



# 2024 Resolutions





**Preamble**  
**Cooperative Network Organization and Purpose**

- Cooperative Network is organized on a cooperative basis under Minnesota cooperative law, Chapter 308B, to advance the cooperative form of governance through the following primary activities:
  - (1) Provide legislative and regulatory representation for member cooperatives primarily at the state capitols in Madison and Saint Paul, and in Washington, D.C. when requested by members;
  - (2) Provide education to members on governance, financial, human resources, and other issues to ensure cooperative boards, management and staff have the tools to function in accordance with relevant federal and state laws and regulations and to provide education to youth to develop our future cooperative leaders;
  - (3) Provide communications resources to member cooperatives to help ensure cooperative businesses have the tools to effectively communicate the benefits of operating as a member-owned cooperative with the general public, policy makers, the media, and their own member-owners; and
  - (4) Provide environmental, technical, and other consulting services to member cooperatives as requested.
- Cooperative Network is a broad-based association of cooperative businesses from across the cooperative spectrum, including but not limited to electric and telecommunications utility; agricultural production and processing; farm supply; grain and fuel; livestock; farm credit; credit union; senior housing, education; health care; mutual insurance; grocery; consumer; transportation; and worker-owned cooperatives;
- Consistent with Cooperative Network's articles and bylaws, membership is open to all cooperatives operating in Minnesota and Wisconsin and those businesses operating under cooperative principles in the two states;
- Cooperative Network conducts its operations consistent with its federal tax filing status as a non-for-profit organization.
- Cooperative Network's Board of Directors exercises its policy-making and oversight authority and regularly engage in strategic and succession planning;
- Cooperative Network maintains a written agreement with the Wisconsin Statewide Telephone Cooperative Association that commits it to deliver certain services such as government affairs, communications and education services to the members of the association;
- Cooperative Network partners with the UWCC, the U.W. Madison College of Agricultural and Life Sciences, University of Wisconsin Extension, the University of Minnesota College of Food, Agricultural and Natural Resources Sciences, and University of Minnesota Extension -- along with other public and private college and university partners -- to advance the cooperative form of business;
- Cooperative Network operates as a non-partisan organization with a politically diverse board of directors and membership and is committed to the policy of not endorsing candidates for partisan elective office;

- Cooperative Network's Board of Directors and staff are committed to a high standard of ethics in the conduct of its government affairs program in Minnesota and Wisconsin;
- Cooperative Network maintains political action committee (PAC) and conduit accounts for the purposes of supporting lawmakers and candidates for state office who demonstrate a commitment to the cooperative form of governance and/or to issues of importance to cooperative businesses. Decisions on which state candidates to support are based on the analysis and decisions conducted by PAC committees annually appointed by the Cooperative Network board chair and approved by the Cooperative Network Board of Directors;
- Cooperative Network ensures its state PACs and conduits meet or exceed the reporting requirements of state law;
- Cooperative Network shall ensure, to the greatest extent possible, its PAC contributions are used to support candidates for state office who have demonstrated a history of support for cooperative businesses;
- Cooperative Network's Board of Directors is committed to hiring and retaining a highly qualified President & CEO to effectively carry out the policies adopted by the Cooperative Network Board of Directors and membership;
- Cooperative Network's government affairs staff members are hired by the Cooperative Network President & CEO with a view towards operating an effective, bi-partisan government affairs team that enjoys a strong reputation for honesty and effectiveness at the state capitols in Madison and Saint Paul and in Washington, D.C.;
- Cooperative Network's educational, communications, technical and administrative services staff are hired with a view towards providing such services to members in a professional, effective and efficient manner; and
- Cooperative Network is committed to advancing the cooperative form of business to the greatest extent possible within the limits imposed by available financial and staff resources.

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**Note:**

\*Denotes amended or new resolutions.

Shaded titles denote resolutions up for review this year.

(R/--) Denotes year resolution is up for review.

# Agriculture Resolutions

## **(AG) Agriculture**

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### **AG 1.01 Capper-Volstead Act**

Cooperative Network supports the Capper-Volstead Act which allows agricultural producers to act jointly through farmer owned and controlled cooperatives for the purpose of processing, handling, and marketing their products. We oppose any effort to weaken the right of farmers to form, join, and act together through agricultural cooperatives. (R/27)

### **AG 1.02 Cooperative Services Program**

Cooperative Network remains committed to maintaining its support for the USDA's Cooperative Services (CS) Program. The Cooperative Services group has long played a crucial role in assisting agricultural cooperatives of all types by providing resources and technical assistance, conducting basic cooperative research, and providing educational materials.

The program has suffered serious staff loses and lack of focus in recent years. Cooperative Network calls on the U.S. Secretary of Agriculture to revitalize the program that is the only one of its kind in the Federal Government. (R/25)

### **AG 1.03 Agriculture Education and Rural Careers**

Cooperative Network supports continuation of programs such as Minnesota Ag in the Classroom, Wisconsin Ag in the Classroom, FFA, 4-H, Associations of Agricultural Educators in both states and the Wisconsin Agricultural Education and Workforce Development Council. Cooperative Network encourages inclusion of curriculum on cooperative businesses. Cooperative Network encourages state and school districts policies to award science credits, not just elective credits, for agricultural courses. Cooperative Network urges the development of training and education assistance programs for farmers and rural residents and continued funding for technical colleges, Extension, and other higher education. The goal of the programs should be to help individuals develop new skills and provide opportunities for those individuals to stay in rural communities. (R/26)

### **AG 1.04 Risk Management and Revenue Assurance**

An adequate farm safety net is critical to the stability of the farm and rural economy. Cooperative Network supports improved risk management programs that work in all areas of the country in the instance of poor production conditions or very low commodity prices. Programs should be available to producers of all crops and livestock and eligibility for these programs should not be affected by operation size. (R/27)

### **AG 1.05 Farmland Assessment**

Cooperative Network supports policies regarding the assessment of agricultural lands that reflect their current use value. Any new farmland valuation method should reflect the income-producing capability of the land based on the soil survey. Publicly owned farmland, woodland, and wetlands should be taxed at the same rate as private lands and the revenue should revert to the local community. (R/27)

# Agriculture Resolutions

## **AG 1.06 International Trade**

It is important to expand foreign markets for Midwest agricultural products, which will also help the nation's trade balance. Cooperative Network urges cooperatives to actively pursue international trade.

Cooperative Network supports overseas food aid programs, both as markets for U.S. agricultural commodities and as a needed U.S. aid program.

Cooperative Network supports World Trade Organization (WTO) policy designed to protect domestic producers from tariffs and non-tariff regulatory barriers and urges more effective enforcement and administration of existing WTO policy.

Cooperative Network supports federal legislation and trade policy that would require imported food products to meet production, processing, and quality standards equal to those required for our domestic products.

When negotiating trade agreements with other nations, Cooperative Network urges caution to ensure that intellectual property that gives U.S. producers and processors a competitive edge in production capability is not given away. (R/25)

## **AG 1.07 Meatpacker Concentration**

Livestock producers depend on a competitive meatpacking marketplace to ensure they receive a fair market price for their livestock. Recent mergers and acquisitions have called into question whether the resulting marketplace concentration will lessen competition and therefore, be detrimental to the prices received by livestock producers.

Cooperative Network supports the current price reporting system to ensure greater understanding of price discovery.

Cooperative Network supports a cooperative exemption in any legislation to ban the ownership of livestock by packers.

Cooperative Network urges USDA and state departments of agriculture to staff and hire meat inspectors at an appropriate level to facilitate and respond to meat inspection demand. (R/26)

## **AG 1.08 Integrity of Organic Agriculture**

Cooperative Network supports strong federal standards for organic production and opposes any revisions or interpretations which would weaken them or result in a lessening of consumer confidence in the "USDA ORGANIC" label and National Organic Program. We call on the U.S. Secretary of Agriculture to resist any attempts to undermine the spirit and integrity of true organic production. In addition, USDA should ensure instances of competitive harm among certified operations are resolved and that organic certifying agents are properly qualified and that they act to protect the integrity of organic production. (R/27)

## **AG 1.09 State Agricultural Statistics and USDA Reports**

Cooperative Network calls upon federal and state governments to maintain their commitment to provide funding and other resources necessary to collect and make available county agricultural statistics. (R/27)



# Agriculture Resolutions

## **AG 1.10 Technology and Agriculture**

Cooperative Network supports continuing and expanding research into new alternative agricultural methods and products including biotechnology that holds promise for improving agricultural efficiency and profitability. Reasonable protection for public and environmental safety of a particular technology should be provided through uniform regulation developed by regulatory agencies. (R/25)

## **AG 1.11 Agricultural Stewardship**

Cooperative Network urges that pollution controls, such as dust regulations, odor controls, and nutrient regulations, be of a practicable and workable nature, protecting the gains made in agricultural production and the living standards of both rural and urban people.

We support increased state and industry funding for research on solutions to environmental concerns including odor and dust. We urge use of flexible performance-based approaches to environmental compliance that are of a practicable and workable nature.

Cooperative Network urges Congress to take actions necessary to protect the interests of cooperatives and their members by ensuring that Clean Air Act and Clean Water Act regulations and programs that address producer climate incentives are cost-effective, sensible and address scientifically demonstrable and significant environmental principles. (R/26)

## **AG 1.12 Water Quality**

Cooperative Network supports maintaining and improving the quality of the state's waters, including keeping our waters in our region and preventing them from being exported and diverted. We support cost-sharing programs that provide resources to farmers and cooperatives working to reduce nutrient runoff and soil erosion. We urge USDA NRCS to maintain a financial commitment to soil conservation compliance, and to develop and use standards that are compatible with and coordinated with universally accepted agricultural performance standards.

Cooperative Network will work with its members and other stakeholders to make sure that the rules are not harmful or unfair to agriculture when regulating groundwater and surface water withdrawals, usage, and reporting.

To the extent possible, we encourage development of reasonable and uniform standards and regulations, as well as enforcement and coordination between state agencies and the federal government. We believe state policy must recognize this is a local problem which should be resolved through education, cost-sharing and modified practices. (R/27)

## **AG 1.13 Animal Identification Systems**

Cooperative Network supports the development of a national animal identification program. A national program is needed to meet food safety and animal health objectives. We support the restoration of USDA funding to implement the program. (R/27)

# Agriculture Resolutions

## **AG 1.14 Animal Well Being**

Cooperative Network supports a vibrant and viable livestock sector and believes in maintaining consumer confidence in the country's food supply. Quality animal care is at the heart of livestock production and Cooperative Network supports ethical treatment by farmers, handlers, and processors. We support educational and evaluation programs and initiatives for livestock and poultry care standards that are based on sound veterinary science, sound information, economic feasibility, and best management practices. (R/25)

## **AG 1.15 Biotechnology**

Cooperative Network believes that new biotechnology offers great potential for improving agricultural production efficiency and improving the environment. Cooperative Network urges the federal government and the Food & Drug Administration (FDA) to maintain rigid scientific standards for approval of new biotechnology products.

Cooperative Network opposes local and state restrictions on biotechnologies that have been approved at the federal level. We oppose trade barriers that restrict market access to food and agricultural commodities derived from new biotechnologies.

Cooperative Network supports a federal marketing standard for ingredients made with biotechnology. Any rules developed by USDA should be flexible and supportive of innovation while responsive to consumer demands and consistent with international trade obligations. (R/27)

## **AG 1.16 Dairy Industry Support**

Cooperative Network supports efforts to identify incentives that can be used by dairy producers and dairy cooperatives to modernize their facilities. Cooperative Network supports appropriations by the legislature from the general fund and other sources to support the development and enhancement of new and existing educational programs for dairy farmers. (R/27)

## **AG 1.17 Inspection Programs for Dairy**

Cooperative Network supports legislation that reduces costs for dairy farmers. Fees are paid for inspection of dairy farms and plants. Inspections of dairy farms and plants protect the consuming public, assure a safe supply of quality dairy products, and protect public health, and should be financed by public tax dollars. (R/25)

## **AG 1.18 Food Safety**

It is in the best interest of the public to have a safe and high-quality food supply. Cooperative Network commends the work that has been done to assure Americans have the safest possible food supply. Cooperative Network is committed to the use of sound science as the basis for standards for food safety. We encourage agricultural groups to communicate with the general public to place risk in proper context and to avoid overreaction and legislation that would reduce quality and quantity of food products. In response to the growing trend of blending imported ingredients, Cooperative Network supports increasing the emphasis directed at imported food products by federal agencies. As recalls of imported contaminated and toxic consumer products have increased, it has become evident greater regulatory effort must be made to ensure the food safety of imports. (R/26)

# Agriculture Resolutions

## **AG 1.19 Nutrition Programs**

Cooperative Network is committed to nutrition education programs at both the state and federal level. We support strengthening and expanding these programs through adequate funding and maintenance of quality standards. We favor continuation of the complementary relationship both within the agricultural community and between agriculture, the nutrition community, and USDA's Food and Nutrition Service.

The Commodity Donation Program should be maintained and strengthened as the primary commodity source for the feeding programs, for the needy, and for disaster assistance. USDA is urged to assure that free commodity donations to individuals are effectively managed by the states so the needy are served and commercial markets are not disrupted.

Cooperative Network supports federal nutrition assistance programs designed to supplement the diets of low-income families and children. We support expansion and extension of these programs, as well as administration of these programs in a manner that will assure maximum nutritional value for the recipients. Cooperative Network opposes efforts by the USDA Food and Nutrition Service to reduce the fluid milk allocation for the Women's Infant's and Children's (WIC) Program.

Cooperative Network supports efforts to expand daily choices of dairy products in school nutrition programs and encourages the use of yogurt, cheese, and milk, including flavored milk. We oppose efforts to reduce the container size of dairy products in school nutrition programs. We also support the daily use of meat in school nutrition programs. (R/27)

## **AG 1.20 Integrity of Dairy Products**

The Food and Drug Administration should vigorously enforce rules and regulations on dairy labeling. We oppose misleading advertising of non-dairy products. We oppose the use of "milk" on the labels of non-dairy products. We oppose the use of non-dairy protein sources in all dairy products.

Cooperative Network supports prominent labeling identifying the use of cheese substitutes or imitation cheese when used in the making of pizza. We support requirements that all pizzas contain a "cheese component" of at least 12 percent of their total weight, and that cheese is natural cheese.

Cooperative Network opposes any efforts by the European Union to establish Geographic Indicators in the labeling of food products.

To ensure food safety, Cooperative Network encourages producers to follow label instructions and withdrawal times for medications and participate in national milk quality assurance programs .

Cooperative Network supports creation of a drug screening program which establishes uniformity at an acceptable cost.

Cooperative Network opposes legislation allowing a dairy farmer to sell unpasteurized milk to consumers. (R/27)

# Agriculture Resolutions

## **AG 1.21 Imported Milk Protein Concentrate**

Cooperative Network supports passage of federal legislation which would impose tariff-rate quotas (TRQs) for importation of milk protein concentrate (MPC). These products are heavily subsidized in world markets and imports of these products into the United States are not limited by any existing trade agreement. Their use in domestic cheese results in displacing U.S. milk and weakens the market for U.S. milk producers. Further, we oppose changing the U.S. standard of identity for natural cheese that would permit the use of casein or dry ultra-filtered milk protein. (R/25)

## **AG 1.22 Dairy Development**

Cooperative Network will continue to work with members, legislators, government agencies and other organizations in order to create a more vibrant climate for animal agriculture. In order to keep the industry growing, processing capacity has to keep pace with production increases. Cooperative Network supports efforts to encourage cooperatives to expand and modernize processing facilities including the Minnesota Dairy Growth Alliance, the DATCP Dairy Processor Grant Program (MDGA), and the Dairy Business Innovation Alliance grant program. (R/26)

## **AG 1.23 Dairy Self-Help Programs**

Cooperative Network recognizes the success of Cooperatives Working Together (CWT) and the need to continue programs like CWT that improve dairy producers' farm income levels. Cooperative Network supports enabling dairy producers to work together to enhance their ability to promote voluntary and self-help programs. (R/27)

## **AG 1.24 Federal Dairy Policy**

Cooperative Network recognizes that the U.S. dairy industry is a national industry. As such it is essential that we have a comprehensive, national dairy policy that addresses the needs of producers in all regions and does not discriminate against producers on the basis of location, type or size of dairy operations. (R/25)

## **AG 1.25 Marketing Order Program Regulation**

Cooperative Network supports federal policies and programs to protect and enhance the ability of farmers to join together in cooperative efforts and urges the President and the Congress to take necessary action to advance a timelier federal milk marketing order amendment process.

Cooperative Network proposes a requirement that a preliminary economic impact analysis be produced and submitted into the hearing record before any marketing order is recommended to be altered or eliminated by federal government action. Cooperative Network supports allowing farmer cooperatives and their elected boards of directors to bloc vote on behalf of their farmer members as provided under existing law. (R/26)

## **AG 1.26 Alien Land Ownership**

Wisconsin and Minnesota have long standing laws limiting the purchase or ownership of land by non-resident individuals, or businesses not created under federal or state laws. Wisconsin law limits ownership by such "aliens" to no more than 640 acres each while Minnesota law prohibits such "aliens" from acquiring any interest in agricultural land.

Cooperative Network supports the existing alien land ownership prohibition in both Wisconsin and Minnesota law. (R/27)

# Agriculture Resolutions

## **AG 1.27 Below Cost Selling/Unfair Sales Act**

Cooperative Network urges the Minnesota Legislature to maintain the statutory prohibition against selling motor fuels below the RACK price and urges the Wisconsin Legislature to maintain the Unfair Sales Act. Without the protection of these laws, many motor fuel retailers would be threatened. Consumers would end up with less competition in the marketplace and eventually may be hurt by higher motor fuel prices. Cooperative Network urges the Legislatures and Administrations to appropriate funds sufficient to adequately enforce these laws. (R/27)

## **AG 1.28 Card Processing Fees and Cash Discounts**

Card processing fees significantly erode retail margins on petroleum products as wholesale prices rise. This is in part due to the competitive nature of the business that keeps margins low. Cooperative Network is supportive of legislative efforts that allow convenience stores and other retail locations to offer cash discounts. (R/25)

## **AG 1.29 Agriculture Business Climate**

Minnesota and Wisconsin have undergone drastic changes in the agricultural sector. Farmers have too much invested in cooperative facilities to risk losing them. Cooperative Network urges legislative and administrative initiatives that:

- Provide favorable economic, organizational, and regulatory climate for agriculture to enable Minnesota and Wisconsin to compete profitably in regional and international markets.
- Stimulate growth in the livestock sector to better utilize our feed grain production.
- Foster new production areas, as well as maintain traditional sectors.
- Encourage incentives for the development and increased use of in-state energy sources, in a way that is fair and equitable to all consumers. (R/26)

## **AG 1.30 Animal Health and Crop Protection Products in Food Production**

Current scientific technology has made it possible to measure very minute quantities of additives used in food production, often well below any reasonable level of health risk. Cooperative Network urges food producers and allied professionals to follow approved labels in the administration and use of chemicals and drugs in food production. Dairy and livestock producers should work with their veterinarians to establish a valid Veterinary Client Patient Relationship (VCPR) to ensure continued confidence in meat and dairy products. Crop farmers should work with their local co-op agronomists regarding best management practices as it relates to pesticide-based approaches to herbicides, insecticides, and fungicides. Cooperative Network urges state and federal agencies to take a logical and scientific approach based on proven health risks in establishing acceptable practices and restriction of product use. In addition, Cooperative Network opposes state labels that are more restrictive than federal labeling standards. (R/27)

## **AG 1.31 Point Source Phosphorus Regulations**

Cooperative Network supports maintaining the current phosphorus standard at 1 mg/L. If stricter enforcement standards are considered, these standards must be based on sound science and take into consideration cost of compliance and dairy industry competitiveness. As nutrient trading programs are developed, cooperatives should be able to work with their members to comply with any nutrient trading program directed at reducing cumulative phosphorus discharges. (R/27)

# Agriculture Resolutions

## **AG 1.32 Guest Worker Reform**

Cooperative Network supports the availability of a legal and stable year-round workforce. Rural America has a need for a stable, legal supply of workers to sustain and grow agricultural production and processing. Cooperative Network supports comprehensive federal immigration legislation that improves the stability of labor in rural America. Any immigration reform must include the following provisions:

- The availability to all agricultural producers, including cooperatives, without regard to the temporary, seasonal or year-round nature of the job; (° Section 3121(g) of title 26 of the US Code specifically excludes cooperative organizations under the definition of ‘agricultural labor’. ) Farmer-owned cooperatives are an extension of the farmer and as such should not be discriminated against in how this definition is applied to the H-2A program. Therefore H-2A workers should be allowed to work on all activities inclusive to a cooperative’s day-to-day business.
- Revision of the Standard Occupational Codes (SOCs) to recognize the diversity of duties in agricultural jobs for H-2A workers. States should be aligned with each other on SOCs to decrease regulatory uncertainty and streamline the approval process.
- An allowance for immigrants currently employed to earn the right to work legally.
- An expansion of H-2A worker rules to allow for year-round dairy work.
- Provisions that place the responsibility for ultimate verification of the legal status of a worker with the government not the employers.
- prompt employer notification of any violations with detailed information on what matters need attention or correction.

Cooperative Network opposes immigration legislation that would require any of the following:

- applicants to return to their home countries in order to apply for legal status
- any sanctions against employers who unknowingly hire illegal immigrant workers or implications that would impede their ability to hire (R/27)

## **AG 1.33 Somatic Cell Counts (SCC)**

Cooperative Network supports reducing the maximum threshold of allowable somatic cells in milk at the farm level from the current 750,000 cells/mL, down to 400,000 cells/mL. (R/27)

## **AG 1.34 Preservation of Agricultural Land**

Cooperative Network urges farmers and others who support continuation of production agriculture to be actively involved in local government decision making about zoning, comprehensive planning, annexation, and other issues impacting the future of farming. Municipal boundary disputes can result in inefficient delivery of public services, urban sprawl, and negative effects on agricultural land. We encourage more boundary agreements among municipalities. Adjustment of boundaries through mutual agreement or by third-party resolution is a likely improvement to the current one-sided situation.

State Legislatures have provided new tools to protect and enhance working agricultural lands, including the Green Acres Program in Minnesota and the Farmland Preservation Program (FPP) and Agricultural Enterprise Areas (AEAs) in Wisconsin.

# Agriculture Resolutions

Cooperative Network encourages local government and landowners to work together to understand these tools and to implement the ones that best help stem the loss of valuable farming lands in their local areas.

In both the short—and long—run, a profitable agricultural sector will assure the preservation of farmland more than any government program or policy. (R/25)

## **AG 1.35 Interstate Winery Shipments**

Wineries in Wisconsin and Minnesota are experiencing business growth and national recognition for the quality of their wines. In the 2007-2008 Wisconsin legislative session, small winery cooperative wholesalers were authorized for the purpose of selling and distributing wine manufactured, blended, mixed, or bottled by its members. Membership in these cooperatives is allowed for out-of-state small wineries. Wineries benefit when their product is allowed to move in interstate commerce. Minnesota law does not allow Wisconsin-produced wine to be distributed in their state, other than through a licensed Minnesota distributor. Illinois has an out-of-state winery shippers' permit that allows Wisconsin or other state's produced wine to be distributed in Illinois. Cooperative Network will advocate for an out-of-state shippers permit to be created in Minnesota to benefit small wineries. (R/25)

## **AG 1.36 Commodity Promotion Programs**

Cooperative Network urges the continuance and support of all appropriations and programs for the promotion of Minnesota and Wisconsin agricultural products.

We support the continued election of members to these commodity promotion boards, as opposed to appointments. (R/27)

## **AG 1.37 Truth in Labeling**

Cooperative Network supports efforts to clearly identify foods for consumers. As such, products should only be labeled as “milk”, “dairy”, or “ice cream” if they are made from the milk of a cow or other hooved mammals. Similarly, Cooperative Network believes products should only be labeled as “meat”, or similar terms, such as “burger”, “sausage”, or “bacon”, if they come from animals and not if they are derived from plant-based or cell-based production. (R/25)

## **AG 1.38 Contaminated Materials**

Cooperative Network supports assistance and compensation for remediation and disposal of chemicals and compounds (i.e., PFAS) contaminated material.

We oppose new government programs mandating monitoring or remediation of “forever chemicals” that impose retroactive liability on those using these chemicals and compounds in compliance with existing laws, rules, and regulations. This specifically includes retroactive liability on cooperatives found to have contaminated materials onsite. (R/27)

## **AG 1.39 Liquid Fuels, including Biofuels**

Cooperative Network supports the development of economically viable biofuel (i.e., ethanol, biodiesel, etc.) markets. Legislation and rules should include waivers, exclusions, or off-ramps to address potential quality of product issues or supply constraints.

Cooperative Network supports research to look at alternative sources of biomass in the production of ethanol, methane, and biodiesel.

# Agriculture Resolutions

Carbon reduction will rely on a diverse mix of liquid fuels and electric energy solutions. Any future liquid carbon fuel standard (LCFS) proposals should directly benefit farmers. (R/27)

## **AG 1.40 Cooperatives and Taxation**

Cooperative Network supports continuation of the single-tax treatment of cooperatives and their patrons. Cooperative Network opposes state or federal legislation that would sunset or eliminate tax expenditures for not-for-profit or non-profit cooperatives.

Internal Revenue Code section 199A(g), also known as the Qualified Business Income Deduction, as it is beneficial to agricultural job creation and increased spending on agricultural infrastructure. This provision provides valuable tax benefits to farmers and their cooperatives and should be made permanent at the federal level. Cooperative Network also supports integrating this deduction into state tax policy. (R/27)

## **AG 1.41 Waters of the United States (WOTUS)**

Cooperative Network supports implementation of rules based on a clear, consistent and reasonable definition of what constitutes waters of the United States under the Clean Water Act as well as limiting the application of the Clean Water Act to point sources as congress intended. (R/27)

## **AG 1.42 Dairy Marketing Principles**

Cooperative Network supports a dairy industry that facilitates orderly marketing and trust between processors and farmers, with all parties operating in good faith and equal opportunities for all patrons. (R/27)

## **AG 1.43 Dairy Verification Organizations**

Cooperative Network supports all dairy farmers having the ability to choose and utilize USDA-certified organizations to verify milk weights, component tests and samples. These verification organizations may be allowed to provide additional services to farmers. (R/27)



# Agriculture Resolutions – Minnesota

## AG Minnesota

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### **AG 2.01 Agricultural Chemical Response and Reimbursement Account**

Cooperative Network supports the continuation of the ACRRA program and believes that all eligible program users must pay their proportion of the fees that fund it. Cooperative Network supports efforts that will ensure that fees are paid on all eligible fertilizer and pesticide products used in the state as long as the process does not create an overly burdensome process for retailers. Cooperative Network supports an ACRRA program review including an increase in site cap to keep up with inflation. (R/27)

### **AG 2.03 Livestock Industry**

Cooperative Network is concerned about changes in the livestock production and processing industry. A vigorous and growing livestock industry adds to the vitality of family farms and enhances employment, economic activity and viability of rural communities. The laws protecting farmers from nuisance lawsuits and changes to the corporate farm law will assist Minnesota livestock producers to compete through their cooperatives in national and international markets.

Cooperative Network calls on the Minnesota Department of Agriculture to look for ways for government to look for financing solutions and improve access to capital with support of programs such as expanding the ability of the Rural Finance Authority to finance beginning farmers. Upgrading operations through cost-sharing programs will have long-term benefits for Minnesota's livestock economy. Cooperative Network supports a grant program to enable cost-sharing of improvements as may be required in the current rules.

Cooperative Network encourages future funding for the Livestock Investment Grant Program.

Cooperative Network supports funding for research and improved technology by the University of Minnesota for the benefit of the state's livestock industry.

Cooperative Network supports educational programs targeted at producers in order for them to better understand the details of the current livestock rules, including implications of the rules and timetable.

Cooperative Network supports state-wide standards for environmental permitting and encourages the Legislature to continue to improve the environment for livestock siting and opposes moratoriums on the construction of livestock facilities. We urge the creation of interagency 'one stop' centers to assist in the permitting process. (R/26)

### **AG 2.04 Petrofund**

Cooperative Network commends the results of the Petrofund and urges that the program be made permanent. The Minnesota Petrofund is an excellent example of environmental legislation. It has created an incentive for owners of petroleum storage tanks to inspect tanks, monitor inventories to detect problems, and modernize infrastructure. Early action has minimized literally thousands of potential threats to groundwater. (R/27)

# Agriculture Resolutions – Minnesota

## **AG 2.05 Wetlands and Drainage**

Cooperative Network urges a simplified, common-sense approach to wetland regulations. Wetland regulation should allow for proper drainage of wet farm areas within normal crop acres compliant with proven water conservation practices.

Cooperative Network opposes changes to state or federal drainage laws that will restrict the ability of producers to drain farmland for agricultural production purposes or restrict the ability to repair or improve existing drainage systems. Cooperative Network supports the current state wetland exemptions for agricultural land. (R/27)

## **AG 2.06 MPCA Citizens' Board**

Cooperative Network opposes the re-creation of the Minnesota Pollution Control Agency (MPCA) Citizens' Board. (R/27)

# Agriculture Resolutions – Wisconsin

## AG Wisconsin

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### **AG 3.01 Cabinet Form of Government**

The citizen boards of the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) and the Wisconsin Department of Natural Resources (DNR) provide an invaluable mechanism for allowing input to the Departments. Rural Wisconsinites have repeatedly stated their belief by their support of numerous resolutions calling for the continuation of DATCP and DNR citizen boards. Cooperative Network goes on record in support of the continuation of DATCP and the DNR as agencies under the direction of part-time citizen boards. (R/25)

### **AG 3.03 Right to Farm**

Cooperative Network supports Wisconsin Statute 823.08, the Right to Farm law. We will support and may act in defense of challenges to right to farm, including lawsuits against individual producers and broader based efforts that would undermine both principle and intent of the law. Cooperative Network supports the right of farmers to modernize and structure their farm businesses to respond to changes outside the scope of the livestock facility siting and expansion law. We oppose efforts to impose moratoriums on livestock siting expansions, or local ordinances that exceed state standards. (R/27)

### **AG 3.04 UW Board of Regents Agriculture Representative**

Wisconsin has some of the strongest agricultural research, education and outreach programs in the nation. Colleges of agriculture at Madison, River Falls, Platteville and UW-Extension are known nationally and internationally. These institutions have been an integral part of making agriculture Wisconsin's largest and most diverse industry. They have been the source of countless new developments and innovations in agriculture, food, medicine, science and other fields. The agriculture and allied food industries also account for nearly one quarter of all jobs in Wisconsin.

For these reasons, Cooperative Network encourages the governor to ensure that the UW Board of Regents always has at least one well-qualified representative of agriculture serving on this important policy board at all times. (R/26)

### **AG 3.05 Fairs and Expositions**

Cooperative Network supports all Fairs that have a strong agricultural and youth emphasis.

Cooperative Network supports a state coordinator for county and district fairs at the Department of Agriculture, Trade and Consumer Protection (DATCP).

Cooperative Network supports continued state funding for World Dairy Expo. (R/27)

### **AG 3.07 Animal Disease Control**

The health of our livestock population directly affects the supply, quality and price of meat and milk products available to consumers. It is essential, therefore, that we maintain a continuing eradication and control and prevention effort on the major livestock diseases in order to protect human and animal health and to maintain a positive image of our products. This effort needs to be applied to not only those diseases present in or known to the United States and Wisconsin, but also to others from which we are not immune, to ensure the continued strength of our markets and stability of livestock producers.

# Agriculture Resolutions – Wisconsin

It is essential to put in place the necessary management and communications systems to anticipate major animal health emergencies in Wisconsin. Cooperative Network participates and supports the activities of the Wisconsin Incident Management Network (WIMN), an alliance of more than 40 cooperatives and public and private organizations involved with the dairy industry. WIMN participants will work with the emergency management systems in the state to help assure consumer confidence in our food and food production systems in the event of an animal health incident or emergency.

Cooperative Network supports increased research and improved testing programs emphasizing the use of the Wisconsin Veterinary School and the Wisconsin Veterinary Diagnostic Laboratory. (R/26)

## **AG 3.08 U.W. Center for Dairy Research**

The University of Wisconsin Center for Dairy Research (CDR) provides research in new dairy products and technologies. Wisconsin dairy producers are the source of three quarters of the annual budget through the Dairy Farmers of Wisconsin and National Dairy Board/Dairy Management Inc. (DMI). Cooperative Network urges continued UW Madison support and involvement with CDR as the long-term health of the dairy industry benefits from their activities. (R/27)

## **AG 3.10 Producer Security**

The Agriculture Producer Security (APS) fund in Wisconsin provides a safety net to agriculture producers.

Cooperative Network opposes mandatory payment of assessments into the security pool if dairy purchasers meet required financial criteria. We support a less costly and more efficient program that will limit each industry's access to the indemnity fund to the balance each industry contributed to the fund and eliminates the maintenance of private financial security by contractors that make payments into the APS fund. Cooperative Network supports an exemption for investment in processing plants from obligations for APS fund assessments. Cooperative Network supports release from contributions to the APS fund for grain warehouse keepers who qualify for federal standards. (R/26)

## **AG 3.11 High Capacity Wells**

High capacity wells are critical to Wisconsin agriculture. We support the ability of landowners to repair or replace existing high capacity wells. Cooperative Network opposes proposals that would restrict the amount of groundwater that could be withdrawn. (R/27)

## **AG 3.12 Agricultural Chemical Cleanup Program**

Cooperative Network supports the continuation of the agricultural chemical cleanup program (ACCP).

Cooperative Network supports changes leading to an approximate annual balance of program revenues and expenditures. (R/27)

# Agriculture Resolutions – Wisconsin

## **AG 3.13 Non-point Pollution Control**

Under administrative rule ATCP 50, governing the soil and water resource management program (non-point), government cost sharing with farmers is necessary in order to require them to make costly investments in structures to abate water pollution attributable to agricultural sources and animal waste. Cooperative Network calls upon policymakers to make the appropriation of cost-share money a budget priority. To prevent overly burdensome costs on farmers and the state, common sense practical approaches must be considered as the program evolves.

Cooperative Network acknowledges DATCP's role in using state money to provide cost-share to farmers to implement nutrient management plans. State funding consists of general purpose revenue and a portion of the fee collected on solid and hazardous waste disposed at Wisconsin landfills. Increasing the development and the use of nutrient management plans on Wisconsin farms is a key part of the non-point rule. These plans will be phased in throughout Wisconsin.

Cooperative Network believes that the Wisconsin Agriculture Stewardship Initiative (WASI) is a logical endeavor to discover answers to some of the non-point challenges and should be used as a resource in the rulemaking. This Initiative recognizes the need for producers to be able to grow economically as well as to protect the environment. It is clear that environmental regulations affecting production agriculture must be based on applied science and must not jeopardize the future of animal and crop agriculture in Wisconsin. Cooperative Network supports the work of WASI and participates on the Discovery Farms Steering Committee. (R/25)

## **AG 3.15 Diseased Animal Damages**

In 2008, the Wisconsin Court of Appeals ruled that sellers of livestock carrying one of 19 diseases are liable for all damages resulting from the diseased livestock, even if the seller was not aware that the animal was infected with one of the 19 diseases listed in the Administrative Code ATCP 10. The court also held that a seller who knowingly sells an animal with any contagious disease is also liable for resulting damages, even if the disease is not on the list. Cooperative Network is concerned that this ruling could impede the sale of livestock in Wisconsin. Cooperative Network will work to amend, Wisconsin Statute 95.19 Diseased Animals, Section (2)(a) so that a person is prohibited from, and is liable for, importing, selling, transporting, or exhibiting an animal that has been exposed to or is infected with a contagious or infectious disease if the person knows that the animal has been exposed to or is infected with the disease. (R/25)

# Credit Union Resolutions

## **(CU) Credit Union**

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### **CU 1.01 Taxation of Credit Unions**

Credit unions are not-for-profit, member-owned, democratically controlled financial cooperatives. Additional taxes on cooperatives and credit unions are therefore a tax on individual members, who already pay income tax on dividends received.

Cooperative Network strongly opposes any proposals at the state or federal level that would erode the tax exemption afforded credit unions and cooperatives in general. (R/27)

### **CU 1.02 Credit Unions and Cooperative Movement**

In the spirit of cooperation among cooperatives, Cooperative Network supports credit unions efforts to assist with the financing and development of new and existing cooperative ventures in communities across Minnesota and Wisconsin to the degree that their charters and bylaws allow. Cooperative Network urges credit unions to work closely with Cooperative Network on cooperative development and to assist in efforts to secure financing that will foster and nurture new and expanding cooperative enterprises. (R/27)

### **CU 1.03 National Credit Union Share Insurance Fund**

The National Credit Union Share Insurance Fund (NCUSIF) is and can be challenged by crisis outside of the control of natural-person credit unions who capitalize the fund. Cooperative Network strongly opposes federal efforts to risk the strong and well-capitalized NCUSIF in an effort to bail out the insurance funds of banks, savings and loan institutions, and savings banks. In addition, excessive or unreasonable premium assessments which harm the strong capital position of natural-person credit unions will be opposed. Cooperative Network strongly supports efforts to capitalize this fund in a fashion that protects individual credit union contributors. Cooperative Network therefore resolves to work with the Minnesota Credit Union Network, Wisconsin Credit Union League and credit unions to encourage a strong NCUSIF and fight any merger of the deposit insurance funds or unfair assessments. (R/25)

### **CU 1.04 Dual Chartering**

Dual chartering, the choice between a federal and state charter, has provided a healthy competition between federal and state governments to appropriately control and respond to geographic and economic situations.

Credit unions' dual chartering system has benefited by the competitive interplay and balance of power between NCUA and state regulators to provide the best system of examination, supervision and regulation. The continuation of this competitive interplay and balance of power is essential to the future of the dual chartering system.

Minnesota and Wisconsin credit unions are largely state chartered. Cooperative Network believes this form of local control is responsible in part for the vitality of the credit union movement in Minnesota and Wisconsin. Cooperative Network supports the dual chartering system and opposes any proposal which would supersede states' rights or usurp the power of state regulators. (R/26)

# Credit Union Resolutions

## **CU 1.05 Access to Credit Union Services**

As cooperatives member-owned and led by a board democratically elected from the membership, credit unions' decisions are innately driven by their members' interests. Credit union members, by virtue of the direct control they exert through the organizational structure and operations of the credit union, should collectively have complete authority to decide which financial services should be offered and to whom.

State and federal laws and regulations should allow (or not restrict) credit unions to determine fields of membership, products, services, mergers, and acquisitions. Cooperative Network will assist the Minnesota Credit Union Network and the Wisconsin Credit Union League in pursuing law and policy changes that enable credit unions to provide more and better services to their members. (R/27)

## **CU 1.06 Promoting Financial Wellness, Literacy and Education**

Cooperative Network believes that the promotion of financial wellness for all, including literacy, particularly among our youth, is critical to the future of Minnesota's and Wisconsin's economy.

Cooperative Network will work with the Minnesota Credit Union Network, the Wisconsin Credit Union League, credit unions, government agencies, schools and communities to promote and encourage financial literacy programs. Further, we will continue to advocate for the passage of legislation that would require financial education as a prerequisite for graduation from Minnesota and Wisconsin high schools. (R/27)

## **CU 1.07 Credit Unions Fighting Predatory Practices, Helping Low-Wealth Individuals**

Cooperative Network strongly supports programs implemented by the Minnesota Credit Union Network, the Wisconsin Credit Union League and their member credit unions to develop products, services, and financial education that will combat predatory financial practices and meet the needs of consumers including low income persons, new Americans, and others who are not having their financial needs met by the financial services system. Cooperative Network also supports fair and reasonable legislation that seeks to protect credit union members from predatory lending practices. (R/25)

## **CU 1.08 Parity for State-Chartered Credit Unions**

Cooperative Network supports efforts to achieve parity for state-chartered credit unions when federal credit unions gain powers and advantages not yet available at the state level. (R/26)

## **CU 1.09 Conversion of Credit Unions**

In any sale, acquisition, merger or restructuring of a cooperative, members are entitled to transparency, honesty, disclosure of the terms of the proposed transaction and full involvement in the ultimate determination of the event. Therefore, Cooperative Network will oppose legislation or other effort that removes protections for, reduces the transparency or disclosure requirements to, or seeks to dilute the equity of credit union members in the process of conversion of a credit union to a different financial entity. (R/27)

## **CU 1.10 Credit Union Capital**

Cooperative Network strongly supports legislation that improves credit unions' ability to raise capital to help them better serve businesses and members. (R/27)

# Credit Union Resolutions

## **CU 1.11 Credit Union Rural Districts**

Cooperative Network supports the National Credit Union Administration's (NCAU) field of membership rules which allow for the establishment of rural districts by credit unions and thus provides rural communities greater access to financial institutions. (R/25)

## **CU 1.12 Federal Regulation of Credit Unions**

Cooperative Network opposes any effort to combine the National Credit Union Administration (NCUA) with the four bank regulatory agencies. Credit union regulation should be kept separate from the for-profit banking world. (R/27)

## **CU 1.13 Member Business Loans**

Credit unions provide vital funding to small businesses. Cooperative Network supports efforts to increase the amount that credit unions can loan to small businesses. (R/27)



# Credit Union Resolutions - Minnesota

## CU Minnesota

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### **CU 2.01 Regulation of Minnesota Credit Unions**

Cooperative Network urges the Minnesota legislature and Minnesota Department of Commerce to recognize the unique regulatory structure necessary to oversee non-profit, member owned credit unions. Cooperative Network will work with the Minnesota Credit Union Network and the state's credit unions to maintain a regulatory climate that will ensure the highest level of service to credit union members. (R/26)

# Credit Union Resolutions - Wisconsin

## CU Wisconsin

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### **CU 3.01 Regulation of Wisconsin Credit Unions**

In 1996, the Wisconsin Legislature created the state Department of Financial Institutions (DFI) to oversee financial institutions serving Wisconsin consumers. Previously, Wisconsin credit unions were regulated by a separate and independent commissioner - a regulatory environment that helped make Wisconsin credit unions among the best in the country in terms of financial stability and consumer responsiveness. The Wisconsin Office of Credit Unions, a cabinet-level agency responsible for regulatory oversight of credit unions under Chapter 186, is now housed within DFI for administrative purposes.

Cooperative Network recognizes the importance of an independent, regulatory agency that understands the unique, cooperative structure and principles that govern the operation of credit unions. Therefore, we urge vigilance and extreme caution by the Legislature and the governor in overseeing the Office of Credit Unions. It is imperative that credit unions maintain separateness in policy-making decisions within DFI.

Cooperative Network further encourages the legislature to monitor the Department's operations to ensure that credit unions, because of their unique structure as member-owned and controlled cooperatives, maintain the independent regulatory system and the Review Board process that has served Wisconsin credit union members and other financial institution customers well.

Cooperative Network, therefore, resolves to work with the Wisconsin Credit Union League and the state's credit unions to maintain a regulatory climate that will ensure the highest level of service to credit union members. (R/26)

# Farm Credit Resolutions

## **(FC) Farm Credit System**

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### **FC 1.01 Farm Credit System**

Agriculture in the United States is structurally diverse, complex, and consumer driven, with its success dependent upon vibrant rural communities and a broad base of marketing, processing and agriculturally related businesses that are located in rural areas.

Cooperative Network encourages the Farm Credit Administration, the Farm Credit System and Congress to work together to develop viable programs which will enable the System to continue serving agriculture and rural America in response to the structural, economic and demographic shifts that continue to occur in agriculture, including unfettered access to funding sources in the absence of fully functioning credit markets.

Furthermore, Cooperative Network believes that the Farm Credit System should be maintained as a strong and viable source of financial services for agriculture and rural America. We support maintaining the Farm Credit System under the jurisdiction of House and Senate agricultural committees and the retention of the Farm Credit Administration as a strong and independent regulator for the Farm Credit System.

Cooperative Network strongly opposes the imposition of user fees or new taxes on the Farm Credit System. System institutions now pay: the cost of their regulator, the Farm Credit Administration; and insurance premiums to the Farm Credit System Insurance Corporation. These costs are disproportionately high compared to those imposed by the government on other lenders. This inequity would be worsened if System institutions, and ultimately the cooperatives and producers who are their members, are required to pay an additional user fee or tax.

Cooperative Network supports federal legislation that will allow CoBank to finance any entity that meets the definition of an agricultural cooperative as provided under any state law.

Cooperative Network supports a flexible regulatory environment for providing mission-related investments, more effective use of System capital, and being responsive to customers' needs and market forces.

Agriculture remains a vital contributor to the U.S. economy and to the world's supply of food, fuel and fiber, and rural America remains an important contributor to our nation's culture, work ethic and way of life. Further, agriculture and rural America are changing and, correspondingly, their needs for financial services and capital, new investment, and infrastructure are changing.

The customer-owned Farm Credit System's mission is to support rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow. Farm Credit serves every part of agriculture from the smallest operations to the largest – and everything in between.

Because agriculture and rural communities – including members of Cooperative Network – need greater, more dependable access to competitive, flexible, financial resources in order to compete in a changing global economy, Cooperative Network will support regulatory and legislative changes that would provide agricultural producers, rural businesses, rural homeowners, and others in rural America with broader access to financing by the cooperative Farm Credit System. (R/25)

# General Cooperative Resolutions

## **(GC) General Cooperative**

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### **GC 1.01 Cooperative Development Services**

Cooperative Network has made it a priority issue to fill the gap in development assistance to new and established cooperatives. Cooperative Network urges cooperatives, cooperatively oriented organizations, and all other friends of co-ops to support Cooperative Development Services (CDS) and the Shared Capital Cooperative. Cooperative Network also urges state and local government officials, agencies, the University of Minnesota, the University of Wisconsin, the Cooperative Foundation, the Cooperative Development Foundation, Upper Midwest cooperative state councils and regional and local cooperatives to continue to lend their expertise, resources, and support to these cooperative endeavors. Further, we encourage these public, private, and non-profit organizations to support cooperative development by compiling data, conducting research, and disseminating information on the extent, role and value of cooperative enterprises in the Upper Midwest economy, and to support public policies that use cooperative strategies to improve the lives of all citizens of the region. Cooperative Network encourages the Minnesota Legislature to continue funding the Agricultural Utilization Research Institute (AURI). (R/26)

### **GC 1.02 Cooperative Education**

Cooperative Network recognizes the value of cooperative education and encourages all public and private schools, including K-12 and post-secondary, to emphasize in their curricula the importance of cooperatives in the economy and the need for qualified cooperative personnel. We strongly urge all cooperatives to take an active role in cooperative education in their local schools. (R/27)

### **GC 1.03 Cooperative Form of Business**

Cooperative Network has the responsibility to publicly and vigorously defend the cooperative form of business and the seven cooperative principles; Cooperative Network supports the right of member-owners to exercise democratic control of their cooperatives including the right to restructure or sell the cooperative. However, in any sale, acquisition, merger or restructuring of a cooperative, members are entitled to transparency, honesty, and full disclosure of the terms of the proposed transaction. The net worth of cooperatives belongs to the members and shall remain with them; there shall be no unjust enrichment of directors or senior management upon sale or conversion. Cooperative Network strongly believes that employee-owned enterprises organized as cooperatives should be an integral part of the state's employment and business mix. Cooperative Network also supports efforts to assist and educate both business owners and employees about the benefits of creation or conversion of their business to the cooperative form of business. (R/27)

### **GC 1.04 Cooperative Good Governance**

Cooperative Network strongly recommends that all cooperative directors receive education and training in the following areas: a) board duties and responsibilities, including management relations; b) cooperative governance, structure, and financing; c) cooperative strategic planning; and d) membership communication and education. (R/25)

# General Cooperative Resolutions

## **GC 1.05 Cooperative Finances and Equity Redemption**

Adequate equity financing and equity redemption programs are critical to the success of cooperatives. Cooperative Network opposes any legislation requiring mandatory equity redemption. Cooperative Network should research opportunities that may provide cooperatives with adequate means of financing both debt and equity. This may include supporting a national strategy for purchasing co-op equities in a public pool or other such means to foster a business environment conducive to cooperative growth and prosperity. (R/26)

## **GC 1.06 Cooperatives' Right to Serve Members and Diversity in Size**

Cooperative Network will oppose legislative or regulatory efforts to limit, curtail, prohibit or interfere with the efforts of its member cooperatives, credit unions and mutual insurers to furnish products and services that meet the needs and demands of their member-owners. (R/27)

## **GC 1.07 Cooperatives and Taxation**

Cooperative Network supports continuation of the single-tax treatment of cooperatives and their patrons. Cooperative Network opposes state or federal legislation that would sunset or eliminate tax expenditures for not-for-profit or non-profit cooperatives.

## **GC 1.08 Integrity of Segregated Funds**

In recent years it has become increasingly more common that actions by both the governor and Legislature result in the diversion of money from state segregated funds to cover expenditures previously paid for through general fund revenue. This is a result of both looming general fund deficits and the aversion of state elected officials to balancing the state budget through tax and expenditure modifications sufficient to balance the general fund.

Cooperative Network believes that this practice of raiding segregated funds is inappropriate and should be curtailed. It damages the ability to cover functions or services that the segregated funds were created to provide. It also decreases our citizen's faith in the ability of their elected officials to protect funds derived from fee revenue from unintended uses. We call on the Governor and Legislature to stop diverting segregated fund revenue for uses that were never intended, and to address future general fund shortfalls through other budget actions. (R/25)

## **GC 1.09 International Cooperative Development**

Cooperative Network calls on all cooperatives to educate their members on the work being done in international cooperative development. We urge our members to donate funds, expertise, and other resources to assist this work. Cooperative Network urges the federal government to maintain or increase funding for the Cooperative Development Program in USAID and other agencies or programs helping to create and promote cooperation. (R/26)

## **GC 1.10 Rural Development**

Cooperative Network and its member cooperatives should continue their strong leadership in supporting and promoting activities to strengthen existing rural development programs and to promote new initiatives which expand the roles for cooperatives, including all Farm Credit institutions and rural broadband development. Rural cooperatives recognize and support the important contributions made by the USDA and other state and federal programs in promoting the development of our rural communities. (R/27)

# General Cooperative Resolutions

## **GC 1.11 Support for Universities and Cooperative Extension Commitment to Cooperatives**

Cooperative Network supports state university systems, Extension, Cooperative Extension, as well as those departments that specialize in agriculture and other rural issues of importance in their efforts to:

- Improve the quality and relevance of research, education and development work by strongly linking these three related areas;
- Make cooperative research, education and development work more responsive to the co-op business community;
- Expand the capacity to conduct high quality research needed for co-op growth; and,
- Create a framework for building interstate linkages to other colleges and land grant institutions.

Cooperative Network supports Land-Grant research, Extension and other departmental goals and will work aggressively to promote a responsive system of research and Extension education to serve the needs of our citizens. We support current levels of base funding for research, Extension and Cooperative Extension programs and increasing investments in such programs as new needs and initiatives warrant. (R/27)

## **GC 1.12 Transportation**

Attaining an efficient, well-maintained transportation network (highways, bridges, waterways, locks and dam, railroad, and pipelines) and other components of a strong, multi-faceted infrastructure is vital to the future of cooperatives.

Cooperative Network supports the following issues concerning transportation infrastructure, including finance:

- The federal government must establish clear-cut policies and well-defined objectives concerning transportation. Failure to do so thus far has had enormous consequences for cooperatives and their member-owners.
- The motor fuel excise tax shall be dedicated solely to the state transportation fund and transportation needs. There must not be further diversion of highway tax revenues from the state or federal level.
- Cooperative Network opposes any new tax on those who refine or distribute motor fuel.
- There must be equitable charges among all users of waterways, including recreational and commercial users.
- There must be timely investment of federal, state and industry matching dollars to improve the aging Upper Mississippi River lock-and-dam infrastructure. Cooperative Network urges Congress to support appropriations to implement the Corp of Engineers proposal for maintaining the river system for transportation in balance with recreational and conservation needs. We oppose a lockage fee that would unfairly burden shippers on the northern parts of the Mississippi River system. (R/25)

# General Cooperative Resolutions

## **GC 1.13 Captive Shippers and Rail Transportation**

Cooperative Network supports all legislative, judicial, and administrative remedies that would ensure fair competition in the railroad industry, provide reasonable rates and adequate service. We encourage the routing of railroad tracks in a manner that causes the least disruption to the agricultural community and consumes the least amount of valuable agricultural land. We support staying as close to existing right of way and property lines as possible in upgrading railroad tracks. In particular, Cooperative Network believes the Surface Transportation Board (STB) must be held accountable by the president, needs to be given resources and authority, and must exercise that authority to protect shippers from unfair economic actions by the rail companies. Congress and the Administration should review STB policies, procedures, and outcomes to reform the organization and to streamline the process of challenging excessive rates and uncompetitive policies.

We also believe Congress should repeal the rail anti-trust exemption and along with the STB, require minimum service standards in order to meet the public interest of reliable and affordable rail service. (R/26)

## **GC 1.14 New Cooperative Laws**

Cooperative Network supports updating statutes regulating cooperative governance to ensure that cooperatives have the flexibility to competitively operate in the current dynamic business environment and global economy. Updates to these statutes should work to keep Minnesota and Wisconsin as the leading cooperative states in the nation, while remaining true to cooperative principles. (R/27)

## **GC 1.15 Climate Legislation**

Cooperative Network supports carbon sequestration and climate change programs that are voluntary. Programs offering payments for practices or program opportunities must allow fields to qualify for all programs applicable for the farm. Current/Past practices should be eligible for program recognition and programs should allow for continued qualification when “acts of god” impact a programs participant.

Programs need to be stackable, account for what a farmer has done or is doing, and account for weather events. Programs should be equitable across regions and crops, and farmers/ranchers who already employ these practices are rewarded for early adoption, not left out of new programs. (R/27)

With regard to utilities, we the members of Cooperative Network support taking steps in power supply planning and day-to-day administration to reduce carbon intensity. We support research and technology development for projects that can manage greenhouse gas emissions, as well as methods to economically reduce carbon emissions. In the federal and state policy arena, we encourage a thoughtful and balanced approach to continued reductions in carbon intensity, recognizing the need to develop policies which provide system reliability, regional fairness and minimal economic impacts on our members.

# General Cooperative Resolutions

## **GC 1.16 Commercial Motor Vehicle Hours of Service**

Cooperative Network encourages safe operation of commercial motor vehicles and does not oppose reasonable trucking regulations. Cooperative Network opposes restrictions on hours of service at both the state and federal level unless such proposals are based on sound science and are justified economically to the cooperative community. However, any rules proposed by the Federal Highway Administration restricting the hours of service that a commercial motor vehicle driver can work must not lead to substantial compliance costs for cooperatives, while yielding only questionable benefits. (R/25)

## **GC 1.17 Environmental Stewardship**

Cooperative Network is supportive of efforts to protect the environment and public health and welfare, providing that the laws and standards are reasonable; equitable; achievable; economically feasible; and are based on sound, peer-reviewed science.

Cooperative Network urges those administrative agencies responsible for development of pollution abatement regulations to carefully consider the costs and benefits of such regulations on all segments of the economy. We support continued coordination between various governmental agencies which administer rules.

Cooperative Network also supports conservation programs and best management practices that are regionally focused and based on scientifically and economically sound practices, recognizing the unique nature of farmer cooperatives and production agriculture.

Cooperative Network will continue to give top priority to environmental compliance programs and urge all supply co-ops to actively participate in and support them. The goal will be a cleaner environment. (R/26)

## **GC 1.18 Government Agencies Supporting Cooperatives**

Cooperative Network supports funding for cooperative economic research, loans, grants, and information services at the state and federal level. We support the continuation of USDA's Rural Utilities Service (RUS) and its traditional lending authority, including generation and transmission. (R/27)

## **GC 1.19 Stray Voltage**

Dairy producers and their power suppliers depend on each other. Power suppliers need financially healthy producers. Dairy farmers need safe, reliable, reasonably priced electric power. All power suppliers and their customers will benefit from the continued cooperation to resolve power quality issues.

Those states which have established statutory procedures for on-farm testing and educational efforts for resolving stray voltage complaints have seen an improvement in complaint resolution in a timely fashion, and a reduction in stray voltage lawsuits.

Therefore, Cooperative Network supports statutory standards and procedures, consistent with the National Electrical Code, for addressing complaints in a timely fashion. (R/27)



# General Cooperative Resolutions

## **GC 1.20 Tuition Reciprocity**

Cooperative Network believes that the Tuition Reciprocity Agreement between Minnesota and Wisconsin gives students of both states better access to an affordable college education. Cooperative Network encourages legislators of both states to keep the Minnesota-Wisconsin Tuition Reciprocity Agreement in place. (R/25)

## **GC 1.21 Tax Expenditures**

A tax expenditure is money the government exempts from taxation. An example of a tax expenditure is deducting your mortgage interest from your taxable income. Many different non-profits and not-for-profit co-ops such as credit unions constitute a tax expenditure because they do not pay state corporate income taxes.

Cooperative Network opposes efforts that could result in ending tax expenditures for non-profit and not-for-profit cooperatives. Co-op member-owners could be negatively impacted because tax benefits to eligible co-ops are passed on directly to their members in the forms of cheaper services or lower fees. (R/27)

## **GC 1.22 Clean Air and Water Regulations**

Cooperative Network urges Congress, state legislatures, and federal and state agencies to protect the interests of cooperatives and their members by ensuring that clean air and water standards and programs are cost-effective, reflect voluntary best management practices (BMPs) and are driven by scientific-based outcomes. (R/27)

## **GC 1.23 Cellphone Use While Driving**

Cooperative Network supports state legislation limiting use of cellphones to hands-free only while driving. (R/27)

## **GC 1.24 Pension Premiums**

Cooperative Network supports legislation to prevent the Pension Benefit Guaranty Corporation (PBGC) from overcharging premiums to “Cooperative and Small Employer Charity” defined pension plans. Premiums paid to the PBGC should be in line with actual loss experience. (R/27)

# General Cooperative Resolutions – Minnesota

## GC Minnesota

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### **GC 2.01 Energy Assistance for Propane and Heating Oil Users**

Cooperative Network realizes that there are great numbers of Minnesota residents that are in need of energy assistance. Though Cooperative Network fully supports Low Income Home Energy Assistance Program (LIHEAP) funding, because of rapidly rising energy and delivery costs for dealers, Cooperative Network feels that changes must be made to the program's delivery. Cooperative Network encourages policymakers to create programs that educate recipients and encourage pre-arranged payment solutions for the portion of the recipient's energy needs that have not been historically covered by LIHEAP. Additionally, Cooperative Network asks policymakers and the Minnesota Department of Commerce to reevaluate "crisis funding" to make it reflective of higher costs of delivery and the minimum delivery policies that have been enacted by our dealers. Cooperative Network supports a policy of non-discrimination with regards to delivered fuels and believes that all customers who have the ability to pay should be served regardless of the source of payment.

Furthermore, Cooperative Network opposes the extension of the state's "Cold Weather Shut-off Rule" to the delivered fuels industry and the collection of proprietary data or other internal business information from fuel suppliers. We firmly believe that, should the "Cold Weather Shut-off Rule" be extended to the delivered fuels industry, there would be a great number of Minnesota residents that would be without a heating fuels supplier because of the resulting shift of the financial burden onto heating fuel suppliers. (R/25)

### **GC 2.02 Truck Weight Exemptions**

Cooperative Network understands the need for local government to protect its highway infrastructure by placing spring load restrictions on local roads in rural Minnesota, but sometimes these restrictions add to the cost of living and doing business in rural Minnesota. With the transport of home heating fuel and propane, co-ops ensure that homes have a reliable source of heat. Under current law, highway maintenance vehicles, mobile library units, school buses, garbage haulers, emergency public utility vehicles and milk trucks are exempt from spring load restrictions, we believe that propane, fertilizer, feed, grain, and fuel oil hauler vehicles should be exempt from spring load restrictions and ask that they be included as exempt vehicles under Minnesota law 169.87. (R/26)

# General Cooperative Resolutions – Wisconsin

## GC Wisconsin

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### **GC 3.01 Cooperative Education**

Cooperative Network believes education pertaining to cooperative forms of ownership should be available in the UW System and K-12 system and recognizes the value of the University of Wisconsin Center for Cooperatives (UWCC). Wisconsin should continue to be a leader in furnishing the best in cooperative research, teaching, and extension. (R/27)

### **GC 3.02 Federated Youth Foundation**

The Federated Youth Foundation (FYF), Inc., is a tax exempt, 501(c)(3) foundation, established as a vehicle for receiving donations, contributions, and gifts, including those resulting from unclaimed funds held by cooperatives and for using those funds for scholarships and charitable purposes. Cooperative Network strongly encourages all member organizations and others to join the FYF. (R/27)

### **GC 3.03 Good Government and Clean Politics**

Wisconsin needs the public's trust and its long tradition of good government and clean politics. Cooperative Network and Wisconsin cooperatives therefore call for:

- Full disclosure of the names of all organizations and individuals making campaign donations, and strong statutory penalties for any willful concealment or nondisclosure;
- A prohibition on fundraising by state legislators during scheduled floor periods of the Legislature; and
- All such other steps as needed to make Wisconsin a model for good government. (R/25)

### **GC 3.04 Higher Education Support**

We call on the Legislature to continue its commitment to higher education and ensure that important higher education initiatives aimed at strengthening Wisconsin and its economy receive sufficient financial support for the long term. (R/26)

### **GC 3.05 Cooperative Educational Service Agencies (CESAs)**

Cooperative Network supports Cooperative Educational Service Agencies (CESAs) which provide a variety of services for the state's school districts. Cost savings realized by districts are reinvested into priority programs directly benefiting students. CESAs provide valuable purchasing programs, and volume discounts for services and equipment that benefit schools in a number of ways. (R/27)

# Health Care Resolutions

## **(HC) Health Care**

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### **HC 1.01 Health Insurance**

Cooperative Network supports cost-based health care and insurance systems that include strong incentives for efficient, organized health care delivery. We support the promotion of primary care and prevention of illness. We support efforts to affect cost management while providing accessible, high quality health care to cooperatives and their member owners. (R/27)

### **HC 1.02 Medicare Discrimination**

The federal Medicare reimbursement system currently pays most Midwestern and rural health care facilities less than their costs and pays most urban health care facilities more than their costs for providing the same services. These payment differences are threatening the economic viability of these important community health care institutions.

Therefore, Cooperative Network urges Congress to stop this harmful discrimination against Midwestern and rural health care facilities and to reimburse similar health care services at the same level of federal support regardless of where the service is provided. (R/25)

### **HC 1.03 Cooperative Health Maintenance Organizations**

Cooperative Health Maintenance Organizations (HMOs) represent a viable means for citizens to obtain high quality, affordable health care on a prepaid basis. These HMOs serve their members as non-profit consumer cooperatives.

Cooperative Network supports the formation of a legislative environment which is conducive to the successful operation of cooperative HMOs, which give member-consumers an active voice in the administrative decisions of the HMO through direct election of officers. (R/26)

### **HC 1.04 Closed Panel HMOs**

Cooperative Network recognizes the need for managed care plans to contract with healthcare providers that meet the plan's quality standards and conform to the cost containment strategies adopted by the plan. As long as resulting managed care plan networks allow for consumers in both urban and rural areas to have access to care that is available in their local community, HMOs should be permitted to contract with all types of health care providers on a "closed panel" basis. The underlying premise is that the bargaining power of HMOs to contract with only certain providers promotes competition, lowers costs, and encourages prevention-oriented care. If all providers could join an HMO, incentives for efficient providers to offer competitive rates would disappear and the ability of HMOs to control quality would be reduced. Cooperative Network supports all legislative efforts to keep competitive, closed panel provisions intact. (R/27)

### **HC 1.05 Mandated Benefits**

Cooperative Network supports the right of consumer-sponsored HMOs to determine the benefit plans they wish to offer their members. Expansion of benefits through government mandate interferes with market forces and aggravates a competitive inequity between state-regulated HMOs and the federally regulated self-insured plans. Furthermore, mandated benefits add considerably to the cost of health insurance for all consumers, even those that do not utilize mandated benefits.

We encourage the creation of benefit packages that are comprehensive in scope (hospital, ambulatory and home health services) with reasonable benefit limits to allow for cost containment

# Health Care Resolutions

and reasonable pricing. Benefits should be designed to address the overall health care needs of patients and not the needs or convenience of providers, payers, or special interest groups. Technology assessment should be based on clear scientific guidelines to ensure that safe and efficacious drugs and procedures are appropriately added to benefit packages. Cost-sharing arrangements should allow for flexibility. (R/27)

## **HC 1.06 Tax Status of Consumer Cooperative HMOs**

Cooperative HMOs operate on a non-profit basis. Each of these HMOs has utilized its income tax-exempt status to serve a pioneering role and broad purpose within its community. Cooperative Network urges the restoration of the income tax exemption for non-profit cooperative HMOs. (R/25)

## **HC 1.07 Taxation of Health Insurance Premiums**

Cooperative Network opposes any direct or indirect taxation of the premiums of HMOs including the former Wisconsin Health Insurance Risk Sharing Plan (HIRSP) or Minnesota Comprehensive Health Association assessments as a tax on essential health care services required by the citizenry. Cooperative Network further urges Congress to act immediately to make health insurance premiums paid by self-employed individuals fully deductible. (R/26)

## **HC 1.08 Rural Health Cooperation**

Cooperative Network supports rural hospitals, physicians and other health care providers acting together to promote the preservation and further development of a coordinated system of rural health care. Rural health care systems provide both quality and efficient care in settings that best meet the needs of rural. Cooperative Network supports rural health care and rural communities in both private and public sectors, inclusive of closer working relationships between the health care sector and governmental public health. (R/27)

## **HC 1.09 Rural Health Care Professional Shortages**

Cooperative Network supports innovative state initiatives to train and attract health care providers to rural areas. We support expanded broadband infrastructure in rural areas to enable the reliable provision of telemedicine. We support programs expanding access to mental health services in rural areas. Due to the aging population of our two states, Cooperative Network urges state and federal governments to address forecasted healthcare shortages and forecasted increases in demand. Cooperative Network supports Health Professional Shortage Areas (HPSA) designation that retains recruitment incentives for rural health care organizations. (R/27)

## **HC 1.10 Accessing Capital for Rural Health**

As rural hospitals are already on average substantially older than the national average, more limited capital access is quickly becoming a critical barrier to maintaining a rural health network. Cooperative Network will promote programs for rural hospital physical plant improvements and equipment acquisition to ensure rural residents have access to modern medical technology. (R/25)

## **HC 1.11 Encouraging Cooperation and Collaboration in Health Care**

Although there are many competing interests in the health care arena today, Cooperative Network lauds the many Minnesota and Wisconsin health care providers that have worked together to eliminate health care errors and improve health care delivery in our states. For example, consumer owned and operated HMOs have a proven track record of managing and containing health care cost increases.

# Health Care Resolutions

Cooperative Network urges incorporation of successful cooperative models in health care reform efforts at both state and federal levels. Cooperative Network further supports health care reform initiatives that create incentives for employers, individuals, providers, and insurers to participate in reform efforts as partners. (R/26)

## **HC 1.12 Cooperative Health Care**

Cooperative Network will seek to establish a legislative and regulatory environment that allows the formation and successful operation of health care purchasing alliances, health care cooperatives, and association health plans. Cooperative Network commits to supporting new health care cooperatives by providing cooperative governance and other expertise. (R/27)

## **HC 1.13 BadgerCare and MinnesotaCare Eligibility for Ag Producers**

Wisconsin's BadgerCare program and Minnesota's MinnesotaCare program were created to provide lower income working families with stable and affordable health insurance coverage. The intent was to prevent sudden illnesses or injuries from driving families out of work and into poverty. Eligibility criteria for these programs require that farm equipment depreciation be calculated as income, making it extremely difficult for even the lowest income producers to qualify for the program. Cooperative Network supports efforts to change these eligibility requirements to remove depreciation from the eligibility equation. (R/27)

## **HC 1.14 Health Care Reform**

Cooperative Network understands health care reform is one of the most complex challenges facing our state and nation today. It is also one of the most critical issues to members across cooperative sectors who struggle year after year with rising health expenditures. Just as there is no single cause to rising health care costs, there is no single solution. Comprehensive reform ideas, such as a single-payer health system, are extremely controversial. Cooperative Network urges the Minnesota and Wisconsin Legislatures and the U.S. Congress to support and encourage, through legislation and appropriations, thoughtful and innovative ideas for improving our health care system. We support:

- Ideas that empower small groups and individuals to negotiate better cost and coverage options for health insurance.
- Cost containment measures to address fraud, waste and costly duplication;
- Efforts to get consumers more involved in health care decision-making through improved education and data dissemination programs;
- Programs that emphasize prevention and intervention to help consumers manage illnesses, prevent injury and save money;
- Efforts to provide access to more affordable medications including group prescription purchasing pools and medication importation;
- Collaborative efforts to prevent medical errors and promote quality in the health care arena;
- Initiatives that will improve access and delivery in rural and underserved areas;
- Efforts to decrease the numbers of uninsured individuals in Minnesota and Wisconsin to lessen costs ultimately passed on to health insurance consumers;
- An adequate safety net for both the lowest income individuals and those who have been priced out of the private health insurance market;

# Health Care Resolutions

- Adequate reimbursement rates for Medicare and Medicaid to ensure that those costs are not shifted to consumers;
- Efforts to remove inefficiencies in the health care system while maintaining and growing local, rural access;
- Equity in the federal reimbursement rates for rural providers; and
- Pooling efforts through voluntary purchasing alliances;
- Cooperation between government and health insurers and providers regarding public health measures. (R/25)

# Housing Resolutions

## **(HO) Housing**

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### **HO 1.01 Affordable Housing**

Cooperative Network encourages local, county, and statewide governments to include cooperative housing in the master plans of their communities and their strategies for promoting economic growth in their respective regions. Communities are also encouraged to investigate the advantages of limited equity cooperative housing for families as a way to ensure affordable home ownership opportunities into the future.

Cooperative Network will also assist in the development of cooperative housing projects for senior citizens by working with Cooperative Development Services (CDS), local communities and other stakeholders interested in improving housing options for seniors. We urge government agencies and elected officials at the local, state, and federal levels to assist in these efforts. (R/26)

### **HO 1.02 Rural and Urban Vitality**

Cooperative Network encourages local, county, and statewide governments to include senior cooperative housing in the master plans of their communities and their strategies for promoting economic growth in their respective regions. Educational programs for seniors are encouraged to include a careful study and review of this relatively new and very appropriate alternative for housing for our rapidly increasing senior population. (R/27)

### **HO 1.03 Insurance for Senior Housing Cooperatives**

Member-owners living in senior cooperative housing are enjoying an independent, social, and secure lifestyle. Senior housing cooperatives are included in the same insurance group as condominiums and town homes. Maintenance and safety records demonstrate that co-op member-owners are easier on wear and tear in the facility, thus lowering the maintenance costs and reducing loss control from an insurance perspective.

Cooperative Network urges the insurance industry to develop a distinct category for senior housing cooperatives that recognizes where these facilities are less risky for insurance purposes and distinguishes them from condominiums and town homes. (R/27)

### **HO 1.04 U.S. Housing and Urban Development Offices**

Senior housing cooperatives located throughout Minnesota, Wisconsin and the Upper Midwest enjoy a unique relationship with the U.S. Housing & Urban Development (HUD) multi-family offices in Minneapolis and Milwaukee. With just over 130 senior housing cooperatives located throughout the United States, 92 are located in Minnesota and Wisconsin alone. The majority of these senior housing cooperatives have their master mortgages financed through HUD and are required to have their annual budgets approved by HUD. In addition to the work HUD's multi-family office in Minneapolis performs for senior housing cooperatives, the office is one of the largest loan producers in the country and features specialized expertise in the processing of affordable housing loans, as well as housing related Native American projects.

The future of existing and proposed senior housing cooperatives in Minnesota, Wisconsin and the Upper Midwest was placed in jeopardy when HUD announced in May of 2013 that they would be closing the Minneapolis and Milwaukee multi-family housing offices in order to streamline services they provide to various housing sectors throughout the country. However,



# Housing Resolutions

due to the advocacy efforts of Cooperative Network and other stakeholders, HUD opted not to close the offices. In addition, HUD centralized the origination of senior cooperative housing mortgages under Section 213 in the Minneapolis multi-family office.

Cooperative Network continues to support the HUD centralization of the origination of senior housing mortgages under Section 213 in the Minneapolis multi-family office and HUD servicing of senior cooperative housing mortgages for the benefit of senior housing cooperatives. In addition, this benefits the local expertise provided to senior housing cooperatives by the practitioners in the development, architecture, legal and lending fields. (R/26)

## **HO 1.05 Manufactured Home Park Conversion to Cooperatives**

Manufactured home parks are a critical source of affordable housing across the state, particularly suburban and rural. There are over 1,000 manufactured home parks in Minnesota and Wisconsin providing homes for approximately 125,000 people who have limited access to other housing options (predominantly working poor, limited income, and seniors). This sector of housing exists with virtually no public subsidy; yet the loss of this housing could result in the need for significant public subsidy to replace these units. If a manufactured home park is closed, it would be extremely difficult to rebuild the same number of affordable homes. New Hampshire passed legislation authorizing manufactured home park residents the first right to purchase their homes as a cooperative if the property was to be sold. Since the passage of this New Hampshire law, the benefits are distinct: the quality of life is clearly improved for the new owners and the surrounding communities: the parks are better maintained, there is increased financial security, the safety is improved, and there is the ability to have equity in a home. Since the early 1980's, in New Hampshire, dozens of manufactured home parks have been converted into cooperatives and not one has defaulted on their loans.

Minnesota currently has a law that permits residents the first right of refusal when a park is to be closed for change of use (usually to commercial development). Although this law has been on the books since 1987, it has never been exercised (usually due to conversion from residential to commercial purposes; or conventional lenders are reluctant to provide residential conversion financing). While current law gives some protection to residents, it does not go far enough to give residents the opportunity of purchasing the park to convert it to cooperative ownership.

Cooperative Network supports the conversion of manufactured home parks into cooperatively owned and operated parks. This could be facilitated by following the New Hampshire example and amending current Minnesota law to permit residents to collectively match any offer for sale.

## **HO 1.06 Financing of Cooperative Conversions of Manufactured Home Parks**

One issue that has hampered the cooperative conversion of manufactured home parks has been the inability of residents to access appropriate financing. In general, commercial banks are reluctant to lend on this type of property. The conversion into a cooperatively owned park adds another layer of complexity.

Cooperative Network supports the allocation of state resources to guarantee long-term, low interest financing specifically for the purpose of converting manufactured home parks into cooperatively owned parks.

# Housing Resolutions - Minnesota

## HO Minnesota

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### **HO 2.03 Senior Housing Cooperative Independence**

Senior housing cooperatives provide an independent, social, and secure lifestyle for its member-owners. The cooperatives are directed and governed by a board of directors elected from and by the member-owners. Senior housing cooperatives enjoy an independent business status and, as with all cooperatives, are periodically required to file updates with the Minnesota Secretary of State. Senior housing cooperatives are opposed to any form of additional registration or regulation – voluntary or mandatory – especially if it has the potential of jeopardizing or in any way reducing the independence of these cooperative businesses or their members.

Cooperative Network opposes any legislation or regulatory efforts that attempt to recognize cooperatives in such a way that might provide impetus, whether or not intentional, for future registration or regulation. (R/27)

### **HO 2.05 Researching Development of Separate Housing Co-op Statute**

Minnesota housing cooperatives are governed by both the Minnesota Cooperative Law, Minnesota Statutes Chapter 308A, and the Minnesota Common Interest Ownership Act, Minnesota Statutes Chapter 515B. As a unique form of cooperative ownership, there is a growing need to adopt legal provisions that apply specifically to cooperative housing and to have them, where possible, in one place to read. Therefore, the staff of Cooperative Network, is requested to continue the process of analyzing whether specific legal provisions related to Minnesota housing cooperatives should be incorporated into a separate section of Minnesota Statutes Chapter 308A or whether a new Minnesota Statutes Chapter 308C should be created. Furthermore, where possible, staff should seek grants from outside grantors to help conduct this research. (R/25)

### **HO 2.06 Sales Tax Exemption**

Prior to the spring of 2009, Minnesota's senior housing cooperatives received sales tax exemptions under Minnesota Statutes Section 297A.70, subd. 4(a)(2). This statute generally provides that any senior citizen group for persons age 55 or older and operated on a not for profit basis is exempt from Minnesota Sales Tax. The 2009 Legislature amended the statute at the request of the Minnesota Department of Revenue and eliminated the provision permitting senior housing cooperatives to obtain a sales tax exemption. This short, but financially significant, provision was added to the 2009 Tax Bill in conference committee without prior notice to existing senior housing cooperatives or to Cooperative Network.

Cooperative Network supports the continued sales tax exemption for senior housing cooperatives. Cooperative Network supports legislation to restore the sales tax exemption for new senior housing cooperatives. (R/26)

### **HO 2.08 HUD Policy Requirement Precluding Senior Housing Cooperatives from Restricting Occupancy to Seniors**

A United States Department of Housing and Urban Development (HUD) policy requirement stands to have a major effect on senior housing cooperatives throughout Minnesota, Wisconsin, and the Upper Midwest. During the previous administration, HUD established a policy which precludes senior housing cooperatives from restricting occupancy to seniors, making these communities functionally indistinguishable from any non-age restricted multi-family housing community.

# Housing Resolutions - Minnesota

This policy requirement is contrary to the Fair Housing Act, and it was never the intention of Congress to protect the adult and financially independent children of parents who live in a senior housing cooperative. It was the intent of the Act to allow seniors to live among their peers. Under the express terms of the Fair Housing Act, HUD has been charged with administering and enforcing the terms of the Act. HUD does not have the legal authority or standing to create policies or regulations that violate the Act.

It is the belief that HUD will not voluntarily change its position on this issue and that change may only likely come through Congressional inquiries and advocacy. Cooperative Network implores HUD to abandon this internal policy. (R/26)

# Insurance

## (IN) Insurance

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### **IN 1.01 Mutual Insurance**

Cooperative Network urges that state and federal regulators recognize the inherent unique characteristics of statewide mutual insurance companies and reflect this fact in regulations. We call for minimum regulations, written with input from representatives of the local and statewide mutuals. (R/27)

### **IN 1.02 Federal Regulation of Mutual Insurance Companies**

Cooperative Network supports maintaining the states as the sole regulator of the business of insurance and continues to support state efforts to streamline and simplify insurance regulation.

Cooperative Network will oppose any proposal to establish either a federal or a bifurcated system of regulation of insurance; that cedes any authority to federal agencies to regulate financial institutions involved in the business of insurance; or that otherwise pre-empts state regulation of insurance. (R/27)

### **IN 1.03 National Flood Insurance Program (NFIP)**

Cooperative Network supports a long-term extension of the National Flood Insurance Program (NFIP) with changes that will charge actuarially sound rates, eliminate subsidies, update, and improve the accuracy of flood plain maps, and discourage repetitive loss properties.

Cooperative Network opposes adding wind coverage to the NFIP. (R/27)

### **IN 1.04 Building Codes**

Cooperative Network supports Congressional legislation that would encourage states to adopt and enforce strong building codes and would increase federal disaster aid to states that adopt and enforce stronger codes. (R/27)

### **IN 1.06 Terrorism Reinsurance**

Cooperative Network supports the Terrorism Risk Insurance Act of 2002 (TRIA) program and urges the Congress of the United States to reauthorize federally provided terrorism reinsurance for insurers in order to maintain stability in the insurance and reinsurance markets which benefits businesses, workers, consumers, and the overall economy. (R/27)

### **IN 1.07 Pandemic Reinsurance**

Insurance is based on the law of large numbers and the concept of spreading risk. In other words, insurers can offer insurance based on the statistical probability that only some insureds will make claims at any given time. Premiums from insureds who don't make claims help pay claims for those who do. However, when everyone in a particular risk pool makes claims, such as business interruption claims during a pandemic, losses will exceed premiums and therefore deplete surplus funds. This makes pandemic risk protection inherently uninsurable.

Cooperative Network supports the establishment of a federal program to provide revenue replacement for businesses adversely affected by a Presidential emergency declaration due to a pandemic. (R/26)

# Insurance Resolutions - Wisconsin

## IN Wisconsin

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### **IN 3.02 Changes in State Law Affecting Liability and Negligence Determination**

Over the years, legislative proposals attempted to change existing law relating to determining liability, fault and jury instructions.

Some of the suggested provisions would allow certain defendants to be held liable for all of the damages in negligence lawsuits, combine the fault of all defendants and require jury instructions that would promote monetary awards based on ability to pay, rather than on the degree of responsibility for harm to a plaintiff.

Such changes to existing law would raise insurance rates, making it more difficult to obtain insurance and appropriate coverage. It would also expose entities with perceived resources such as insurance or money to more lawsuits and increased litigation costs.

With the help of the Civil Justice Coalition, which includes Cooperative Network, these measures were defeated in the past but are expected to be re-introduced in the future.

Cooperative Network opposes any legislative effort to change liability provisions in existing law. (R/27)

### **IN 3.03 Raze Orders**

Wisconsin boasts the 38th lowest average homeowners' premiums in the nation. The affordable homeowner's insurance that Wisconsin consumers enjoy is a result of market stability combined with robust competition. However, a troubling trend has emerged with large partial losses. Contractors, public adjusters, attorneys, and even insureds are using Wisconsin's valued policy statute in concert with the raze order statute to turn partial losses into total losses. Cooperative Network will continue to support reforms made to Wisconsin statute § 66.0413(1)(c) and/or Wisconsin statute § 632.05 that prohibit the abuse of raze orders. (R/25)

# Telecommunications Resolutions

## TE Telecommunications

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### **TE 1.01 Statewide Broadband Development**

Cooperative Network believes that rural citizens and businesses should have equal access to broadband.

Cooperative Network supports policies that encourage and facilitate new investment as well as continuous re-investment in broadband infrastructure and networks.

Cooperative Network also supports policies that promote investment and incentives that encourage employers, including cooperatives, to create jobs and expand telecommuting initiatives in rural communities. (R/25)

### **TE 1.02 Broadband Deployment**

While the Federal Communications Commission reports high levels of broadband availability in Wisconsin and Minnesota compared to the national average, it also reports low levels of adoption of high-speed broadband relative to national averages.

The investments of Cooperative Network member telephone cooperatives and other private sector providers have made Wisconsin a leading state in broadband deployment, and particularly rural broadband availability and use with the vast majority of Cooperative Network member cooperatives having broadband products available to 100 percent of their customers.

Cooperative Network supports policies with a statewide focus that recognize the impact of low broadband adoption rates in comparison to high broadband availability and encourage and facilitate broadband education and adoption. (R/26)

# Telecommunications Resolutions - Wisconsin

## TE Wisconsin

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### **TE 3.01 Intercarrier Compensation Reform and National Broadband Plan**

The Federal Communications Commission (FCC) continues to adopt reforms that impact and potentially threaten the future of telephone cooperatives and the service they provide.

Cooperative Network will continue its efforts to help positively influence the FCC process and will continue to collaborate with like-minded organizations in its federal advocacy efforts. Cooperative Network will support and highlight the efforts of Telecommunications Cooperatives, and lobby for priority as the named (ReConnect, Capital Projects, BEAD, etc.) state and federal grant programs become available. (R/27)

### **TE 3.04 Police and Fire Protection Surcharge**

The “Police and Fire Protection Fund” (PFPF) is a surcharge that collects more than \$100 million every biennium from Wisconsin’s landline and wireless customers. Originally designated as funding for the state’s 911 service, the revenues collected from the fund surcharge are now deposited into Wisconsin’s general fund along with other general fund taxes like sales and income taxes. Cooperative Network believes the PFPF should be dedicated to, and only raise amounts necessary for, 911 services.

Wisconsin’s landline and wireless telecommunications customers should not be subjected to the continuation of this general fund tax collection disguised as the “Police and Fire Protection Fee.”

Cooperative Network supports the eventual elimination of the general fund reliance on the Police and Fire Protection Fund to support general fund expenses.

Cooperative Network will advocate for the construction and implementation of the NG911 ESInet utilizing PFPF funding exclusively for NG911 purposes. (R/25)

### **TE 3.05 Broadband Funding Mechanisms**

Cooperative Network will continue to advocate for funding mechanisms such as the Wisconsin Broadband Expansion Grant Program and 2019 Wisconsin Act 128 to aid in constructing broadband facilities throughout telecommunications cooperatives’ service areas. (R/25)

### **TE 3.06 Workforce Development**

Workforce development and the need for skilled employees continues to be a high priority for Cooperative Network’s telecommunications members. Cooperative Network supports the advancement of workforce development initiatives such as apprenticeship programs and youth apprenticeship programs to assist members in obtaining skilled and qualified employees. (R/25)

### **TE 3.07 Broadband Easements**

High-speed internet service is no longer a luxury, but an essential part of everyday life. The economic, educational and social disruption caused by the COVID-19 pandemic reinforced the urgency to expand rural access to high-speed internet service.

Cooperative Network supports policies that facilitate the deployment of infrastructure necessary for the delivery of rural high-speed internet service and encourages cooperation between rural electric cooperatives and existing telecommunications providers to optimize the delivery of high-speed internet service to unserved and underserved rural areas.

# Telecommunications Resolutions - Wisconsin

Many Rural Electric Cooperatives right-of-way easements never envisioned the need for telecommunications infrastructure like fiber which today is used to support high-speed internet services.

Cooperative Network supports legislation enabling Rural Electric Cooperatives use of their utility easements for installation of the infrastructure needed for the deployment of high-speed internet services. Broadband easement legislation should include the right and authority to apportion the easement to a third party. (R/27)



# Utilities & Related Services Resolutions

## (UT) Utilities and Related Services

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### **UT 1.01 Advanced Renewable Tariffs or Feed-in-Tariffs**

Cooperative Network opposes rules or legislation creating Advanced Renewable Tariffs (ARTs) or feed-in tariffs intended to provide a profit for investors, which is essentially paid by not-for-profit electric cooperative members. These tariffs require payment for specified renewable generation at the price needed to provide the investor a “reasonable” rate of return, which is higher than avoided cost and may be higher than retail rates. (R/27)

### **UT 1.02 State Regulation of Utility Cooperatives**

Cooperatives are governed and controlled directly by the members they serve. Cooperative Network believes that additional regulation of telecommunications, electric generation, transmission, and distribution cooperatives by state and/or federal regulatory bodies should only be considered after an affirmative vote of the cooperative members. (R/25)

### **UT 1.03 Service Territory Protection**

Cooperative Network reaffirms the right and responsibility of all electric cooperative systems to serve those areas in which they initiated or were assigned service and continue to provide service or maintain facilities. We strongly oppose the imposition of conditions or restrictions which disadvantage the cooperatives in extending or continuing service as compared to other electric utilities, subject to state laws preventing duplication of electric facilities.

Acquisition of electric cooperative service territory by other entities reduces the vitality of the cooperative and its ability to meet loan obligations and maintain reasonable rates for remaining consumers. The State Public Service or Utilities Commission should be the governing body on territory disputes. Entities taking cooperative utility assets must have consent of the cooperative utility and provide equitable compensation, paid to all affected cooperatives reflective of the economic loss suffered over future years and for all facilities constructed to serve present and future customers in the affected area. (R/26)

### **UT 1.04 Nuclear Power**

Cooperative Network encourages Minnesota policymakers to rescind the moratorium on the building of nuclear plants so that nuclear energy can be considered a viable option for baseload electric energy, providing diversity in the energy supply.

Cooperative Network supports research and development of new nuclear technologies. We support removing the barriers prohibiting the reprocessing of commercial spent nuclear fuel in order to safely and efficiently utilize the remaining available energy and reduce storage volume. Cooperative Network urges the federal government to properly fund and license the Yucca Mountain or other national repository for high level waste to meet the promise of the federal government dealing with this problem. In the short term, we support public or private centralized interim storage to allow shutdown plants to complete the decommissioning process. (R/27)

# Utilities & Related Services Resolutions

## **UT 1.05 Transmission**

Cooperative Network is committed to maintaining reliable and reasonably priced electric service to our member cooperatives and the ultimate consumer. Because of this commitment, we support improvements, expansion, and interconnectedness of the electrical transmission grid in the Midwest.

Cooperative Network will continue to encourage the wise use of energy, while recognizing that conservation initiatives alone cannot adequately solve our supply problem especially with increasing demand for electricity and expanded use of renewable sources of energy.

Electric cooperatives own and operate thousands of miles of transmission and distribution lines. In many cases, cooperatives have provided these lines and service to rural residents for over 75 years. Cooperative Network supports a state policy to recognize that incumbent transmission providers should maintain the “Right of First Refusal,” or ROFR, giving the incumbent provider the first right to own and/or construct new transmission facilities within its service territory before others may initiate such projects.

Cooperative Network resolves to work with legislators, regulators, and the general public toward achieving the most responsible outcome that will result in an electric supply system that meets the demand for reliable and affordable electric power. (R/25)

## **UT 1.06 Energy Resources**

Cooperative Network members support using diverse sources of energy for electricity production, such as biogas, wind, solar, biomass, hydro, geothermal and other technologies, in addition to traditional resources such as coal, natural gas and nuclear.

Cooperative Network strongly supports an electric system that is reliable and cost-efficient. The boards of electric cooperatives are in the best position to make decisions regarding the best resource mix to serve their member-owners. (R/25)

## **UT 1.07 Third Party Ownership**

Third Party Ownership (TPO) refers to a business arrangement where renewable energy generating equipment and technology is financed, owned, or leased and maintained by an entity that uses it to produce energy that is then sold directly to the end use consumer.

Legislative proposals have been considered to legalize the ability for a TPO entity to sell energy directly to the public without appropriate regulatory oversight.

Cooperative Network opposes third party ownership.

Cooperative Network supports defined service territories as the most cost-effective approach to ensuring affordable, reliable electric service that protects consumer interests.

Third party owners have no responsibility to serve. They are not accountable to the states appointed regulatory body. They have no responsibility to pay for or maintain the infrastructure necessary for them to operate. Cooperative Network opposes giving third party owners the authority to target loads within existing utility service. (R/27)

# Utilities & Related Services Resolutions

## **UT 1.08 Environmental Protection Agency Regulation of Greenhouse Gases, CO2**

Cooperative Network supports responsible carbon dioxide regulation that: does not single out one, but includes all sectors of the economy (i.e., power generation, manufacturing, transportation, agriculture); can be implemented at power plants as well as at other sources; protects the reliability of the energy supply to cooperative-members and businesses; minimizes undue economic impact for cooperative-members; maximizes the value of legacy plant investments; and provides electric cooperatives with more long-term regulatory clarity and certainty. An approach that focuses on flexibility to pursue a diverse resource mix for power generation will allow cooperatives to respond to local and regional factors and member preferences while ensuring safe, affordable, and reliable power.

All electric cooperatives serving Minnesota and Wisconsin are aggressively but practically reducing greenhouse gas emissions from power supply, and are actively promoting beneficial electrification of other components of the economy where doing so satisfies at least one of these conditions without adversely affecting the other two: benefits the environment and reduces greenhouse gas emissions; keeps electric energy supply reliable and affordable; fosters a more robust and resilient electric grid. (R/27)

# Utilities & Related Services Resolutions – Minnesota

## UT Minnesota

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### **UT 2.01 Right of Eminent Domain**

Cooperative Network believes the right of eminent domain for public purposes is necessary for electrical systems, telecommunications, and fuel distribution-systems. (R/26)

### **UT 2.02 Taxation of Electric Cooperatives**

Cooperative Network opposes legislation that would result in a shift or addition of taxes from investor-owned utilities to electric cooperative or municipal utility customers. (R/27)

### **UT 2.03 Renewable Energy Certificates**

Cooperative Network supports maintaining the current standard to ensure flexibility and cost competitiveness. (R/27)

### **UT 2.04 Coal Generation**

Cooperative Network supports rescinding the Minnesota state moratorium on new coal-fired electricity generation. (R/25)

# Utilities & Related Services Resolutions – Wisconsin

## UT Wisconsin

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### **UT 3.01 Nuclear Fuel Reprocessing and High Level Nuclear Waste Disposal**

The federal government's failure to formulate and implement specific programs for the processing of spent nuclear fuels and for the permanent storage of nuclear wastes is inconsistent with policies in place when rural electric cooperative nuclear generating facilities were built. This policy change has burdened utilities with substantial unexpected costs of prolonged storage of high-level radioactive waste and spent nuclear fuel.

Cooperative Network urges the Department of Energy, Congress, and the President to work diligently to fulfill their obligation to open a federal repository in a timely fashion and to work on creating a reprocessing option, as well. Until a permanent storage facility or reprocessing option is available, our federal elected officials should work with utilities to develop alternatives, including public or private centralized interim storage for spent nuclear fuel and associated independent spent fuel storage installation (ISFSI)—giving special consideration to those nuclear facilities that are shut down, particularly nuclear power demonstration facilities such as Dairyland Power Cooperative's La Crosse Boiling Water Reactor (LACBWR).

Until a solution is found, and spent fuel removed, Cooperative Network supports the federal government keeping its contractual obligation to provide funding to ratepayers to cover expenses of current storage of spent fuel. (R/26)

### **UT 3.02 Electric Restructuring and Retail Competition**

Dependable, affordable, and safe electricity is the very lifeblood of our economy, affecting all segments of society and the competitive viability of our region.

Cooperative Network is concerned by efforts on both the state and national levels to restructure the electric utility industry without providing adequate infrastructure or appropriate safeguards for all consumers. In particular, we are concerned about radical deregulation with open retail competition. Without safeguards, these changes to our electric system may result in degradation of system reliability, and negatively affect long-range planning and the ability to provide reliable service to remaining ratepayers at a reasonable cost. Such efforts, whether on a state or national level, threaten to damage individual consumers and our entire state economy.

Given the importance of this issue, Cooperative Network supports essential provisions in any legislation relating to industry restructuring to insure that consumers are protected, and that our electric system is not placed at risk, endangering not only our economy, but public health, safety and welfare. The essential provisions we support are:

- All consumers must be treated equally.
- When stranded costs are to be recovered, they should be recovered in a competitively neutral manner, without placing an undue burden on residential and small business customers.
- All energy providers—not just utilities—must be subject to the same standards as utilities.
- All consumers must have universal access to affordable electric service. Reliability and safety must not be jeopardized.
- Exclusive distribution service areas must be maintained to avoid duplication of electrical facilities.

# Utilities & Related Services Resolutions – Wisconsin

- There must be a transition and educational period before full consumer choice is implemented.
- Restructuring should not operate to divest retail end use consumers of rural electric cooperatives of their ownership interest in and control of their distribution, generation, and transmission cooperatives either by restricting the rights of distribution cooperatives to provide services to their retail end use consumers, or otherwise. (R/25)

## **UT 3.03 Energy-Related Research**

America's energy future and economic health are dependent upon the federal government's consistent and aggressive involvement in energy-related research and development, and upon its ability and willingness to maintain continuity in its research efforts.

Rural electric cooperatives carry their fair share of the research burden. They have been participating in major research and development efforts through their voluntary contributions to the Electric Power Research Institute (EPRI) and the NRECA Business and Technology Strategies. (R/27)

## **UT 3.04 Electric Heating**

In many rural areas electric heat systems offer comfort, safety, low cost, efficiency, renewable sources, and versatility. In addition, advances in technology allow electric heat systems to utilize geothermal or air-source heat pumps, radiant heating panels, thermal storage, and other means of heating.

Cooperative Network believes homeowners should be allowed to choose their heating system rather than have it dictated by a governing body or a code advisory committee such as the International Energy Conservation Code (IECC) Council.

Cooperative Network supports administrative rule-making changes, which will provide fair treatment of all fuel sources and encourage fuel diversity and conservation. We urge state regulators to accurately credit electric heat systems when determining code compliance.

Cooperative Network opposes any legislative or regulatory restrictions on the use of electric heating systems. (R/25)

## **UT 3.05 Electrician Licensing/Farm Wiring Inspections**

Wisconsin farmers and rural residents deserve the highest quality professional electric services; therefore, Cooperative Network supports the continuation of a statewide program of electrical inspection for residential, farm, commercial, and industrial properties. We also support the requirement that all electricians and electrical contractors be licensed by the state.

Cooperative Network urges state legislators to authorize adequate staffing and sufficient funding for state wiring inspections and electrician licensing programs. (R/26)

