



COVID-19: HOW DO WE SUPPORT THE AGRICULTURE INDUSTRY?

Resources and policy solutions needed during ongoing crises

When it comes to Wisconsin's status as "America's Dairyland," former Governor Scott Walker and Wisconsin's reform-minded legislature supported farmers and rural communities with a wide range of reforms, from reducing the tax burden to aid for rural schools. Wisconsin's support for its dairy industry is ongoing. In fact, there is a clear record of bipartisan reform on many issues related to agriculture, including during more difficult times that persist to this very day.

Today, Wisconsin farmers must navigate even greater difficulties than approximately two months ago when Governor Tony Evers declared during his 2020 State of the State Address that he would call "a special session of the legislature next week to take up legislation to invest in our farmers, agricultural industries, and our rural communities."¹ The governor went on to add, "We have not forgotten those who have shared the harvest and bounty, feeding our families, our communities, our state, and our country for more than a century. And tonight, we say that we are ready to be a partner in the promise of posterity."¹

A couple of months later, Wisconsin's agricultural industry, along with people and businesses across the nation, face even greater challenges, including the economic impact of the COVID-19. In fact, UW-Madison Division of Extension's Farm Management has reported that there are 6 potential impacts that this pandemic could have on those involved in the agricultural industry:²

1. "Markets and farm prices" meaning "[c]oncerns about the impact of the virus on the broader economy are likely to have an even larger impact on dairy prices...A worldwide recession, like the one experienced in 2008-09, would push the previously expected milk price recovery off for at least another year."²
2. "Supply chains slowdowns and shortages" including "[w]ith some products, 'panic buying' is creating additional concern."²
3. "Farmers' health" because as this analysis notes "[t]he 2017 ag census shows the average age of farm operators to be almost 58 – at least a full ten years older than workers in most other sectors... preventive and protective recommendations from the CDC and state (and local) public health experts are critical for our farming population."²

¹ <https://content.govdelivery.com/accounts/WIGOV/bulletins/2776e3d>

² <https://farms.extension.wisc.edu/covid-19-impacts-on-farming/>

4. “The farm workforce” because of such scenarios that “workers will need to be out of work particularly with school closures and/or workers who need to stay home to care for sick or elderly family members.”²
5. “Worker safety and Personal Protective Equipment (PPE)” supply levels could have an impact on the industry due to “current demands by the healthcare industry, N-95 respirator supplies are highly limited (likely to be needed this spring for handling dusty grain as a result of last fall’s sub-optimal harvest conditions). There are also reported concerns about availability of protective gloves which have now become commonplace in dairy operations as a protective means to improve milk quality and protect the health of animals and people.”²

However, it is important to note that Mark Stephenson, director of dairy policy analysis at the UW-Madison is, “...confident the supply of masks will catch up with the demand, so farmers should not try to start buying up masks now.”³

Over the last month, it has been encouraging to see people come together and quickly act to support each other and industries that drive our economy. When legislative action resumes, we cannot forget Wisconsin’s agricultural industry will have an even greater need than before and government action will be needed to help support this industry. As the American Farm Bureau Federation’s President, Zippy Duvall noted,

“We have been blessed with plenty when it comes to America’s food supply. Empty shelves can be frightening, but empty fields and barns would be devastating. Times like these should remind us all of the importance of ensuring our nation’s food security.”⁴

As we await updates to the legislative schedule including a potential extraordinary session,⁵ it is important to highlight the resources available to farmers in “America’s Dairyland” during this pandemic, and recognize the legislative action and additional assistance that will be needed to support this industry.

RECENT “AGRICULTURE AID PACKAGE”

It is estimated that the agricultural industry “contribut[es] \$104.8 billion annually to our state’s economy” through “64,793 farms on 14.3 million acres.”⁶ Wisconsin also is known as “America’s Dairyland” with “more than 7,000 dairy farms, more than any other state, and 1.28 million cows.”⁶ As these statistics demonstrate, agriculture is a crucial industry within Wisconsin and it is important to highlight recent legislation that was designed to support the agricultural industry.

At the end of February, Assembly Speaker Robin Vos noted that the Wisconsin State Assembly passed an “agricultural aid package...with overwhelming support...[which]

³ <https://www.wpr.org/wisconsin-farmers-brace-impact-coronavirus>

⁴ <https://www.fb.org/issues/impact-of-covid-19-on-agriculture>

⁵ <https://www.wpr.org/wisconsin-lawmakers-governor-considering-legislative-action-response-covid-19-pandemic>

⁶ <https://datcp.wi.gov/Pages/Publications/WIAGStatistics.aspx>

provides short-term and long-term relief to a \$100 billion industry that's vital to our state economy.”⁷ The Assembly acted on the following items:

- [January 2020 Special Session Assembly Bill 6](#) “relating to: the Wisconsin Initiative for Dairy Exports and making an appropriation.”
- [January 2020 Special Session Assembly Bill 7](#) “relating to: grants to dairy processing plants and making an appropriation.”
- [AB 627/ SB 563](#) “relating to: funding for certain extension services of the University of Wisconsin System and making an appropriation.”
- [AB 873/ SB 818](#) “relating to: an income tax credit for the property taxes paid on agricultural buildings and improvements and making an appropriation.”
- [AB 874](#) “relating to: requiring a study by the University of Wisconsin System of agricultural programs and issues.”
- [AB 875/ SB 842](#) “relating to: modifying the medical care insurance subtraction for self-employed individuals.”

All of these bills passed the Wisconsin State Assembly on a vote of 99 to 0 with the exceptions of AB 874 and AB 875, which passed by a voice vote. This legislative package awaits further action by the Wisconsin State Senate. However, while the Wisconsin State Senate was scheduled to convene on March 24th, this floor session has been postponed due to COVID-19 concerns.⁸ On March 17th, Senate Majority Leader Scott Fitzgerald announced that:

“...I have decided to postpone the Senate’s planned March floor period. This is out of an abundance of caution for Senators, their family members, and staff members who may be vulnerable to coronavirus. The Wisconsin State Senate will continue to function during this public health emergency. After discussions with Speaker Vos, the Legislature will call an extraordinary session this spring so the Senate can complete our business...”⁹

In a March article, the Wisconsin State Farmer notes “...[w]ith both the Governor and the Assembly taking decisive action to support farmers...the spotlight is now on the state Senate.”¹⁰ We must look for ways to support this industry at every opportunity including through future passage of key legislation and other decisive action that will support the agricultural industry that is crucial to our nation’s economy and supplying the products we all desperately need. As noted in the Wisconsin State Farmer article, Jefferson County farmer and grazing educator Kirsten Jurcek explains that quick action will be needed,

“...Our producers – whether they be meat, milk or cranberry producers – will suffer even more and I don't know how much more they can take...”¹⁰

AGRICULTURAL RESOURCES

⁷ <http://legis.wisconsin.gov/assembly/63/vos/media/news-updates/statement-final-regular-session-day-in-assembly/>

⁸ <https://www.wispolitics.com/2020/fitzgerald-postpones-senates-march-24-floor-period/>

⁹ <https://www.wispolitics.com/2020/sen-fitzgerald-postpone-march-floor-session/>

¹⁰ <https://www.wisfarmer.com/story/news/2020/03/15/farm-groups-tell-senate-time-action-now/5055995002/>

In response to COVID-19, the U.S. Department of Agriculture has compiled a list of Frequently Asked Questions,¹¹ and the Department of Agriculture, Trade and Consumer Protection (DATCP) has also compiled a toolkit for consumers. This toolkit compiles information on:¹²

- “Price Gouging, Scams, and False Marketing”
- “Food Supply and Delivery”
- “Employment”
- “Animal Health”
- “Crops and Agribusiness”

There are also well-respected partnerships available for farmers such as DATCP’s Farm Center that has been “partnering with Wisconsin farmers since 1984” by providing necessary services and support to farmers.¹³ As noted by DATCP,

“The Wisconsin Farm Center provides information and support to farmers and their families in order to help grow Wisconsin’s agricultural economy. The Center partners with industry groups, government and educational entities, and other stakeholders in the agriculture sector.”¹⁴

“Farm Center staff are available to navigate the ups and the downs of agriculture. The Farm Center works one-on-one with farmers and their families through all phases of the farm cycle, including start-up, growth, change, generational succession, and retirement. These no-cost services are available for both new and experienced farmers.”¹⁵

WISCONSIN'S SUPPORT OF FARMERS IN RECENT YEARS

These reforms follow a long record of former Governor Walker and a reform-minded legislature supporting farmers and rural communities. These include:

- The Manufacturing & Agriculture Tax Credit (MAC), which according to a report from Center for Research on the Wisconsin Economy, was “[p]hased in from 2013-2016, the MAC now nearly eliminates the tax liability for manufacturing and agricultural business activity, which are crucial sectors in the Wisconsin economy.”¹⁶
- Property taxes that were lower in 2018 than they were in 2010, when Governor Walker first took office.¹⁷

¹¹ <https://www.usda.gov/coronavirus>

¹² https://datcp.wi.gov/Pages/News_Media/Covid19.aspx

¹³ <https://datcp.wi.gov/Documents/DAD/Farm%20Center%20Newsletter%20Winter%202016.pdf>

¹⁴ https://datcp.wi.gov/Pages/Growing_WI/FarmCenterOverview.aspx

¹⁵ https://datcp.wi.gov/Pages/News_Media/FarmCenterisHereforWisconsinFarmers0206-3333.aspx

¹⁶ <https://www.ssc.wisc.edu/~nwilliam/MAC.pdf>

¹⁷ <https://www.revenue.wi.gov/Pages/Individuals/TaxRelief.aspx>

- Increased Sparsity Aid for rural schools,¹⁸ and a wide range of workforce development initiatives such as the Youth Apprenticeship Program¹⁹ to help prepare our students for the agriculture jobs of tomorrow.

CONCLUSION

During these uncertain times, we must look for ways to help our neighbors and support the businesses that we rely on. Additionally, when the legislative session comes back in session, agricultural aid legislation should not be forgotten because we cannot forget that our farmers are securing our food stability especially during this crisis. As reported by the U.S Department of Agriculture,

“There are no nationwide shortages of food, although in some cases the inventory of certain foods at your grocery store might be temporarily low before stores can restock. Food production and manufacturing are widely dispersed throughout the U.S. and there are currently no wide-spread disruptions reported in the supply chain.”¹¹

Thank you to our farmers, medical professionals, and countless other businesses that are providing the products, materials, and services that Americans need during this pandemic.

¹⁸ <https://www.wispolitics.com/2018/gov-walker-student-success-governor-walker-champions-sparsity-aid-and-low-revenue-ceiling-increase-for-rural-schools/>

¹⁹ https://dwd.wisconsin.gov/news/2018/180105_gov_highlight_ya.htm