



2021 SENATE BILL 776

December 17, 2021 - Introduced by Senators ROYS, SMITH, ERPENBACH, AGARD, L. TAYLOR, PFAFF and LARSON, cosponsored by Representatives NEUBAUER, SHANKLAND, SPREITZER, ANDERSON, BROSTOFF, CABRERA, CONLEY, CONSIDINE, EMERSON, HEBL, HONG, B. MEYERS, MILROY, OHNSTAD, POPE, S. RODRIGUEZ, SHELTON, SINICKI, SNODGRASS, STUBBS, SUBECK, VINING and VRUWINK. Referred to Committee on Agriculture and Tourism.

1 **AN ACT to create** 20.115 (7) (cm) and 93.60 of the statutes; **relating to:** creating
2 a grant program for farmers who use certain sustainable practices, granting
3 rule-making authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Agriculture, Trade and Consumer Protection to create a sustainable agriculture grant program, under which DATCP may award grants to farmers to 1) implement on-site fossil fuel input efficiency measures; 2) plant vegetation such as hedgerows, windrows, or riparian buffers; 3) implement approaches to increase the carbon stored in the soil; or 4) develop a conservation management plan for carbon reduction or sequestration.

Under the bill, a grant may not be awarded for a project that occurs on lands participating in a land retirement program or on commercial forest lands or for aquaculture-based projects. In addition, a grant may not be awarded to a farmer who is eligible for the combined state-federal conservation reserve enhancement program, unless the farmer has already applied for that program, or to a farmer who is eligible for any other state, federal, or local grant for the same conservation actions, unless the farmer has already applied for that grant.

The bill requires DATCP, in prioritizing grant recipients, to seek to maximize the total reduction in atmospheric carbon dioxide equivalents per grant dollar awarded by leveraging other nonstate public or private funding. In addition, DATCP must prioritize projects that both improve air or water quality and provide agronomic benefits. DATCP must also attempt to provide grants to farmers in

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different parts of the state and for different types of projects and must ensure that small- and medium-sized farms are included in the grant program. Under the bill, DATCP may use up to 20 percent of the amount appropriated for the grant program to create educational programs about the grants, to provide technical assistance, to develop models to assist in prioritizing grant awards, and to administer the grant program.

The bill allows a grant recipient to use grant funds to make down payments on equipment or other types of loans related to the purpose of the grant. The bill also allows grants awarded for carbon storage projects that have an uncertain storage life to include ongoing annual payments for the previous year’s storage or upfront cumulative payments based on the expected storage in future years.

The bill also allows DATCP to require a grant recipient to allow access to the property on which the grant project will take place and requires DATCP to maintain a public list of all grant recipients, the amount of money spent or borrowed under the program, and the impact on total atmospheric carbon dioxide equivalents emissions under the program.

In addition, the bill provides that an offer of a grant under the new grant program qualifies as a bona fide offer of cost-sharing. Under the current soil and water resource management program, unless a farmer receives a bona fide offer of cost-sharing from DATCP or DNR, the farmer is not required to follow the conservation practices set by DATCP and DNR if doing so would require the farmer to discontinue or modify cropping practices on existing cropland or to discontinue or modify an existing livestock facility or operation.

Finally, the bill requires DATCP to report to the legislature biennially on the implementation and impact of the grant program.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

		2021-22		2022-23
3 20.115 Agriculture, trade and consumer				
4 protection, department of				
5 (7) AGRICULTURAL RESOURCE MANAGEMENT				
6 (cm) Sustainable agriculture grants	GPR	C	-0-	2,500,000

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1 **SECTION 2.** 20.115 (7) (cm) of the statutes is created to read:

2 20.115 (7) (cm) *Sustainable agriculture grants.* As a continuing appropriation,
3 the amounts in the schedule for sustainable agriculture grants under s. 93.60.

4 **SECTION 3.** 93.60 of the statutes is created to read:

5 **93.60 Sustainable agriculture grant program. (1)** Except as provided in
6 sub. (2), for the purposes of reducing fossil fuels used in farming and increasing the
7 amount of carbon stored on farmland, the department may award grants from the
8 appropriation under s. 20.115 (7) (cm) to agricultural producers to do any of the
9 following:

10 (a) Implement on-site fossil fuel input efficiency measures, including any
11 activity or technology that reduces the amount of fuel, electricity, water, fossil
12 fuel-based fertilizer, or fossil fuel-based pesticide that is used per unit of
13 agricultural output, and including by adopting alternative fuel technologies such as
14 wind or solar power.

15 (b) Implement above-ground carbon sequestration practices such as planting
16 hedgerows, windrows, riparian buffers, or woody plantings, including fruit trees.

17 (c) Implement an activity or technology that maintains or enhances the
18 quantity of organic carbon in the soil, including by cover cropping, using no-till or
19 low-till practices, applying manure, applying biochar, or using managed grazing
20 practices.

21 (d) Develop a conservation management plan that outlines the producer's plan
22 for carbon reduction or sequestration.

23 **(2)** The department may not award a grant under this section for a project that
24 occurs on lands participating in a land retirement program or on commercial forest
25 land or for aquaculture-based projects. In addition, the department may not award

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1 a grant under this section to a person who is eligible for the state-federal
2 conservation reserve enhancement program under s. 93.70, unless the person has
3 first applied for enrollment in that program, or to a person who is eligible for any
4 other state, federal, or local grant for the same conservation actions, unless the
5 person has first applied for that grant.

6 (3) In prioritizing grant recipients, the department shall seek to maximize the
7 total reduction in atmospheric carbon dioxide equivalents per dollar awarded by
8 leveraging other nonstate public or private funding. The department shall also
9 prioritize practices, activities, and technologies that both improve air or water
10 quality in this state and provide agronomic benefits. The department shall also seek
11 to ensure that grants are provided to agricultural producers that are located in
12 different regions of the state and that represent different types of agricultural
13 enterprises and shall seek to ensure that small- and medium-sized agricultural
14 enterprises are included in the grant program.

15 (4) For purposes of this section and rules promulgated under this section,
16 storing one ton of carbon dioxide equivalents in soil or standing trees for 100 years
17 shall be considered equal to avoiding one ton of carbon dioxide equivalents
18 emissions. Carbon dioxide equivalents stored for less than 100 years must be
19 annualized linearly with one-ton year carbon dioxide equivalents storage having
20 one-hundredth the relative value as the emission of one ton of carbon dioxide
21 equivalents.

22 (5) The department may use up to 20 percent of the amount appropriated under
23 s. 20.115 (7) (cm) to create educational campaigns that raise awareness of the grant
24 program under this section; to provide technical assistance to grant applicants in
25 cooperation with the UW Extension, the natural resources conservation service of

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1 the federal department of agriculture, the department of natural resources, and
2 county land and water conservation departments; to cover the cost of administering
3 the program under this section; and to develop programs and models to assist with
4 the grant prioritization process under this section.

5 (6) A person who receives a grant under this section may use the grant to make
6 down payments on equipment or other types of loans related to the purpose of the
7 grant.

8 (7) Grants awarded under sub. (1) (c) for activities or technologies that have
9 an uncertain storage life may include ongoing annual payments for the previous
10 year's storage or upfront cumulative payments based on the expected storage in
11 future years. Grants that include upfront payments for future benefits must be
12 conditioned to include penalties for default due to negligence on the part of the grant
13 recipient.

14 (8) The department may require a grant recipient to allow access to the
15 property on which the grant project is located, with reasonable notice, to monitor the
16 impacts of the project. All grant recipients shall allow information about their
17 projects to be made available to the public. The department shall maintain a public
18 list of all grant recipients, as well as other pertinent information including total state
19 dollars spent or borrowed and the impact on total atmospheric carbon dioxide
20 equivalents emissions.

21 (9) The department, in consultation with the UW Extension, the natural
22 resources conservation service of the federal department of agriculture, the
23 department of natural resources, and county land and water conservation
24 departments, shall promulgate rules to administer the program under this section.

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1 **(10)** No later than January 1 of the year following the year in which a grant
2 is first awarded under this section, and no later than January 1 of each subsequent
3 odd-numbered year, the department shall submit a report on the program under this
4 section to the chief clerk of each house of the legislature for distribution to the
5 appropriate standing committees under s. 13.172 (3). The report shall document the
6 nonstate matching funds that were used by grant recipients; the total state dollars
7 awarded under the program; the total state dollars spent on providing technical
8 assistance, educational campaigns, and administration; the quantity of carbon
9 dioxide equivalents emissions avoided; the quantity of carbon stored for projects
10 under sub. (1) (c); and the total impact on atmospheric carbon dioxide equivalents
11 emissions of all activities funded under the program to date and expected over the
12 life of each project by the categories described under sub. (1) (a) to (c).

13 **(11)** An offer of a grant under this section shall be considered a bona fide offer
14 of cost-sharing.

15 **SECTION 4. Fiscal changes.**

16 (1) **SPECIAL EDUCATION AID.** In the schedule under s. 20.005 (3) for the
17 appropriation to the department of public instruction under s. 20.255 (2) (b), the
18 dollar amount for fiscal year 2022-23 is increased by \$1,580,000, to increase funding
19 for aids for special education under s. 115.88.

20 (2) **UW SYSTEM; GENERAL PROGRAM OPERATIONS.** In the schedule under s. 20.005
21 (3) for the appropriation to the Board of Regents of the University of Wisconsin
22 System under s. 20.285 (1) (a), the dollar amount for fiscal year 2022-23 is increased
23 by \$395,000, for the purpose for which the appropriation is made.

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(END)