WHEREAS, the Wisconsin Farmland Preservation Program (FPP) was established in 1978 to protect the states most valuable agricultural lands from development. Two avenues were created via legislation: local land use zoning or a special agreement with Department of Agriculture Trade and Consumer Protection (DATCP). Landowners who participated in the program were then eligible for a Wisconsin state income tax credit, if they met the financial criteria and the state’s soil conservation standards. The peak years of the program resulted in approximately 23,900 statewide participants; and,

WHEREAS, in 2009, the state of Wisconsin made significant changes to the FPP administrative codes and statutes as part of the Working Lands Initiative, a suite of programs to protect farmland from development. Among the many changes to the FPP were setting new flat rates per acre for the income tax credits, adding a process for local areas to establish Agricultural Enterprise Areas (AEA), establishing a Purchase of Agricultural Conservation Easements (PACE) Program, and finally adding additional conservation standards; and,

WHEREAS, since the FPP rules were amended in 2009, the costs of implementing the required conservation standards has increased to a point where in some cases the cost of participating in the program has exceeded the available tax credits, which in turn has impacted the statewide program participation, currently estimated at 12,000 participants; and,

WHEREAS, the premise of the FPP tax credit was to ensure landowners were compensated for their conservation stewardship and to help offset the costs of implementing and maintaining the required conservation practices. To date this program has been the best available tool to ensure conservation best management practices are being maintained statewide; and,

WHEREAS, the long term net result of aforesaid changes was a decrease in the value of the tax credits to maintain the conservation standards which in turn has decreased the overall enrollment statewide. This decrease in enrollment is alarming and needs to be addressed as soon as possible; and,

WHEREAS, as part of the FPP redesign, the state of Wisconsin recognized the importance of PACE as a valuable tool to complement the long-term preservation of the most valuable working farmlands in the State and subsequently enrolled 14 participants. The statewide program was defunded due to a controversial funding mechanism, but remains in the Wisconsin state statutes; and,

WHEREAS, Local units of government, towns and counties continue to pursue the purchase of agricultural easements through locally funded programs with, in some cases, United States Department of Agriculture - Natural Resources Conservation Service grants. Also, numerous Agricultural Conservation Easements (ACE) have been donated to local land trusts. Many of the donated ACE’s
remain eligible for the FPP but are not recognized by DATCP for their true farmland preservation value; and,

WHEREAS, WI Land+Water urges the State of Wisconsin to review the Farmland Preservation Program and increase each existing tax credit category by a minimum of $2.50 per acre, add a new tax credit category to recognize landowners with ACEs and set the credit level for easements at a minimum tax credit level that can be found in the FPP zoned AEA’s, and review the program every five years making the appropriate adjustments that reflect Best Management Practices (BMP) cost changes in the agriculture sector.

NOW, THEREFORE, BE IT RESOLVED, that the WI Land+Water requests the State of Wisconsin review the Farmland Preservation Program statutes and administrative codes to increase the allowable tax credits; amend the program eligibility to allow landowners who have Agricultural Conservation Easements the ability to participate in the FPP, if they meet the financial and conservation criteria; establish a new tax credit level for Agricultural Conservation Easements; reestablish funding for the statewide PACE (Purchase of Agricultural Conservation Easements) program through a redesigned funding mechanism; and increase the frequency of review of the Farmland Preservation Program allowable tax credits to assure they are meeting the basic costs associated with program participation.

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to all state legislators, the governor, DATCP Secretary and the WI Counties Association.