

1 H.515

2 Introduced by Committee on Agriculture and Forest Products

3 Date:

4 Subject: Agriculture; commerce and trade; dairy operations; livestock

5 slaughter; weights and measures; dairy distributor's license; mosquito

6 control

7 Statement of purpose of bill as introduced: This bill amends multiple sections
8 of law administered by the Agency of Agriculture, Food and Markets. The bill
9 would define what constitutes an itinerant slaughterer. The bill would provide
10 the Agency of Agriculture, Food and Markets with authority to use revenues
11 from the sale of the mobile poultry unit to provide matching grants to promote
12 poultry slaughter and poultry processing capacity in the State. In addition, the
13 bill would codify the prohibition on the use of temperature compensation in the
14 delivery of liquid fuels, except liquefied petroleum gas. The bill amends the
15 definition of "milk" and "fluid dairy products," and reinstates the statutory
16 provision regarding dairy distributor's licenses. The bill also amends the
17 mosquito control grant program to authorize the Secretary of Agriculture, Food
18 and Markets to award grants for the costs associated with required larval
19 survey activities within a mosquito control district.

20 An act relating to miscellaneous agricultural subjects

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 ~~*** Livestock and Poultry Products ***~~

3 Sec. 1. 6 V.S.A. § 3302 is amended to read:

4 § 3302. DEFINITIONS

5 As used in this chapter, except as otherwise specified, the following terms
6 shall have the meanings stated below:

7 * * *

8 (10) "Custom slaughterhouse" means a person who maintains a
9 slaughtering establishment under this chapter for the purposes of slaughtering
10 livestock or poultry for another person's exclusive use by him or her and
11 members of his or her household and his or her nonpaying guests and
12 employees ~~and who is not engaged in the business of buying or selling~~
13 ~~carcasses, parts of carcasses, meat or meat food products or any cattle, sheep,~~
14 ~~swine, goats, domestic rabbits, equines, or poultry, capable of use as human~~
15 ~~food.~~

16 * * *

17 (43) "Itinerant livestock slaughterer" means a person, who for
18 compensation or gain, slaughters livestock:

19 (A) at an individual's own home or an individual's farm where the
20 livestock was raised for the individual's exclusive use by him or her and

1 ~~members of his or her household and his or her nonpaying guests and~~

2 employees; or

3 (B) owned by a person who has entered into a contract with a person
4 to raise the livestock on the farm where it is intended to be slaughtered only if
5 the activity is performed in accordance with federal requirements for custom
6 slaughter found in 9 C.F.R. § 303.1(a)(2).

7 (44) "Itinerant poultry slaughterer" means a person, who for
8 compensation or gain, slaughters poultry:

9 (A) at a person's home or farm in accordance with subsection
10 3312(b) of this title; or

11 (B) at a facility approved by the Secretary for the slaughtering of
12 poultry.

13 Sec. 2. 6 V.S.A. § 3305 is amended to read:

14 § 3305. ADDITIONAL POWERS OF THE SECRETARY

15 In order to accomplish the objectives stated in section 3303 of this title, the
16 ~~secretary~~ Secretary may:

17 * * *

18 (18) sell or lease a mobile slaughtering unit, and may retain any
19 proceeds therefrom in a ~~revolving~~ fund designated for the purpose of
20 purchasing additional mobile slaughtering units ~~by the agency~~ or providing

1 ~~matching grants for capital investments to increase poultry slaughter or poultry~~
2 ~~processing capacity.~~

3 Sec. 3. 6 V.S.A. § 3306 is amended to read:

4 § 3306. LICENSING

5 (a) No person ~~may~~ shall engage in intrastate commerce in the business of
6 buying, selling, preparing, processing, packing, storing, transporting, or
7 otherwise handling meat, meat food products, or poultry products, unless that
8 person holds a valid license issued under this chapter. Categories of licensure
9 shall include: commercial slaughterers, custom slaughterers, commercial
10 processors, custom processors, wholesale distributors, retail vendors, meat and
11 poultry product brokers, renderers, public ~~warehousemen~~ warehouse operators,
12 animal food manufacturers, handlers of dead, dying, disabled, or diseased
13 animals, and any other category which the ~~secretary~~ Secretary may by rule
14 establish.

15 (b) The owner or operator of each plant or establishment of the kind
16 specified in subsection (a) of this section shall apply in writing to the ~~secretary~~
17 Secretary on a form prescribed by him or her for a license to operate the plant
18 or establishment. In case of change of ownership or change of location, a new
19 application shall be made. Any person engaged in more than one licensed
20 activity shall obtain separate licenses for each activity.

1 ~~(c) The head of service shall investigate all circumstances in connection~~
2 with the application for license to determine whether the applicable
3 requirements of this chapter and rules made under it have been complied with.
4 The ~~secretary~~ Secretary shall grant, condition, or refuse the license upon the
5 basis of all information available to him or her including all facts disclosed by
6 investigation. Each license shall bear an identifying number.

7 (d) The annual fee for a license for a retail vendor is \$15.00 for vendors
8 without meat cutting operations, \$30.00 for vendors with meat cutting space of
9 less than 300 square feet or meat display space of less than 20 linear feet, and
10 \$60.00 for vendors with 300 or more square feet of meat cutting space and 20
11 or more linear feet of meat display space. Fees collected under this section
12 shall be deposited in a special fund managed pursuant to 32 V.S.A. chapter 7,
13 subchapter 5 of chapter 7 of Title 32, and shall be available to the agency
14 Agency to offset the cost of administering chapter 204 of this title. For all
15 other plants, establishments, and related businesses listed under subsection (a)
16 of this section, except for a public warehouse licensed under chapter 67 of this
17 title, the annual license fee shall be \$50.00.

18 * * *

19 (f) ~~Itinerant custom slaughterers, who slaughter solely at a person's home~~
20 ~~or farm and who do not own, operate or work at a slaughtering plant and~~
21 itinerant poultry slaughterers shall be exempt from the licensing provisions of

1 ~~this section when engaged in itinerant slaughtering. An itinerant custom~~
2 ~~slaughterer may slaughter livestock owned by an individual who has entered~~
3 ~~into a contract with a person to raise the livestock on the farm where it is~~
4 ~~intended to be slaughtered.~~

5 * * *

6 * * * Public Warehouses that Store Farm Products * * *

7 Sec. 4. 6 V.S.A. § 891 is amended to read:

8 § 891. LICENSE

9 Excepting frozen food locker plants, any person, as defined in 9A V.S.A.
10 §§ 1-201 and 7-102, who stores milk, cream, butter, cheese, eggs, dressed
11 meat, poultry and fruit for hire in quantities of 1,000 pounds or more of each
12 any commodity shall first be licensed by the ~~secretary of agriculture, food and~~
13 ~~markets~~ Secretary of Agriculture, Food and Markets. Each separate place of
14 business shall be licensed.

15 * * * Commerce and Trade; Weights and Measures * * *

16 Sec. 5. 9 V.S.A. § 2697 is amended to read:

17 § 2697. LIQUID FUELS

18 (a) Liquid fuels including motor fuels, furnace oils, stove oils, ~~liquified~~
19 liquefied petroleum gas, and other liquid fuels used for similar purposes shall
20 be sold by liquid measure or by net weight in accordance with the provisions
21 of section 2671 of this title. In the case of each delivery of liquid fuel not in

1 ~~package form, and in an amount greater than 10 gallons in the case of sale by~~
2 liquid measure or 99 pounds in the case of sale by weight, there shall be
3 rendered to the purchaser, either:
4 (1) at the time of delivery; or
5 (2) within a period mutually agreed upon in writing or otherwise
6 between the vendor and the purchaser, a delivery ticket or a written statement
7 on which, in ink, or other indelible substance, there shall be clearly and legibly
8 stated:
9 (A) the name and address of the vendor;
10 (B) the name and address of the purchaser;
11 (C) the identity of the type of fuel comprising the delivery;
12 (D) the unit price (that is, the price per gallon or per pound, as the
13 case may be) of the fuel delivered;
14 (E) in the case of sale by liquid measure, the liquid volume of the
15 delivery shall be determined by a meter with a register printing the meter
16 readings on a ticket, a copy of which shall be given to the purchaser, from
17 which such liquid volume shall be computed, expressed in terms of the gallon
18 and its binary or decimal subdivisions (the ticket shall not be inserted into the
19 register until immediately before delivery is begun, and in no case shall a ticket
20 be in the register when the vehicle is in motion); or the liquid volume may be
21 determined by a vehicle tank used as a measure when in full compliance with

1 ~~Handbook H-44 and calibrated by a weights and measures official. Sale by a~~
2 liquid measuring device as defined in Handbook H-44, and sale by a vapor
3 meter are excluded from this section. The volume of liquid fuels delivered on
4 consignment shall be computed and charged for only from the totalizers on the
5 devices dispensing the product;

6 (F) in the case of sale by weight, the net weight of the delivery,
7 together with any weighing scale readings from which that net weight has been
8 computed, expressed in terms of tons or pounds avoirdupois.

9 (b) The use of temperature compensation during delivery of all liquid fuels,
10 with the exception of the delivery of liquefied petroleum gas, is prohibited.
11 The Secretary shall enforce this prohibition in the same manner as other
12 violations of this chapter.

13 * * * Dairy Operations * * *

14 Sec. 6. 6 V.S.A. § 2672 is amended to read:

15 § 2672. DEFINITIONS

16 As used in this part, the following terms have the following meanings:

17 * * *

18 (7) "Milk₂"; unless preceded or succeeded by an explanatory term,
19 means the pure lacteal secretion of ~~a type of~~ dairy cattle. Milk from other
20 dairy livestock listed in this subdivision shall be preceded by the common
21 name for the type of livestock that produced the milk. Such milk may be

1 ~~standardized by the addition of pure, fresh skim milk or cream as defined by~~
2 regulation.

3 * * *

4 (10) "Fluid dairy products" are milk and fluid dairy products derived
5 from milk, including cultured products, as defined by regulations ~~made under~~
6 ~~this part~~ adopted by federal entities and published in the Code of Federal
7 Regulations.

8 * * *

9 Sec. 7. 6 V.S.A. § 2723a is added to read:

10 § 2723a. DISTRIBUTOR'S LICENSES

11 (a) It shall be unlawful for any person to distribute fluid dairy products
12 without a license issued by the Secretary. The Secretary shall license all
13 distributors at least annually and for a term of up to three years and shall issue
14 and renew such licenses on any calendar cycle. Application for the license and
15 renewal shall be made in the manner and form prescribed by the Secretary and
16 shall be accompanied by a license fee of \$15.00 per annum or any part thereof.

17 (b) No person shall be granted a license under this section unless the
18 distributor first agrees to withhold the state tax on producers whose milk has
19 been received by the distributor imposed under chapter 161 of this title.

20 (c) For purposes of this section, the term "distributor" has the same
21 meaning as set forth in section 2672 of this chapter, which includes the retail

1 ~~distribution or sale of milk, except the sale of milk to be consumed on the~~
2 ~~premises.~~

3 ~~(d) Any distributor who carries on a business without a license shall be~~
4 ~~subject to penalty under sections 2678 and 2679 of this title.~~

5 * * * Mosquito Abatement * * *

6 Sec. 8. 6 V.S.A. § 1085 is amended to read:

7 § 1085. MOSQUITO CONTROL GRANT PROGRAM

8 (a) A mosquito control district formed pursuant to ~~24 V.S.A.~~ chapter 121 ~~of~~
9 ~~Title 24~~ may apply, in a manner prescribed by the ~~secretary~~ Secretary, in
10 writing to the ~~secretary of agriculture, food and markets~~ Secretary of
11 Agriculture, Food and Markets, for a state assistance grant for mosquito
12 control activities.

13 (b) After submission of an application under subsection (a) of this section,
14 the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food
15 and Markets may award a grant of 75 percent or less of the project costs for the
16 purchase and application of larvicide and the costs associated with required
17 larval survey activities within a mosquito control district. The mosquito
18 control district may provide 25 percent of the project costs through in-kind
19 services, including adulticide application or the purchase of capital equipment
20 used for mosquito control activities.

21 * * *

1 ~~*** Effective Date ***~~

2 Sec. 9. EFFECTIVE DATE

3 ~~This act shall take effect on passage.~~

**** Livestock and Poultry Products ****

Sec. 1. 6 V.S.A. § 3302 is amended to read:

§ 3302. DEFINITIONS

As used in this chapter, except as otherwise specified, the following terms shall have the meanings stated below:

(10) “Custom slaughterhouse” means a person who maintains a slaughtering establishment under this chapter for the purposes of slaughtering livestock or poultry for another person’s exclusive use by him or her and members of his or her household and his or her nonpaying guests and employees and who is not engaged in the business of buying or selling carcasses, parts of carcasses, meat or meat food products or any cattle, sheep, swine, goats, domestic rabbits, equines, or poultry, capable of use as human food.

(43) “Itinerant livestock slaughter” means slaughter, in accordance with the requirements of subsection 3311a(e) of this title, of livestock owned by

a person for his or her exclusive use or for use by members of his or her household and his or her nonpaying guests and employees.

(44) "Itinerant poultry slaughter" means the slaughter of poultry:

(A) at a person's home or farm in accordance with subsection 3312(b) of this title; or

(B) at a facility approved by the Secretary for the slaughtering of poultry.

(45) "Itinerant slaughterer" means a person, who for compensation or gain, engages in itinerant livestock slaughter or itinerant poultry slaughter.

Sec. 2. 6 V.S.A. § 3305 is amended to read:

§ 3305. *ADDITIONAL POWERS OF THE SECRETARY*

~~secretary~~ Secretary may:

* * *

(18) sell or lease a mobile slaughtering unit, and may retain any proceeds therefrom in a revolving fund designated for the purpose of purchasing additional mobile slaughtering units ~~by the agency~~ or providing matching grants for capital investments to increase poultry slaughter or poultry processing capacity.

Sec. 3. 6 V.S.A. § 3306 is amended to read:

§ 3306. *LICENSING*

(a) No person ~~may~~ shall engage in intrastate commerce in the business of buying, selling, preparing, processing, packing, storing, transporting, or otherwise handling meat, meat food products, or poultry products, unless that person holds a valid license issued under this chapter. Categories of licensure shall include: commercial slaughterers, custom slaughterers, commercial processors, custom processors, wholesale distributors, retail vendors, meat and poultry product brokers, renderers, public ~~warehousemen~~ warehouse operators, animal food manufacturers, handlers of dead, dying, disabled, or diseased animals, and any other category which the ~~secretary~~ Secretary may by rule establish.

(b) The owner or operator of each plant or establishment of the kind specified in subsection (a) of this section shall apply in writing to the ~~secretary~~ Secretary on a form prescribed by him or her for a license to operate the plant or establishment. In case of change of ownership or change of location, a new application shall be made. Any person engaged in more than one licensed activity shall obtain separate licenses for each activity.

(c) The head of service shall investigate all circumstances in connection with the application for license to determine whether the applicable requirements of this chapter and rules made under it have been complied with. The ~~secretary~~ Secretary shall grant, condition, or refuse the license upon the

basis of all information available to him or her including all facts disclosed by investigation. Each license shall bear an identifying number.

(d) The annual fee for a license for a retail vendor is \$15.00 for vendors without meat cutting operations, \$30.00 for vendors with meat cutting space of less than 300 square feet or meat display space of less than 20 linear feet, and \$60.00 for vendors with 300 or more square feet of meat cutting space and 20 or more linear feet of meat display space. Fees collected under this section shall be deposited in a special fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5 of chapter 7 of Title 32, and shall be available to the ~~agency~~ Agency to offset the cost of administering chapter 204 of this title. For all other plants, establishments, and related businesses listed under subsection (a) of this section, except for a public warehouse licensed under chapter 67 of this title, the annual license fee shall be \$50.00.

* * *

~~(f) Itinerant custom slaughterers, who slaughter solely at a person's home or farm and who do not own, operate or work at a slaughtering plant shall be exempt from the licensing provisions of this section. An itinerant custom slaughterer may slaughter livestock owned by an individual who has entered into a contract with a person to raise the livestock on the farm where it is intended to be slaughtered. [Repealed.]~~

Sec. 4. 6 V.S.A. § 3311a is added to read:

§ 3311a. LIVESTOCK; INSPECTION; LICENSING; PERSONAL
SLAUGHTER; ITINERANT SLAUGHTER

(a) As used in this section:

(1) “Assist in the slaughter of livestock” means the act of slaughtering or butchering an animal and shall not mean the farmer’s provision of a site on the farm for slaughter, provision of implements for slaughter, or the service of disposal of the carcass or offal from slaughter.

(2) “Sanitary conditions” means a site on a farm that is:

(A) clean and free of contaminants; and

(B) located or designed in a way to prevent:

(i) the occurrence of water pollution; and

(ii) the adulteration of the livestock or the slaughtered meat.

(b) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter by an individual of livestock that the individual raised for the individual’s exclusive use or for the use of members of his or her household and his or her nonpaying guests and employees.

(c) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter of livestock that occurs in a manner that meets all of the following requirements:

(1) an individual purchases livestock from a farmer that raised the livestock;

(2) the individual who purchased the livestock performs the act of slaughtering the livestock;

(3) the act of slaughter occurs, after approval from the farmer who sold the livestock, on a site on the farm where the livestock was purchased;

(4) the slaughter is conducted under sanitary conditions;

(5) the farmer who sold the livestock to the individual does not assist in the slaughter of the livestock; and

(6) no more than the following number of livestock per year are slaughtered under this subsection:

(A) 10 swine;

(B) three cattle;

(C) 25 sheep or goats; or

(D) any combination of swine, cattle, sheep, or goats, provided that no more than 3,500 pounds of the live weight of livestock are slaughtered per year; and

(7) the farmer who sold the livestock to the individual maintains a record of each slaughter conducted under this subsection and reports to the Secretary on or before the 15th day of each month regarding all slaughter activity conducted under this subsection in the previous month.

(d) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to an itinerant slaughterer engaged in the act of itinerant livestock slaughter or itinerant poultry slaughter.

(e) An itinerant slaughterer may slaughter livestock owned by a person on the farm where the livestock was raised under the following conditions:

(1) the meat from the slaughter of the livestock is distributed only as whole or half carcasses to the person who owned the animal for his or her personal use or for use by members of his or her household or nonpaying guests; and

(2) the slaughter is conducted under sanitary conditions.

(f) A carcass or offal from slaughter conducted under this section shall be disposed of according to the requirements under the accepted agricultural practices for the management of agricultural waste.

** * * Public Warehouses that Store Farm Products * * **

Sec. 5. 6 V.S.A. § 891 is amended to read:

§ 891. LICENSE

Excepting frozen food locker plants, any person, as defined in 9A V.S.A. §§ 1-201 and 7-102, who stores milk, cream, butter, cheese, eggs, ~~dressed~~ meat, poultry and fruit for hire in quantities of 1,000 pounds or more of ~~each~~ any commodity shall first be licensed by the ~~secretary of agriculture, food and~~

~~markets~~ Secretary of Agriculture, Food and Markets. Each separate place of business shall be licensed.

**** Commerce and Trade; Weights and Measures ****

Sec. 6. 9 V.S.A. § 2697 is amended to read:

§ 2697. LIQUID FUELS

(a) Liquid fuels including motor fuels, furnace oils, stove oils, ~~liquified~~ liquefied petroleum gas, and other liquid fuels used for similar purposes shall be sold by liquid measure or by net weight in accordance with the provisions of section 2671 of this title. In the case of each delivery of liquid fuel not in package form, and in an amount greater than 10 gallons in the case of sale by liquid measure or 99 pounds in the case of sale by weight, there shall be rendered to the purchaser, either:

(1) at the time of delivery; or

(2) within a period mutually agreed upon in writing or otherwise between the vendor and the purchaser, a delivery ticket or a written statement on which, in ink, or other indelible substance, there shall be clearly and legibly stated:

(A) the name and address of the vendor;

(B) the name and address of the purchaser;

(C) the identity of the type of fuel comprising the delivery;

(D) the unit price (that is, the price per gallon or per pound, as the case may be) of the fuel delivered;

(E) in the case of sale by liquid measure, the liquid volume of the delivery shall be determined by a meter with a register printing the meter readings on a ticket, a copy of which shall be given to the purchaser, from which such liquid volume shall be computed, expressed in terms of the gallon and its binary or decimal subdivisions (the ticket shall not be inserted into the register until immediately before delivery is begun, and in no case shall a ticket be in the register when the vehicle is in motion); or the liquid volume may be determined by a vehicle tank used as a measure when in full compliance with Handbook H-44 and calibrated by a weights and measures official. Sale by a liquid measuring device as defined in Handbook H-44, and sale by a vapor meter are excluded from this section. The volume of liquid fuels delivered on consignment shall be computed and charged for only from the totalizers on the devices dispensing the product;

(F) in the case of sale by weight, the net weight of the delivery, together with any weighing scale readings from which that net weight has been computed, expressed in terms of tons or pounds avoirdupois.

(b) The use of temperature compensation during delivery of all liquid fuels, with the exception of the delivery of liquefied petroleum gas, is prohibited. The

Secretary shall enforce this prohibition in the same manner as other violations of this chapter.

** * * Dairy Operations * * **

Sec. 7. 6 V.S.A. § 2672 is amended to read:

§ 2672. DEFINITIONS

As used in this part, the following terms have the following meanings:

** * **

(7) “Milk,” unless preceded or succeeded by an explanatory term, means the pure lacteal secretion of ~~a type of~~ dairy cattle. Milk from other dairy livestock listed in this subdivision shall be preceded by the common name for the type of livestock that produced the milk. Such milk may be standardized by the addition of pure, fresh skim milk or cream as defined by regulation.

** * **

(10) “Fluid dairy products” are milk and fluid dairy products derived from milk, including cultured products, as defined by regulations ~~made under this part~~ adopted by federal entities and published in the Code of Federal Regulations.

** * **

Sec. 8. 6 V.S.A. § 2723a is added to read:

§ 2723a. DISTRIBUTOR'S LICENSES

(a) It shall be unlawful for any person to distribute fluid dairy products without a license issued by the Secretary. The Secretary shall license all distributors at least annually and for a term of up to three years and shall issue and renew such licenses on any calendar cycle. Application for the license and renewal shall be made in the manner and form prescribed by the Secretary and shall be accompanied by a license fee of \$20.00 per annum or any part thereof.

(b) No person shall be granted a license under this section unless the distributor first agrees to withhold the state tax on producers whose milk has been received by the distributor imposed under chapter 161 of this title.

(c) As used in this section, the term "distributor" has the same meaning as set forth in section 2672 of this chapter, which includes the retail distribution or sale of milk, except the sale of milk to be consumed on the premises.

(d) Any distributor who carries on a business without a license shall be subject to penalty under sections 2678 and 2679 of this title.

** * * Mosquito Abatement * * **

Sec. 9. 6 V.S.A. § 1085 is amended to read:

§ 1085. MOSQUITO CONTROL GRANT PROGRAM

(a) A mosquito control district formed pursuant to 24 V.S.A. chapter 121 ~~of Title 24~~ may apply, in a manner prescribed by the ~~secretary~~ Secretary, in writing to the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets, for a state assistance grant for mosquito control activities.

(b) After submission of an application under subsection (a) of this section, the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets may award a grant of 75 percent or less of the project costs for the purchase and application of larvicide and the costs associated with required larval survey activities within a mosquito control district. The mosquito control district may provide 25 percent of the project costs through in-kind services, including adulticide application or the purchase of capital equipment used for mosquito control activities.

** * **

** * * Agricultural Water Quality;
Nutrient Management Planning * * **

Sec. 10. 6 V.S.A. § 4801 is amended to read:

§ 4801. PURPOSE; STATE POLICY

It is the purpose of this chapter to ensure that agricultural animal wastes do not enter the waters of this ~~state~~ State. Therefore, it is state policy that:

(1) All farms meet certain standards in the handling and disposal of animal wastes, as provided by this chapter and the cost of meeting these standards shall not be borne by farmers only, but rather by all members of society, who are in fact the beneficiaries. Accordingly, state and federal funds shall be made available to farms, regardless of size, to defray the major cost of complying with the ~~animal-waste~~ requirements of this chapter. State and federal conservation programs to assist farmers should be directed to those farms that need to improve their infrastructure to prohibit direct discharges or bring existing water pollution control structures into compliance with United States Department of Agriculture (U.S.D.A.) Natural Resources Conservation Service standards. Additional resources should be directed to education and technical assistance for farmers to improve the management of agricultural wastes and protect water quality.

(2) *Officials who administer the provisions of this chapter:*

(A) *shall educate farmers and other affected citizens on requirements of this chapter through an outreach collaboration with farm associations and other community groups; ~~and~~*

(B) *shall, in the process of rendering official decisions, afford farmers and other affected citizens an opportunity to be heard and give consideration to all interests expressed; and*

(C) *may provide grants from a program established under this chapter to eligible Vermont municipalities, local or regional governmental agencies, nonprofit organizations, and citizen groups in order to provide direct financial assistance to farms in implementing conservation practices.*

Sec. 11. 6 V.S.A. § 4827 is amended to read:

§ 4827. NUTRIENT MANAGEMENT PLANNING; INCENTIVE GRANTS

(a) A farm developing or implementing a nutrient management plan under chapter 215 of this title or federal regulations may apply to the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets for financial assistance. The financial assistance shall be in the form of incentive grants. Annually, after consultation with the Natural Resources Conservation Service of the U.S. Department of Agriculture, natural resources conservation districts, the University of Vermont extension service and others, the ~~secretary~~ Secretary shall determine the average cost of developing and implementing a

nutrient management plan in Vermont. The dollar amount of an incentive grant awarded under this section shall be equal to the average cost of developing a nutrient management plan as determined by the ~~secretary~~ Secretary or the cost of complying with the nutrient management planning requirements of chapter 215 of this title or federal regulations, whichever is less.

(b) Application for a state assistance grant shall be made in a manner prescribed by the ~~secretary~~ Secretary and shall include, at a minimum:

(1) an estimated cost of developing and implementing a nutrient management plan for the applicant;

(2) the amount of incentive grant requested; and

(3) a schedule for development and implementation of the nutrient management plan.

(c) The ~~secretary~~ Secretary annually shall prepare a list of farms ranked, regardless of size, in priority order that have applied for an incentive grant under this section. The priority list shall be established according to factors that the ~~secretary~~ Secretary determines are relevant to protect the quality of waters of the ~~state~~ State, including:

(1) the proximity of a farm to a water listed as impaired for agricultural runoff, pathogens, phosphorus, or sediment by the ~~agency of natural resources~~ Agency of Natural Resources;

(2) *the proximity of a farm to an unimpaired water of the ~~state~~ State;*

(3) *the proximity of a drinking water well to land where a farm applies manure; and*

(4) *the risk of discharge to waters of the ~~state~~ State from the land application of manure by a farm.*

(d) *Assistance in accordance with this section shall be provided from state funds appropriated to the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets for integrated crop management.*

(e) *If the ~~secretary~~ Secretary lacks adequate funds necessary for the financial assistance required by subsection (a) of this section, the requirement to develop and implement a nutrient management plan under state statute or state regulation shall be suspended until adequate funding becomes available. Suspension of a state-required nutrient management plan does not relieve an owner or operator of a farm permitted under section 4858 of this title of the remaining requirements of a state permit, including discharge standards, groundwater protection, and land application of manure. This subsection does not apply to farms permitted under 10 V.S.A. § 1263 or farms permitted under section 4851 of this title.*

(f) *The ~~secretary~~ Secretary may contract with natural resources conservation districts, the University of Vermont extension service, and other persons and organizations to aid in the implementation of the incentive grants*

program under subsection (a) of this section and to assist farmers in the development and implementation of nutrient management plans.

(g) ~~Notwithstanding the requirements of subsection (c) of this section, the secretary may, as general funds are appropriated for this purpose, provide a one time incentive payment under this section to encourage farmers to inject manure on grass or crop land over one growing season.~~ [Repealed.]

Sec. 12. 6 V.S.A. § 4951 is amended to read:

§ 4951. FARM AGRONOMIC PRACTICES PROGRAM

(a) ~~The farm agronomic practices assistance program~~ Farm Agronomic Practices Assistance Program is created in the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets to provide the farms of Vermont with state financial assistance for the implementation of soil-based practices that improve soil quality and nutrient retention, increase crop production, minimize erosion potential, and reduce agricultural waste discharges. The following practices shall be eligible for assistance to farms under the grant program:

- (1) conservation crop rotation;*
- (2) cover cropping;*
- (3) strip cropping;*
- (4) cross-slope tillage;*
- (5) zone or no-tillage;*

(6) *pre-sidedress nitrate tests;*

(7) *annual maintenance of a nutrient management plan that is no longer receiving funding under a state or federal contract, provided the maximum assistance provided to a farmer under this subdivision shall be ~~\$1,000.00~~ \$2,000.00 per year;*

(8) *educational and instructional activities to inform the farmers and citizens of Vermont of:*

(A) *the impact on Vermont waters of agricultural waste discharges;*

(B) *the federal and state requirements for controlling agricultural waste discharges;*

(9) *implementing alternative manure application techniques; and*

(10) *additional soil erosion reduction practices.*

(b) *Funding available under section 4827 of this title for nutrient management planning may be used to fund practices under this section.*

**** Sunset; Livestock Slaughter Exemptions ****

Sec. 13. REPEAL; LIVESTOCK SLAUGHTER EXEMPTIONS

6 V.S.A. § 3311a (livestock slaughter inspection and license exemptions)
shall be repealed on July 1, 2016.

**** H-2A Payments ****

Sec. 13a. H-2A PAYMENTS

The Department of Taxes shall not enforce the provisions of 32 V.S.A. chapter 151, including any associated penalties or interest, for any person who received payments while working under an H-2A temporary agricultural visa for any return period prior to December 31, 2011. The Department of Taxes also shall not enforce the provisions of 32 V.S.A. chapter 151, subchapter 4, including any associated penalties or interest, for any person who fails to withhold taxes for payments made to an employee under an H-2A temporary agricultural visa for any return period prior to December 31, 2011. Any liability, interest, or penalty imposed for a return period specified in this section shall be refunded upon request, provided the person provides documentation of his or her claim to the satisfaction of the Commissioner of Taxes.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on passage.