

Wisconsin Cheese Makers Association: Applauds bipartisan proposal to expand rural capital access and spark dairy industry growth

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MADISON, WI – The Wisconsin Cheese Makers Association (WCMA) today applauded Wisconsin State Senator Howard Marklein (R-Spring Green) as he proposed legislation to expand capital access for rural cheese manufacturers and processors, a change certain to spark economic growth. Marklein's bill is co-authored by Senator Janet Bewley (D-Mason), Representative Gary Tauchen (R-Bonduel), and Representative Don Vruwink (D-Milton).

“Wisconsin’s \$44 billion dairy industry is a key economic driver, but its growth is inhibited by lending practices that favor development in urban, rather than rural, communities,” said John Umhoefer, WCMA Executive Director. “The gap in capital access poses a real challenge to cheesemakers who need and want to operate nearby their sources of high quality, farm-fresh milk, and are poised for expansion.”

The capital access proposal shared today would launch a pilot program at the Wisconsin Housing and Economic Development Authority (WHEDA). Using existing funds available through the Agribusiness Guarantee Program, \$3 million in loan guarantee authority would support rural development projects, including brick-and-

mortar investments, equipment and machinery, marketing and working capital.

The pilot would guarantee up to 25 percent of a loan, or \$750,000, whichever is less. The borrower is required to pay back the entirety of the loan, with the state commitment only coming into play in the event of a default. All borrowers would be subject rigorous vetting to participate in the program.

“When cheesemakers expand their operations, they add good-paying jobs and a reliable tax base that ensure a brighter future for the small towns and villages we cherish across Wisconsin,” said Umhoefer. “We thank Senator Marklein and the bipartisan team of lawmakers who’ve demonstrated their commitment to this goal, and we join them in looking forward to the development projects their bill will support.”

WCMA also gratefully acknowledges the members of the Wisconsin Dairy Task Force 2.0, who also recommended an expansion of WHEDA’s capital access Agribusiness Guarantee Program to support dairy processing industry investments.