

May 2008

Congress Enacts Farm Bill Over President's Veto

By Jordan Lamb

Congress sent H.R. 2419, the “Food, Conservation and Energy Act of 2008” (the Farm Bill) to President Bush for consideration on May 21. The President vetoed the Farm Bill the same morning. “For a year and a half, I have consistently asked that the Congress pass a good farm bill that I can sign,” Mr. Bush said in his veto announcement. “Regrettably, the Congress has failed to do so. At a time of high food prices and record farm income, this bill lacks program reform and fiscal discipline.”

However, Congress voted to override the President's veto with a vote of 316-108 in the House and 82-13 in the Senate. As a result, the Food, Conservation and Energy Act of 2008 has been enacted into law, with the exception of the bill's trade title. The trade title was included in the conference report passed by Congress but was inadvertently left out of the official copy of the farm bill that the President vetoed. That part of the Farm Bill will be moved forward as separate legislation.

The House/Senate agreed-upon Farm Bill contains the following Commodity provisions:

- Creates the new Average Crop Revenue Election (ACRE) program beginning in crop year 2009. ACRE is a state-based revenue guarantee for participants based on the 5-year state average yield and the 2-year national average price, which provides producers with payments for a commodity when the actual state revenue for the commodity is less than the revenue guarantee.
- Imposes a cap on average adjusted gross income (AGI) for eligibility to receive farm program payments. Puts a hard cap on non-farm income at \$500,000. Applies a cap on farm income at \$750,000, after which a producer will no longer be eligible for direct payments. Establishes the total payment cap for direct and counter-cyclical payments for a single farmer to \$40,000 and \$65,000 respectively. Creates a total payment cap for ACRE participants of \$32,000 for direct payments and \$73,000 for counter-cyclical payments.
- Suspends payments for farms with an aggregate base of 10 acres or fewer (except for socially disadvantaged and limited resource producers). Increases target prices for wheat, sorghum, barley, oats, and soybeans which increases producers' opportunity to receive counter-cyclical payments when prices are low, but makes no payments when prices are high.

- Rebalances loan rates on wheat, barley, oats, oilseeds, graded wool and honey, enhancing the basic safety net for these commodities.
- Extends the Milk Income Loss Contract Program until 2012. In addition, the payment rate was increased from 34% to 45% and the volume cap was increased from 2.4 million pounds to 3.985 million pounds.
- Supports the price of cheddar cheese, butter, and nonfat dry milk by government purchase of such products.
- Reestablishes the Dairy Forward Pricing Program, which allows dairy farmers to voluntarily enter into forward contracts with milk handlers. Other commodity producers also use forward contracts to manage risk. A forward contract is an agreement to sell a stated quantity of milk, for a stated period, at a stated price. This voluntary risk management tool will allow producers and handlers to “lock in” prices, reducing risk associated with changes in price and income and enhancing the ability to obtain financing.
- Amends the Federal Milk Marketing Order System to increase efficiency and be more responsive to the market.
- Extends the Dairy Export Incentive Program (DEIP), which helps U.S. dairy product exporters market their products overseas in countries where U.S. products must compete with subsidized products provided by other governments.

Wisconsin Supreme Court Rejects Landowner’s Appeal of Farm Nuisance Suit

By Jordan Lamb

On May 14, the Wisconsin Supreme Court declined to review a lower court decision dismissing a public nuisance lawsuit filed by fourteen out-of-state landowners on Lac Courte Oreilles Lake against cranberry grower William Zawistowski Jr.

In February 2008, a Wisconsin Court of Appeals unanimously upheld the ruling in favor of the cranberry grower, which stated that there was no public nuisance as a result of his farming operation.

The case will now be sent back to Sawyer County Circuit Court for evaluation of the attorneys’ fees and costs incurred by Zawistowski and his insurance company, Rural Mutual Insurance Company, in defending against the plaintiffs’ unsuccessful nuisance suit. Award of these fees and costs is a legal right afforded to Wisconsin farmers under the Right to Farm Law.

USDA Extends Sign-Up For 2008 Conservation Security Program through May 30

Farmers in the Milwaukee River Watershed will have two additional weeks to apply for the Conservation Security Program (CSP) in 2008. The sign-up now ends on May 30, 2008. Originally, the CSP sign-up was scheduled to run from April 18-May 16, 2008.

“NRCS recognizes the inopportune timing of this year’s sign-up and that farmers are busy in their fields. We want to give them as much time as possible,” said Pat Leavenworth, State Conservationist for the USDA Natural Resources Conservation Service. “We are extending the sign-up as much as possible to allow producers adequate time to gather natural resource information and complete the required self-assessment and applicant interview. This two-week extension represents the fullest accommodation we can make and deliver a program this year.”

Some farmers in the Milwaukee River Watershed have already completed their applications.

Applications that are accepted will be announced later this summer, with farmers receiving their first payments in 2008. A participant can receive, annually, up to \$20,000 for Tier 1, \$35,000 for Tier 2, and \$45,000 for Tier 3.

Natural disasters—such as excessive spring rains and flooding in certain parts of the country that caused delays in planting—also played a role in the decision to extend the sign-up, which is determined at the national level by NRCS. As a result, many farmers and ranchers had little time to gather their records to meet the CSP sign-up requirements.

CSP, a voluntary program, encourages and rewards producers who practice outstanding stewardship on working agricultural land by offering financial incentives that increase with the level of conservation effort. Soil and water quality are the primary focus of this program; however, program goals also include improved wildlife habitat, air quality, and environmentally responsible energy production.

This signup marks the fourth year Wisconsin has had eligible watersheds since USDA-NRCS first offered CSP in 2004. In the first three signups, Wisconsin enrolled 195,000 acres and 650 farmers from the six watersheds that were eligible in the past. The average first year payment was \$6,500 for CSP farmers in Wisconsin, with total CSP payments of \$5.49 million for 2007.

For more information about CSP and eligibility requirements, please visit <http://www.nrcs.usda.gov/programs/csp> or in Washington/Ozaukee County call Betsy at 262.335.4801, Fond du Lac County call Adam at 920.923.3033 x3, Sheboygan County call Peggy at 920.467.9917, Dodge County call Brian at 920.386.9999 x3, Milwaukee/Waukesha call Brandi at 262.547.3754.

DATCP Issues Second Annual Livestock Facility Siting Report

By Jordan Lamb

At the May 14th DATCP Board meeting, the Department of Agriculture Trade and Consumer Protection (DATCP) Division of Agricultural Resource Management presented the “Second Annual Report on Wisconsin’s Livestock Facility Siting law” to the Board.

The Report examines the implementation of the siting law through an overview of DATCP staff support of local siting law implementation; an analysis of actions taken by local governments; and presents a review of the Livestock Facility Siting Review Board actions over the past twelve months.

DATCP staff has presented information about the siting law at numerous meeting across the State this year in order to address specific concerns. In addition, a Livestock Siting Service Center has established at the DATCP office in Madison to provide more personal and complete assistance to farmers, consultants, local governments and others.

A total of 49 local governments have adopted siting ordinances and have filed those ordinances with DATCP. (Click [here](#) to view the map of local governments that have siting ordinance, which is available on the DATCP web site.)

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