



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-3400/2  
MDE:klm&cjs

## 2025 BILL

- 1     **AN ACT** *to create* 238.165 of the statutes; **relating to:** establishing a dairy  
2     cattle innovation program.

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***Analysis by the Legislative Reference Bureau***

This bill creates a dairy cattle innovation program, under which the Wisconsin Economic Development Corporation provides no-interest loans to eligible milk producers for certain activities. A “milk producer” is defined under current law to mean a person who owns or operates a dairy farm and who sells or distributes milk produced on that farm.

Under the bill, to be eligible for a no-interest loan under the program, an applicant’s dairy operation must include between 50 and 714 producing dairy cows. In addition, the applicant must be located in this state; may not have been the subject of any regulatory enforcement actions in the past five years for a violation of environmental, worker safety, food processing, or food safety laws; must employ only individuals who are legally authorized to work in this state; and may not be the subject of an open bankruptcy proceeding.

A no-interest loan received under the dairy cattle innovation program may be used only to improve farm efficiencies, animal care and health, or milk quality; to reduce environmental effects associated with manure management or other dairy activities; or to rent or build buildings or technology necessary to expand the dairy operation’s capacity or its manure management systems.

The bill requires WEDC, in awarding a loan under this program, to give priority to applicants that propose to create new skilled jobs; to improve practices

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related to milk production and manure management; to reduce the dairy operation's environmental effects per fluid gallon of milk produced; or to improve labor efficiency associated with milk production and manure management. Under the bill, WEDC may consult with the Department of Agriculture, Trade and Consumer Protection to administer the requirements in the bill.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1       **SECTION 1.** 238.165 of the statutes is created to read:

2       **238.165 Dairy cattle innovation program.** (1) DEFINITIONS. In this  
3 section:

4       (a) "Milk producer" has the meaning given in s. 97.22 (1) (f).

5       (b) "Technology" means hardware, software, or digital services, including  
6 robotics and processes or systems that operate using computerized equipment or  
7 machinery.

8       **(2) ELIGIBLE RECIPIENTS.** The corporation shall establish and administer an  
9 economic development program under which the corporation may provide no-  
10 interest loans to milk producers for one or more of the eligible activities under sub.

11       (3). An applicant may not receive a loan under this section unless the applicant  
12 meets all of the following conditions:

13       (a) At least 98 percent of the applicant's employees work for an operation  
14 located in this state, or a number of the applicant's employees representing at least  
15 98 percent of the applicant's total payroll expenses work for an operation located in  
16 this state.

17       (b) The applicant has not been the subject of any regulatory enforcement  
18 actions relating to a violation of any federal, state, or local law related to the

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1 environment, worker safety, food processing, or food safety within the previous 5  
2 years.

3 (c) The applicant employs only individuals who are legally authorized to work  
4 in this state.

5 (d) The applicant is not the subject of an open bankruptcy proceeding.

6 (e) The applicant's dairy operation has at least 50 but no more than 714  
7 producing dairy cows.

8 **(3) ELIGIBLE ACTIVITIES.** A milk producer that receives a no-interest loan  
9 under this section may use the loan only to do one or more of the following:

10 (a) Incorporate methods and technologies into the person's operation that do  
11 any of the following:

- 12 1. Improve farm efficiencies associated with milk production.
- 13 2. Improve animal care and health.
- 14 3. Improve milk quality.
- 15 4. Reduce environmental effects associated with manure management or  
16 other dairy operation activities.

17 (b) Rent or build buildings or technology necessary to expand the dairy  
18 operation's capacity and its manure management systems.

19 **(4) APPLICATIONS; AWARDS; PRIORITY.** An applicant for a loan under this  
20 section shall apply to the corporation in the manner prescribed by the policies and  
21 procedures established by the corporation. A loan provided under this section may  
22 not exceed the amount of costs for eligible activities under sub. (3) that are included  
23 in the application. In awarding a loan under this section, the corporation shall give  
24 priority to applicants that propose to do any of the following:

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1 (a) Create new skilled jobs.

2 (b) Improve practices related to milk production and manure management.

3 (c) Reduce the dairy operation's environmental effects per fluid gallon of milk  
4 produced.

5 (d) Improve labor efficiency associated with milk production and manure  
6 management.

7 **(5)** ADMINISTRATION. The corporation may consult with the department of  
8 agriculture, trade and consumer protection to administer this section.

9 **SECTION 2. Effective date.**

10 (1) This act takes effect on the day after publication, or on the 2nd day after  
11 the publication of the 2025 biennial budget act, whichever is later.

12 **(END)**