen Endres**, Waunakee, Dane County, representing the Dairy Business Association operates dairy farm and grows corn, soybeans, alfalfa and winter wheat. She is Director of Communications for Alto Dairy Cooperative and a marketing consultant for the Wisconsin Department of Agriculture, Trade and Consumer Protection. She serves on the board for DBA and is a member of Professional Dairy Producers of Wisconsin.

**Dean Strauss**, Sheboygan Fall, Sheboygan County, representing the Professional Dairy Producers of Wisconsin, has a dairy operation and serves as vice-president of PDPW.

**Scott Schultz**, Warrens, Monroe County, representing the Wisconsin State Cranberry Growers Association, is co-owner of Russell Rezin and Son, Inc., a fourth generation cranberry marsh. He has served as the Association's President since 2004 and has served on the board of directors for the Wisconsin Cranberry Board and the Wisconsin Cranberry Discovery Center since 1998.

**Bob Walton**, Deforest, Dane County, representing the Wisconsin Cattlemen's Association, raises 100 head of Simmental beef cattle. He grows corns, soybeans and alfalfa on 160 acres. He served as President and CEO of ABS Global, cattle breeding business based in Deforest. His involvement in associations and organizations is extensive. In addition to Cattlemen's and other beef organization activities, he has devoted time and expertise to World Dairy Expo, World Beef Expo, the Wisconsin Rural Opportunity Fund, and the Wisconsin Rural Leadership Program. He served on the board of visitors for the UW- Madison College of Agriculture and Life Sciences. Lastly, he has been involved with regional economic development groups.

**Mike Wehler**, Plain, Sauk County, representing the Wisconsin Pork Association raises hogs and beef cattle on his corn, soybean and hay farm. He served on the National Pork Producers Association and is a past president. He currently serves as the member services director for the Wisconsin Pork Association.

**Jim Bacon**, Hancock, Waushara County, representing the Wisconsin Potato and Vegetable Growers Association grows potatoes, snap beans, sweet corn, corn, soybeans, wheat, and alfalfa on more than 3,600 acres. He farms with two brothers and a brother-in-law. He is a long-time member of the WPVGA and serves on the board of directors. He served as president and treasurer of the organization. He has also served on the National Potato Council.

**Bill Hoffman**, Columbus, Columbia County, representing the Wisconsin Corn Growers Association has 1,200 acre cash grain operation. He has served as vice-president and president of the WCGA. Nationally, he served on the National Corn Growers Association public policy team. He was also involved with the Wisconsin Rural Leadership Program. Currently, he serves as vice-president for Frontier FS Cooperative, which is affiliated with Farm Bureau. He serves on the Hampton Town Board and the Columbia County Drainage Board.

**Kevin Hoyer**, West Salem, La Crosse County, representing the Wisconsin Soybean Association, milks registered Holsteins and cash crops corn and soybeans. He works as a Location Manager for Melrose Farm Service along with providing agronomy services. He is a board member for the WSA.