



LEE NERISON

96TH ASSEMBLY DISTRICT

Remarks of Representative Lee Nerison
on Assembly Bill 574
Assembly Committee on Agriculture
January 7, 2014

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Good morning, fellow committee members. I testify today in support of Assembly Bill 574, which I have authored with Senator Sheila Harsdorf.

This legislation encourages the preservation of agricultural land for future generations by allowing an additional one million acres of farmland to be designated as part of an Agricultural Enterprise Area. It continues Wisconsin's investment in our \$59 billion per year agricultural economy.

In Wisconsin, local communities can voluntarily pursue the designation of an Agricultural Enterprise Area, or AEA, by submitting a petition to the Department of Agriculture, Trade and Consumer Protection (DATCP). An AEA must consist of contiguous parcels, include at least five eligible farms, and be primarily used for agriculture. Farmers with land in a designated AEA may enter into farmland preservation agreements.

The Agricultural Enterprise Area program was created as part of the Working Lands Initiative in the 2009-2011 Biennial Budget (Act 28) in an effort to preserve, expand, and develop farms and agribusinesses within designated agricultural areas. Act 28 authorized DATCP to allow up to one million total acres of designated AEA land.

Currently, DATCP has 25 authorized AEA's consisting of approximately 750,000 acres. Since this cap will likely be reached by the end of 2014, we have developed this legislation to allow an additional one million acres to be designated as AEA's.

I urge you to support this legislation so that communities can continue to voluntarily preserve land for agricultural purposes and invest in our state's growing agricultural economy.

Thank you for your time and consideration of this proposal.



State Senator Sheila Harsdorf

Date: January 7, 2014
To: Assembly Committee on Agriculture
Fr: Senator Sheila Harsdorf
Re: Assembly Bill 574 – Agricultural Enterprise Area Acreage Cap Increase

Chairman Nerison and Committee Members:

Thank you for holding a public hearing on Assembly Bill 574 (AB 574), which seeks to authorize the Department of Agriculture, Trade and Consumer Protection (DATCP) to allow up to two million acres of land to be designated as agricultural enterprise areas.

2009 Wisconsin Act 28 allowed for the establishment of agricultural enterprise areas (AEA) in an effort to preserve, expand, and develop farms and other agricultural businesses within designated agricultural areas. An AEA must consist of contiguous parcels, be located entirely in a farmland preservation area identified in a certified farmland preservation plan, and be land primarily in agricultural use.

To establish an AEA, a petition must be filed with DATCP by a unit of government and include at least five eligible farms. The petition must include a clear description of agricultural and other land uses, have a clear description of the development goals, have a plan for achieving the goals, and a description of current or proposed land use controls.

Act 28 authorized DATCP to allow up to one million total acres of designated AEA land. To date, DATCP has authorized 25 areas consisting of approximately 750,000 acres and anticipates reaching this cap by the end of this year. This bill would increase the cap to two million acres.

Agriculture plays a vital role in Wisconsin contributing \$59 billion annually to the state's economy. I urge committee members to support this legislation in order to allow for continued opportunities to preserve land for agricultural purposes. Thank you again for the opportunity to testify on this important legislation. I welcome any questions you have.

Wisconsin Towns Association

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To: Assembly Agriculture Committee
From: Richard J. Stadelman, Executive Director
Re: AB 574 relating to raising cap on acres for AEA
Date: January 7, 2014

Wisconsin Towns Association supports the passage of AB 574 which raises the cap on the total amount of acreage from 1 million to 2 million acres that may be designated under Agricultural Enterprise Areas (AEAs).

Agricultural Enterprise Areas (AEAs) are an important part of the "Working Lands Program" (farmland preservation) because it provides income tax credits for farmland that is a part of an AEA under contract or zoning intended to be preserved as productive ag land. This option is particularly important for parts of the state that have not adopted farmland preservation zoning, as the only means for ag land owners to receive tax credits is to be under agreement for preservation in an AEA.

AEAs are intended to preserve large blocks of ag land as opposed to the former farmland preservation program that was based upon forty by forty agreements. The larger blocks of ag land must be "primarily" in agricultural use, with supporting businesses a key part to the designation as an AEA.

Wisconsin Towns Association believes that the cap of total acreage needs to be increased to continue to encourage more participation in farmland preservation for the long term. We also would encourage a broader discussion on AEAs to include establishing other benefits to AEAs and the land owners and businesses in AEAs to participate. These additional benefits could be incentives to provide economic benefits and grant programs for businesses (such as feed and seed businesses, veterinarians, implement dealers, etc) through various state economic programs.

Again, Wisconsin Towns Association supports the passage of AB 574. I apologize that I am not able to attend this hearing in person, as I have a prior commitment on another matter. Thank you for your consideration in this matter.