



Cooperative Network Calendar

Nov. 14-15:
Cooperative Network Annual Meeting, St. Paul, Minn.
[Learn More...](#)

Dec. 5: Co-op Directors Forum, Baraboo, Wis.
[Learn More...](#)

Jan. 11-12: Minnesota Director's Workshop, Morton, Minn.
[Learn More...](#)

April 30 - May 1, 2018: SCH Conference, Minneapolis, Minn.

Link of the Week



Cooperative Network News

Regional & Federal

Perdue names FSA and Rural Development State Directors

U.S. Secretary of Agriculture Sonny Perdue has announced a slate of Farm Service Agency (FSA) and Rural Development (RD) State Directors, all serving as appointees of President Trump. FSA State Directors help implement USDA policies in planning, organizing, and administering FSA programs in their respective states. They are also responsible for running the day-to-day activities of the state FSA office. Similarly, RD State Directors work to help improve the economy and quality of life in rural America.

In Minnesota, Joe Martin was named to serve as FSA State Director. He has previously served the Minnesota and American Farm Bureau Federations and was also the Assistant Commissioner at the Minnesota Department of Agriculture. He lives in LeSueur County where he and his wife Staci run a small cattle operation.

Serving as Minnesota Rural Development State Director will be Brad Finstad, who has served three terms in the Minnesota House of Representatives and is currently the CEO of the Center for Rural Policy and Development, Minnesota's only statewide, nonprofit, nonpartisan rural policy research center.

Sandra Chalmers was selected to lead Wisconsin's FSA. She most recently served as Assistant Deputy Secretary of the Wisconsin Department of Agriculture, Trade, and Consumer Protection after serving as Executive Officer of the Wisconsin Farm Service Agency.

Frank Frassetto is taking the role of Rural Development Director. He has 30 years of public sector experience, previously served as state director at USDA RD from 2001 to 2009, was the Administrator for Trade and Consumer Protection at the WI Dept. of Agriculture, and resides in the

The 2016 annual report from the Bureau of Agrichemical Management is now available online and can be found [here](#).

In addition to year-end reviews and statistical overviews of programs within the Bureau, the 2016 report details the results of special projects including Rev Ex, the groundwater survey, isoxaflutole environmental studies, and pollinator protection. The Bureau is responsible for pesticide, fertilizer and feed regulation in Wisconsin, and your membership holds a vital stake in its work.

Do you have Co-op Kudos you'd like to see included in *Cooperative Network News*? Or does someone you know want to subscribe? [Click here](#) to let us know!

rural town of Black Wolf and has been its Chairman since 1997.

Elimination of Section 199 proposed in tax code overhaul legislation by House Ways & Means Chair

Last week, House Ways & Means Committee Chair Kevin Brady (R – TX) introduced tax reform legislation known as the *Tax Cuts and Jobs Act*. This proposed legislation included many provisions aimed at providing tax relief to many across American including families and businesses. However, it includes the proposed elimination of the *Domestic Production Activities Deduction (DPAD)*, also known as Section 199. This deduction is passed down by farmer co-ops to their member-owners. Eliminating the Section 199 deduction for agriculture would result in individual farmers paying more in taxes. The Cooperative Network Resolutions Committee passed a resolution earlier this year supportive of Section 199, which reads: *"The Domestic Production Activity Deduction (DPAD) was created by the American Jobs Creation Act, and is codified in section 199 of the Internal Revenue Code. DPAD is beneficial to rural economies as it applies to proceeds from agricultural or horticultural products that are manufactured, produced, grown, or extracted by farmers and marketed by their farm cooperatives. Section 199 benefits are returned to the economy through job creation, increased spending in rural communities, and increased spending on agricultural production and infrastructure. As tax reform is pursued and advanced, Cooperative Network supports the retention of the DPAD."* It is anticipated the Senate will introduce their version of a tax reform bill this week. Cooperative Network supports the preservation of the Section 199 deduction and is in the process of informing members of both the Minnesota and Wisconsin Congressional delegations of our position.

Cooperative Network participates in Farmer Cooperatives Conference in St. Paul

The 20th Annual [Farmer Cooperatives Conference](#), presented by the [University of Wisconsin Center for Cooperatives](#), was held in St. Paul last week. The Farmer Cooperatives Conference highlighted the latest strategic thinking on current cooperative issues and trends. It provided a forum for cooperative directors, managers, and those doing business with agricultural cooperatives to learn and exchange ideas with policy, research, and legal experts about issues currently affecting the agricultural cooperative community. Cooperative Network was part of the national planning committee for this conference, as it has been for the past several years, together with representatives from diverse cooperative, agribusiness and academic sectors. If you have any questions about the event, please contact the UW Center for Cooperatives at info@uwcc.wisc.edu or (608) 265-6534.

Wisconsin

Cooperative Modernization Legislation recommended by Assembly Committee

The Assembly Committee on Financial Institutions voted 12-2 on Nov. 1 to recommend for passage AB 353, the Cooperative Modernization Act containing proposed changes to Chapter 185. The motion for passage was supported by Republicans Chair Terry Katsma, Oostburg; Scott Allen, Waukesha; Warren Petryk, Eleva; Tom Weatherston, Caledonia; Dave Murphy, Greenville; Kevin Petersen, Waupaca and Joel Kitchens, Sturgeon Bay; and Democrats Steve Doyle, Onalaska; Leon Young, Milwaukee; Josh Zepnick, Milwaukee; Beth Meyers, Bayfield and Jason Fields, Milwaukee. Voting against the motion for passage was Republican

Rob Stafsholt, New Richmond and Democrat David Bowen, Milwaukee. Amendments dealing with access to financial records and appointed outside directors were unanimously approved on 14-0 votes. The amendments were identical to amendments adopted to companion legislation SB 281 when that bill was recommended previously for passage by a 3-2 vote of the Senate Committee on Elections and Utilities. AB 353 is authored by Rep. Gary Tauchen, R – Bonduel.

Proposed updates to usual and customary cost schedule for PECFA – opportunity for input

We have received proposed Usual and Customary Cost Schedule changes that would be used in the DNR's PECFA program. They would become effective in January of 2018. The DNR's Jenna Soyer is kindly shopping them with stakeholders prior to putting them out to a 21-day public notice before they are finalized. The proposed changes are for Task 5 – Closure Request, Task 7 – Regulatory Correspondence, Task 27- Claim Submittal and Task 31 – Consultant Overnight Per Diem. If you want the one page description of the proposed changes, contact Cooperative Network at 608-258-4403 or click [here](#).

DATCP webinars on farmland preservation tax credit

DATCP has announced that it is hosting two webinars for tax preparers and individuals who prepare tax claims under the farmland preservation program to review requirements for claiming the credit. The webinar will cover the basics of the Wisconsin Farmland Preservation Program, eligibility to claim the Farmland Preservation Tax Credit and which schedule to use when claiming. Session 1 is from 10-11 a.m. Nov. 17. Session 2 is Dec. 6, also 10- 11 a.m. Email DATCPWorkingLands@wisconsin.gov to request a link to either date for the webinar. Phone 608-224-4621 or DATCPWorkingLands@wisconsin.gov with any questions.

Financial Literacy Legislation awaits Walker's signature

Assembly Bill 280 passed the State Senate on Oct. 31 (it passed in the State Assembly on June 21), and it is on its way to Governor Walker for his signature. AB 280, authored by Representative Krug (R – Nekoosa), directs school boards to adopt academic standards for financial literacy and incorporate instruction in financial literacy into the curriculum in grades kindergarten to 12. Cooperative Network registered in favor of AB 280.

Financial literacy in schools has been an important issue for the Wisconsin Credit Union League and many Credit Unions in Wisconsin are already active in their local schools in providing real life financial experiences for high school and middle school students.

Last year Cooperative Network ran a series of videos entitled "Our Cooperative Story". Click [here](#) to view a story about a student run Credit Union at Madison Memorial High School in Madison.

Crop insurance legislation introduced

Cooperative Network and its Farm Credit members support a vibrant Crop Insurance program for agricultural producers. At Cooperative Network's Federal Dairy Issues Forum, crop insurance was discussed during a panel discussion on the 2018 Farm Bill.

Brad Pfaff, Deputy Chief of Staff for Congressman Ron Kind (D – WI) explained that Congressman Kind and Congressman Jim Sensenbrenner

are the authors of the "Assisting Family Farmers through Insurance Reform (AFFIRM)" Act. The AFFIRM Act is designed to save the government money and keep crop insurance programs viable to producers who need it the most.

Here is a [link](#) to a fact sheet on the AFFIRM Act. Cooperative Network is not endorsing the AFFIRM Act but providing information to our members.

Fluid milk consumption declining

At Cooperative Network's Federal Dairy Issues Forum, Laura Wilford, Director of the Wisconsin Dairy Council, discussed some of the reasons why fluid milk consumption was on the decline. One area she focused on was school nutrition programs.

Recently U.S. Reps. Glen Thompson (R – PA) and Joe Courtney (D – CT) introduced the "School Milk Nutrition Act of 2017". According to Congress.gov the legislation has 15 co-sponsors including Reps. Collin Peterson (DFL – MN) and Sean Duffy (R – WI). In a release, Thompson believes the bill will ease unnecessary regulations preventing milk consumption in school lunch programs. Thompson said: "The School Milk Nutrition Act of 2017 seeks to reverse the decline of milk consumption in schools throughout Pennsylvania and across the country. By allowing children more milk options – including flavored milk – it is my hope that we will witness consumption return to their historic levels and kids will again be able to enjoy milk."



Minnesota

Open enrollment begins for 40 Square Cooperative Solutions; community meetings continue in upcoming weeks

Community outreach meetings for [40 Square Cooperative Solutions](#) will continue throughout the state this week. Open enrollment began on Nov. 1 and will run through Dec. 15. If you live in one of the following areas or know anyone who does and might be interested in learning more about health plan options for 2018, please feel free to attend one of these gatherings or spread the word:

- Nov. 6, 7 p.m. – Atwater Community Center, 107 2nd Street North, Atwater (hosted by Central Counties Cooperative)
- Nov. 7, 5 p.m. – VFW, 570 1st Street, Montevideo (hosted by Farmers Union Co-op of Montevideo)
- Nov. 7, 7 p.m. – hosted by West-Con Cooperative, 520 County Road 9, Holloway
- Nov. 8, 4 p.m. – Baymont Inn & Suites, 820 Shamrock Lane, Albany
- Nov. 9, Noon – hosted by Northern Resources Cooperative, 1504

Center Street West, Roseau

- Nov. 13, 4 p.m. and 7 p.m. – hosted by Meadowland Farmers Co-op, American Legion, 110 S. Main Street, Lambertton
- Nov. 21, Noon – hosted by United Farmers Cooperative, 705 4th Street East, Winthrop
- Nov. 21, 6 p.m. – hosted by United Farmers Cooperative, American Legion, 233 S. Olive Street, Waconia

In order to participate, you must become a member of 40 Square Cooperative Solutions to gain access to the 40 Square health plan. In addition, to join the co-op, you must purchase Voting Stock up-front, one-time, in an amount of \$100, as well as Common Stock in the amount of \$1,000. The Common Stock purchase will be paid over the first 12 months of membership. If the Dec. 15 enrollment deadline is missed, individuals will not be able to join to cooperative's health plan until the next open enrollment period or if you experience a qualifying life event. If you have any questions about open enrollment, healthcare options, or the upcoming community meetings, please contact 40 Square Project Manager Char Vrieze at (507) 479-3724 or cvrieze@40square.coop.

Gov. Dayton issues hours-of-service waiver for propane and diesel delivery

At the urging of Cooperative Network and other concerned stakeholders, Gov. Mark Dayton recently issued [Executive Order #17-11](#), which will provide relief from regulations for motor carriers and drivers operating in Minnesota for the delivery of propane and diesel fuel. The order became effective on Wed., Nov. 1, and will remain in effect for 30 days, or until the commercial motor carrier or driver ceases direct assistance in providing emergency relief – whichever occurs first. Conditions of the order include:

- Motor carriers and drivers transporting propane or diesel fuel to the affected areas of the state and providing assistance for emergency relief efforts are exempted from the regulations incorporated in Minnesota Statutes, [section 221.0314, subdivision 9](#)
- Nothing in the order relieves motor carriers and drivers from regulations pertaining to driver qualifications
- No motor carrier operating under the terms of the order shall require or allow an ill or fatigued driver to operate a commercial vehicle
- Upon the expiration of the effective date of this executive order, or when a driver has been relieved of all duty and responsibility to provide direct assistance to the emergency effort, a driver that has had at least thirty-four (34) consecutive hours off-duty shall be permitted to start his or her on-duty status hours and 60/70 hour clock at zero

To those co-ops whose drivers are affected by the waiver, please make sure they have a copy of the emergency declaration in their possession if they are operating under it.

MnCUN assists in expanding prize-linked savings program into other states across the country

The Minnesota Credit Union Network (MnCUN) recently announced partnerships with the Louisiana Credit Union League and a credit union in Delaware to offer prize-linked savings accounts. Known as [WINcentive Savings](#), the program was developed by MnCUN to encourage healthy savings habits for credit union members across the state. Cooperative

Network was a strong supporter of the MnCUN-led legislation to authorize prize-linked savings account during the 2015 session. The legislation allowed deposits to be treated as raffle tickets that would be entered in a financial institutions monthly or quarterly prize drawing. Since the program began in 2016, Minnesota consumers have saved more than \$4 million through WINcentive Savings accounts. "We are excited to support leagues and credit unions in administering prize-linked savings," said John Ferstl, Vice President of the Minnesota Credit Union Network Service Corporation. "Not only does this help consumers, but also creates greater efficiencies and opportunities within the credit union system." In addition to the new partnerships in Louisiana and Delaware, MnCUN assists in administering the New York Credit Union Association prize-linked savings program, Lucky Savers. In Minnesota, 20 credit unions currently offer WINcentive Savings accounts to members.

MDA video tutorials available for anhydrous ammonia break-away couplers

The Minnesota Department of Agriculture (MDA) has created two videos for agriculture chemical facilities and farmers as a reminder on how to correctly install anhydrous ammonia break away couplers. The videos feature an anhydrous ammonia program consultant for MDA explaining the [various parts](#) of a break-away coupling device, as well as the actual [installation](#) of a break-away coupler. These videos are intended to help individuals correctly identify all parts of the coupling device, as well as assist in their installation efforts to correctly install these important safety devices. If you have any questions, please contact Jane Boerboom from MDA's Pesticide and Fertilizer Management Division at (651) 201-6540 or jane.boerboom@state.mn.us.

Donated items still needed for Co-op PAC auction at Annual Meeting

Cooperative Network's Annual Meeting will once again feature activities to raise funds for the organization's Minnesota political action committee (Co-op PAC). This year's live auction will take place from 7:30-8:30 p.m. on Tuesday, Nov. 14, at the InterContinental Hotel in St. Paul, Minn. A silent auction will run through most of the meeting scheduled for Nov. 14-15. Items of all values are welcome and appreciated. Funds raised by the auction are distributed to the legislative campaigns of those who have taken consistent positive legislative actions on behalf of issues of priority for cooperatives. If you prefer to make a cash donation, staff will purchase an auction item on your behalf. *Please note that all items and cash contributions must come from individuals, as cooperatives and corporations are prohibited by law from donating to political action committees.* Please contact Patrick Murray at (651) 280-4901 or Patrick.murray@cooperativenetwork.coop if you have items to donate or questions about the auction at your earliest convenience.

Featured Event

Co-op Directors Forum - Dec. 5

Cooperative Network and the University of Wisconsin Center for Cooperatives have formatted the winter 2017 Co-op Directors Forum based on director input! This education forum will focus on risk management, legal issues and board recruitment and succession planning. An optional pre-session:



"Cooperative Directors 101," will be offered at no additional cost. New and veteran directors from co-ops of all types and sectors are encouraged to attend this interactive forum.

Learn more [here](#) or click [here](#) to register.

[Register today!](#)

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