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**Majority of trade aid in Wisconsin goes to small number of farms**

Wisconsinites so far received $235.9 million out of the over $10 billion in Market Facilitation Program Funding sent nationally by the Trump administration in 2019 as reimbursement for economic losses over trade conflicts with other nations.

But a WisPolitics.com review of recipients, gathered from data obtained by the Environmental Working Group under the Freedom of Information Act, revealed that over half of all first-round 2019 payments went to the top 11.1% of all recipients. And 25 percent of first-round payments went to only 3% of all recipients.

Numbers from 2018 tell a similar story, with half of last year’s total $202.3 million of Wisconsin payments going to 9.5% of the state’s 21,035 recipients.

EWG didn’t collect data for the second round of 2019 payments, which the U.S. Department of Agriculture is still distributing now. USDA distributed the first round from August to October.

The USDA has a $250,000 limit on payments to individuals this year. But a spokeswoman for EWG said the payment caps don’t apply to farm partnerships, so the biggest farms are able to work around the cap and receive payments for every individual member of the partnership.

Russel Brothers Farms, a dairy partnership in Shullsburg, received the most cash out of any recipient in the state in 2018 with $488,680. The USDA paid only nine farms over $200,000 last year, according to EWG’s FOIA data. Russel Brothers Farms didn’t respond to a request for comment.

As of Dec. 3, the latest USDA update on 2019 payments showed Wisconsin received $32.5 million in livestock payments, $195.7 million in non-specialty crop payments and $7.7 million in specialty crop payments.

Specialty crops include crops like nuts, grapes, cherries and cranberries. Non-specialty crops include ag products like corn, oats, beans, peanuts and soybeans, among others.

To be eligible for MFP payments, recipients must have an adjusted gross income tax in 2015, 2016 and 2017 of less than $900,000 or receive at least 75% of their adjusted gross income from farming or ranching.

Non-specialty crop assistance is determined through a single-county payment rate multiplied by a farm’s total plantings of designated crops in 2019. According to USDA, single-county payments could be between $15 and $150 per acre, “depending on the impact of unjustified trade retaliation in that county.”

Payments to dairy farms are measured by hundredweight, hogs are measured per head and all other crops are measured by acreage.

Wisconsin State Cranberry Growers Executive Director Tom Lochner told WisPolitics.com farmers in his association would prefer to sell their products in the open market over receiving payments but “the issues that are happening are beyond our control.”

Lochner said the state’s cranberry industry has struggled with oversupply for several years now and the trade war came at an especially bad time. Lochner said the European Union was their largest consumer market and the Chinese market was the fastest-growing.

“The retaliatory tariffs came along at a time when we were just seeing those efforts begin to pay off,” Lochner said, referring to Chinese tariffs on cranberries and other products in response to Trump’s tariffs on Chinese goods. “This payment helps quite a bit. We were down about 20%.”

Lochner said his organization would’ve preferred farm payments to be distributed by productivity instead of acreage. Wisconsin is the largest cranberry producer in the country.

“But at the end of the day, most of our growers are appreciating the support,” Lochner said.

He said cranberries weren’t initially listed in the 2018 MFP payments. But his organization collaborated with former U.S. Rep. Sean Duffy, R-Wausau, to get cranberry payments on the list in 2019. He said the next round of payments is up for review in January, and while he didn’t know if cranberries would be listed again, he hoped they would be.

Lochner also said “it would be helpful” if Congress passed the United States-Mexico-Canada Agreement on trade that has stalled in the House, pending negotiations between Democrats and the Trump administration over regulations enforcement language.

But some Wisconsinites are more critical of President Trump’s payments to farmers in response to his tariff policy.

Democratic Party of Wisconsin Party spokesman Phil Shulman said Trump is “trying to buy them off for the 2020 election” and that his trade policy is burdening a large swath of the state’s economy.

“Farmers really want harvests, they don’t want these handouts,” Shulman said. “These markets that took decades to create are disappearing. Wisconsin is facing the highest number of bankruptcies in the country, and we’re losing nearly three farms a day.”

Shulman called farms the “lifeblood of so many of our communities across the state” and warned their hardships cause a “ripple effect” in local economies all over the state.

*The Capitol Report is written by editorial staff at WisPolitics.com, a nonpartisan, Madison-based news service that specializes in coverage of government and politics, and is distributed for publication by members of the Wisconsin Newspaper Association.*

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