



State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

DATE: January 27, 2017

TO: The Honorable Roger Roth
President, Wisconsin State Senate
Room 220 South, State Capitol
PO Box 7882
Madison, WI 53707-7882

The Honorable Robin Vos
Speaker, Wisconsin State Assembly
Room 211, West, State Capitol
PO Box 8952
Madison, WI 53708-895

FROM: Ben Brancel, Secretary
Department of Agriculture, Trade and Consumer Protection

**SUBJECT: ATCP 52–Producer Led Watershed Protection Grants
(Clearinghouse Rule #16-049)**

Introduction

The Department of Agriculture, Trade and Consumer Protection (“Department”) is transmitting this rule for legislative committee review, as provided in s. 227.19 (2) and (3), Stats. The Department will publish notice of this referral in the Wisconsin Administrative Register, as provided in s. 227.19 (2), Stats. This rule implements the Producer Led Watershed Protection Grants program created under s. 93.07 (1) and 93.59 Stats., by 2015 Wisconsin Act 55 (Budget Act). Under s. 93.59 Stats., the Department is authorized to make grants for nonpoint source pollution abatement activities that improve water quality, which are conducted with the assistance of producer led groups.

Background

Wisconsin currently has many waterways, lakes, and water impoundments with water-quality impairments. These impairments are attributed to a number of sources, including industrial, urban, and agricultural. As attention to water-quality concerns has increased over the last decade, so has attention toward finding innovative solutions to address the causes of water quality impacts. Effective July 1, 2015, Wis. Stat. § 93.59, states the Department may award grants to qualified groups consisting of agricultural producers that wish to voluntarily conduct nonpoint-source water pollution abatement activities. Under section 485 of the Budget Act, the amount of funds to be allocated for the program shall not exceed \$250,000 annually. Wis. Stat. § 93.59,

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provides that the Department may award no more than \$20,000 of grant funding to any producer-led group in any State fiscal year.

This rule does all of the following:

- Defines "legal entity" for the purposes of the grant program.
- Specifies the application process for a grant.
- Specifies activities that may be conducted using a grant.

Rule Content

This rule implements the Producer Led Watershed Protection Grants program.

Summary of, and Comparison with, Existing or Proposed Federal Statutes and Regulations

There are no known federal statutes or regulations (existing or proposed) that are comparable to Wis. Admin. Code ch. ATCP 52.

Comparison with Rules in Adjacent States

There are no known rules in adjacent states that are comparable to Wis. Admin. Code ch. ATCP 52.

Summary of Factual Data and Analytical Methodologies

The Department worked with representatives of the agriculture industry, potential producer-led groups and collaborators to develop standards for grant determinations contained in this rule.

Analysis and Supporting Documents used to Determine Effect on Small Business or in Preparation of an Economic Impact Analysis

Because it is a voluntary grant program, neither analysis nor supporting documents are needed to determine that the proposed rule will impose no cost or other obligation on small business.

Effect on Small Business

This rule will have no adverse effect on small business. The Producer Led Watershed Protection Grants program is voluntary and thus imposes no cost on businesses. By providing grant funding to agricultural producers, the Producer Led Watershed Protection Grants program will benefit agricultural producers, other agricultural businesses, and communities that participate in the grant program. Grant recipients will benefit directly, while others will benefit indirectly from the creation of a stronger agricultural industry and improved

soil and water quality. The Department plans to use proposal procedures that will make the cost of applying insignificant.

Small Business Regulatory Review Report

The Small Business Regulatory Review Board did not issue a report on this rule.

Hearings

The Department held two public hearings on Monday, October 17, 2016, and Thursday, October 20, 2016, at the Department Boardroom and at the Town of Washington Town Hall in Eau Claire, respectively. Following the public hearing, the hearing record remained open until November 30, 2016, for any written comments. Five written comments were received during the open hearing record period, which were in favor of the rule with modifications.

Changes from Hearing Draft

The Department incorporated all of the editorial changes suggested by the Legislative Council Rules Clearinghouse. There were no substantive changes made to the rule. The Department did not incorporate any changes from the received written comments because of all the comments were either suggested changes to Wis. Stat. § 93.59 or changes that could be made during the grant award administration process.