BILL AS PASSED THE HOUSE AND SENATE 2014

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1	H.869			
2	Introduced by Committee on Agriculture and Forest Products			
3	Date:			
4	Subject: Agriculture; dairy operations; weights and measures			
5	Statement of purpose of bill as introduced: This bill proposes to make			
6	amendments to multiple agricultural subjects. The bill would repeal the apple			
7	marketing board. The bill also would require commercial pesticide applicators			
8	to carry at least \$1,000,000.00 in liability insurance. In addition, the bill			
9	amends the requirements for the licensing of and reporting by milk handlers in			
10	the State. The bill would require persons who sell dairy equipment to be			
11	registered with the State. The bill would amend the requirements for the			
12	calibration of bulk milk tanks. The bill also would repeal the exemptions from			
13	the weights and measures licensing fees.			
14	An act relating to miscellaneous agricultural subjects			
15	It is hereby enacted by the General Assembly of the State of Vermont:			
16	* * * Apple Marketing Board * * *			
17	Sec. 1. 6 V.S.A. §§ 252 and 253 are amended to read:			
18	§ 252. VERMONT APPLE MARKETING BOARD			
19	(a) The Vermont apple marketing board is hereby created. It shall consist			
20	of seven voting members. They shall be the secretary of agriculture, food and			

markets, who shall be the chair, and six producers who are appointed by the		
secretary. During the first year of the board's existence, the secretary shall		
appoint two members to three year terms, two members to two year terms and		
two members to one-year terms. Thereafter, each appointment shall be for a		
three year term. The secretary shall also appoint a representative of the		
extension service to serve as an ex officio member of the board.		
(b) Each appointed member of the board shall receive a per diem as		
established in 32 V.S.A. § 1010 and shall be entitled to his or her actual		
expenses incurred while attending meetings. The per diem expense shall be		
part of the costs incurred in subdivision 253(d)(4) of this title.		
(c) The duties and responsibilities of the board shall include:		
(1) the establishment of an appropriate marketing rule and such other		
rules as may be necessary;		
(2) adopting amendments to the marketing rule as deemed advisable;		
(3) the review and approval of the estimated budget prepared by the		
secretary required for the proper operation of the marketing rule;		
(4) adopting methods by which the secretary shall assess members of the		
industry and methods for collecting the necessary funds;		
(5) authorizing the secretary to collect and assemble information and		

data necessary for the proper administration of the rule;

1	(6) coordinating with the secretary in connection with the operation of		
2	the marketing rule; and		
3	(7) coordinating marketing efforts with other states, federal officials,		
4	and public or private entities. [Repealed.]		
5	§ 253. POWERS AND DUTIES OF THE VERMONT APPLE MARKETING		
6	BOARD		
7	(a) The board may make and issue marketing rules, after due notice and		
8	opportunity for hearing, subject to approval of not less than 51 percent of the		
9	eligible producers who participate in the referendum.		
10	(b) The board may, and upon written petition duly signed by 25 percent of		
11	the producers in the area, shall amend or terminate the marketing rule after due		
12	notice and opportunity for hearing, but subject to the approval of not less than		
13	51 percent of producers participating in a referendum vote.		
14	(c) Any marketing agreement or order issued by the board pursuant to this		
15	chapter may contain any or all of the following:		
16	(1) establishment of research programs designed to further the purposes		
17	of this chapter; any research program shall be coordinated with the University		
18	of Vermont and the state colleges to assure that duplicate state research		
19	projects are not conducted simultaneously;		
20	(2) provision for determining the handling and marketing conditions of		
21	apples;		

1	(3) provision for contracting with appropriate parties for promotion,
2	paid advertising, or publicity of apples; and
3	(4) establishment of a schedule of fees to be charged to producers that
4	are necessary to fund the marketing order, but no producer shall be assessed a
5	dollar amount which exceeds five percent of his or her gross sales of apples
6	during the current year. Any producer who claims that he or she has been
7	assessed a fee higher than a dollar amount which exceeds five percent of his or
8	her gross sales of apples during the current year shall provide the board with
9	all information that the board requests in order to evaluate the claim. The fee
10	requirements of this subdivision shall not apply to those growers who annually
11	produce or wholesale 500 bushels or fewer of apples.
12	(d) The board or the secretary may temporarily suspend the operations of
13	an effective marketing rule for a continuing period of not longer than one
14	growing and marketing season if the purposes of this chapter are deemed
15	unnecessary during that season. [Repealed.]
16	Sec. 2. UNEXPENDED FUNDS OF APPLE MARKETING BOARD
17	Notwithstanding the requirements of 6 V.S.A. § 256, any cash balance in
18	the Apple Marketing Board Special Fund shall be appropriated to the Secretary
19	of Agriculture, Food and Markets, who shall issue the funds to the Vermont
20	Tree Fruit Growers Association for the purposes of promoting and marketing
21	the State's fruit tree sector. Once the cash balance of the Apple Marketing

1	Board Special Fund is appropriated under this section, the Apple Marketing			
2	Board Special Fund shall be closed.			
3	* * * Mosquito Control * * *			
4	Sec. 3. 6 V.S.A. § 1085(b) is amended to read:			
5	(b) After submission of an application under subsection (a) of this section,			
6	the Secretary of Agriculture, Food and Markets may award a grant of 75			
7	percent or less of the project costs for the purchase and application of larvicide			
8	and the costs associated with required larval survey activities within a			
9	mosquito control district. The mosquito control district may provide 25			
10	percent of the project costs through in-kind services, including adulticide			
11	application or the purchase of capital equipment used for mosquito control			
12	activities. At the Secretary's discretion, costs associated with capital			
13	equipment that may be required for larval control programs within a mosquito			
14	control district also may be eligible for grant awards up to 75 percent of the			
15	total equipment costs.			
16	* * * Pesticide Applicators; Liability Insurance * * * *			
17	Sec. 4. 6 V.S.A. § 1106 is amended to read:			
18	§ 1106. FINANCIAL RESPONSIBILITY			
19	The secretary Secretary may require from a licensee or an applicant for a			
20	license under this chapter evidence of his or her financial ability to properly			

indemnify persons suffering damage from the use or application of economic

1	poison, in the form of a surety bond, liability insurance, or cash deposit, none			
2	of which shall exceed \$10,000.00 of at least \$1,000,000.00, but this section			
3	shall neither restrict nor enlarge the liability of any person under applicable			
4	laws.			
5	* * * Dairy Operations; Milk Handlers * * *			
6	Sec. 5. 6 V.S.A. § 2674 is amended to read:			
7	§ 2674. RECORDS AND REPORTS-HANDLERS			
8	(a) On or before March 1 of each year, all handlers shall send the secretary			
9	Secretary a full and accurate report of the amount of business done during the			
10	preceding year, together with such other statistical information as the secretary			
11	Secretary may require. Failure to file requested information shall be grounds			
12	for suspension of license. <u>If the handler purchases milk from a Vermont farm</u> ,			
13	a cooperative representing a Vermont farm, or a marketing service owned by a			
14	cooperative, the handler, in addition to any other information required by the			
15	Secretary, shall provide the following information:			
16	(1) the source or sources of milk purchased by the handler, and the			
17	monthly quantity purchased for each of the past 12 months;			
18	(2) a sworn balance sheet showing assets and liabilities and a profit and			
19	loss statement as of the end of the handler's preceding fiscal year, and such			
20	other information regarding its financial condition as the Secretary may			

require; and

1	(3) a statement as to when all Vermont producers will be paid in part			
2	and in full, provided that payment shall be made as agreed upon but not later			
3	than the 25th day of the following month.			
4	(b) A milk handler that is licensed under this chapter and that withdraws			
5	more than 57,600 gallons of groundwater per day averaged over any			
6	30-consecutive-day period shall annually report estimated water use to the			
7	secretary of agriculture, food and markets Secretary of Agriculture, Food and			
8	Markets. The secretary of agriculture, food and markets Secretary of			
9	Agriculture, Food and Markets shall share information reported under this			
10	section with the agency of natural resources Agency of Natural Resources.			
11	Sec. 6. 6 V.S.A. § 2722 is amended to read:			
12	§ 2722. APPLICATION			
13	Applications shall be completely filled out and sworn to by the applicant or			
14	a partner or officer thereof and in case of renewal shall be filed with the			
15	secretary by June 1 Secretary on or before July 15 of each year. New handlers			
16	may apply for a license at any time. Renewal applications not received by			
17	July 1 on or before August 1 shall be assessed a late fee of \$50.00. The			
18	application for a handler's license shall provide the following information and			
19	such other information as the secretary Secretary by regulation shall			
20	reasonably require:			

1	(1) Name and address of applicant and the location of all plants and			
2	facilities owned or operated or to be owned or operated within the state State			
3	of Vermont, outside the state State of Vermont, or both.			
4	(2) A statement as to whether the applicant, or any partner, officer or			
5	director thereof, is presently the subject of any criminal, civil, or disciplinary			
6	action by any federal or state agency, or has been convicted of a crime relating			
7	in any way to the business of milk processing, marketing, or both.			
8	(3) In the case of a new application, the applicant shall provide the			
9	following information:			
10	(A) The <u>anticipated</u> sources of supply of milk and the daily quantity			
11	purchased in the past for the next 12 months; in the case of a new application,			
12	in addition to the foregoing, the applicant shall set forth its.			
13	(B) The anticipated supply of milk and the daily quantity to be			
14	purchased from such sources. If a handler buys milk, or represents that he or			
15	she intends to buy milk, from Vermont producers, he or she shall provide a			
16	sworn balance sheet showing assets and liabilities and a profit and loss			
17	statement as of the end of the handler's preceding fiscal year and such other			

information regarding its financial condition as the secretary Secretary may

Secretary, the financial statements shall be accompanied by an opinion of a

require. In the case of a new application, these Upon the request of the

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certified public accountant.

(4)(C) In case milk has been purchased from Vermont producers, or
the applicant represents that he or she intends to purchase milk from Vermont
producers, the value of milk purchased for each of the preceding 12 months, or
the The value of the milk he or she intends to purchase for each of the
succeeding 12 months from Vermont producers. In case purchases from
Vermont milk producers during the license period vary in any one month by
more than 20 percent from the amount stated on the application for the same
month of the prior year or from the amount predicted for that month in the
current year, as the case may be, the handler shall immediately notify the
secretary Secretary in writing of the amount of variation.
(5)(D) A statement as to when all Vermont producers will be paid in
part and in full. Payment shall be made as agreed upon but shall not be later
than the 25th of the following month.
(6)(E) In the case of a new application, the applicant shall provide such
The results of health tests certified by an appropriate public agency as the
secretary Secretary shall by regulation require. The secretary Secretary may
issue regulations establishing what tests must shall be administered and by
whom they must shall be certified.
(7)(F) A statement that the handler will pay to the secretary Secretary al
milk taxes required by law.

1	(8)(G) A statement that the handler will comply with all the provisions		
2	of this part and the regulations promulgated adopted thereunder.		
3	Sec. 7. 6 V.S.A. § 2723 is amended to read:		
4	§ 2723. EXEMPTIONS		
5	Handlers' licenses shall not be required from the following persons:		
6	(1) Producers, except producers who sell fluid dairy products at retail in		
7	Vermont A producer who only sells raw milk to milk handlers licensed to buy		
8	raw milk from Vermont farms.		
9	(2) A hotel, restaurant, or other public eating place that sells dairy		
10	products for consumption on the premises, or a store which sells packaged		
11	dairy products, provided the entire supply of dairy products is purchased from		
12	licensed milk handlers.		
13	(3) A person producing unpasteurized milk under chapter 152 of this		
14	title, with respect to the sale of that unpasteurized milk only.		
15	(4) A person who holds a frozen dessert license that only utilizes		
16	pasteurized frozen dessert mix.		
17	* * * Dairy Operations; Equipment Seller Registration * * *		
18	Sec. 8. 6 V.S.A. § 2724(b) is amended to read:		
19	(b) Any commercial enterprise which that sells, installs, or repairs milking,		
20	milk cooling and storage, or dairy processing equipment shall register with the		
21	secretary Secretary. The company shall apply for registration on a form made		

1	available by the agency Agency. The registration shall be valid for three years.			
2	Before registering a company, the secretary Secretary shall determine that the			
3	company is qualified to sell, perform the installation, or repair service milking			
4	and dairy processing equipment. The registration form shall be accompanied			
5	by a fee of \$100.00. The secretary Secretary may suspend or revoke			
6	registration for cause after giving the installer the opportunity to be heard.			
7	Registration shall terminate on December 31 of each year. Electricians or			
8	plumbers licensed pursuant to Title 26 doing only electrical or plumbing work			
9	within a farm or plant shall be exempt from this registration provided any work			
10	directly related to the processing of dairy products or milking of animals is			
11	performed under the supervision of a person that is registered. Any company			
12	that fails to renew by on or before December 31 shall pay a \$25.00 late fee,			
13	and the registration shall lapse if it is more than 30 days late.			
14	* * * Nutrient Management Planning * * *			
15	Sec. 9. 6 V.S.A. § 4827(e) is amended to read:			
16	(e) If the Secretary lacks or the applicable U.S. Department of Agriculture			
17	conservation programs lack adequate funds necessary for the financial			
18	assistance required by subsection (a) of this section, the requirement to develop			
19	and implement a nutrient management plan under State statute or State			
20	regulation shall be suspended until adequate funding becomes available.			

Suspension of a state required State-required nutrient management plan does

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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.
* * * Bulk Milk Tanks; Calibration * * *
Sec. 10. 9 V.S.A. § 2692(b) is amended to read:
(b) Whenever a check of a bulk milk tank by the Agency of Agriculture,
Food and Markets or by a competent person or agency indicates a tank
calibration is not accurate within official tolerances, the Secretary first handler
receiving milk from the producer shall recalibrate the tank, unless the
out-of-tolerance is caused by movement of the tank and the Secretary feels
there will be continued movement, then the recalibration shall not be
performed until a solid foundation has been constructed.
* * * Weights and Measures; Exemptions * * *
See 11. 9 V.S.A. § 2730 is amended to read:
§ 2730. LICENSING FOR OPERATION OF WEIGHING AND
MEASURING DEVICES

(b) No person shall operate a commercial weighing and measuring device
without first obtaining a license from the Secretary. Any person operating

1	commercial weighing and measuring devices at more than one location, or in-
2	more than one motor vehicle, shall obtain a separate license for each location
3	or vehicle.
4	(c) Any person wishing to obtain a license to operate a weighing or
5	measuring device shall annually apply to the Secretary, on forms provided by
6	the secretary Secretary, on or before January 1. Each application shall be
7	accompanied by a fee as specified in this section. Except for new applicants,
8	any applicant who applies for a license after January 1 shall pay an additional
9	late fee equal to 10 percent of the specified fee.
10	* * *
11	(f)(1) The Secretary shall charge, per unit, the following annual license
12	fees:
13	(A) Retail motor fuel dispenser meter: \$15.00.
14	(B) Vehicle tank meter: \$100.00.
15	(C) Scales: \$10.00.
16	(D) Vehicle and heavy duty scales: \$150.00.
17	(E) Taxi meter: \$10.00.
18	(F) Meter: \$15.00.
19	(G) Bulk plant meter: \$100.00.
20	(H) Truck mounted propane meter: \$150.00.
21	(I) Hopper scales: \$100.00.

1	(J) Propane fill station: \$50.00.
2	(K) Medium duty scales:
3	portable platform scales: \$30.00.
4	all others: \$30.00.
5	(2) When the Agency incurs expenses when conducting a licensing
6	procedure greater than those normally incurred, the Agency shall assess and
7	retain a service charge sufficient to recoup its additional expenses.
8	(g) License fee exemptions.
9	(1) Any person who operates a commercial scale in a facility having less
10	than 2,000 square feet of floor space shall be exempt from the license fee
11	provisions of subdivision (f)(1)(C) of this section.
12	(2) Any person who operates three or fewer motor fuel dispensers shall
13	be exempt from the license fee requirement of subdivision (f)(1)(A) of this
14	section.
15	(3) The exemptions in this subsection shall not apply to any person who
16	operates commercial weighing and measuring devices at more than one
17	location. The exemptions are also not applicable to a person who is affiliated
18	with another person operating commercial weighing and measuring devices,
19	through common ownership, franchise agreement, joint venture, or other
20	similar business arrangement. The Secretary shall not issue refunds for
21	overpayment of fees on scales and gas pumps that are subject to exemptions

1	under subdivisions (1) and (2) of this subsection, or for single scales under
2	subdivision (1)(1)(C) of this section, as long as the application form includes
3	instructions explaining the process for claiming these exemptions. [Repealed.]
4	(h) The Secretary may waive the license fee for medium duty scales for
5	commercial enterprises which that operate the scales primarily as a public
6	service.
7	* * *
	Sec. 11. REPEAL OF EXEMPTIONS FOR WEIGHTS AND MEASURES
	FEES
	9 V.S.A. § 2730(g) (license fee exemptions; commercial scale and motor
	fuel dispensers) shall be repealed on July 1, 2016.
8	* * * Effective Date * * *
9	Sec. 12. EFFECTIVE DATE
10	This act shall take effect on July 1, 2014.
	* * * Emergency Authority * * *
	Sec. 12. 6 V.S.A. § 21 is added to read:
	§ 21. AUTHORITY TO ADDRESS PUBLIC HEALTH HAZARDS AND
	FOOD SAFETY ISSUES
	(a) As used in this section:
	(1) "Adulterated" shall have the same meaning as in 18 V.S.A. § 4059
	and shall include adulteration under rules adopted under 18 V.S.A. chapter 82.

- (2) "Emergency" means any natural disaster, weather-related incident, health- or disease-related incident, resource shortage, plant pest outbreak, accident, or fire that poses a threat or may pose a threat, as determined by the Secretary, to health, safety, the environment, or property in Vermont.
 - (3) "Farm" means a site or parcel on which farming is conducted.
 - (4) "Farming" shall have the same meaning as in 10 V.S.A. § 6001(22).
- (5) "Public health hazard" means the potential harm to the public health by virtue of any condition or any biological, chemical, or physical agent. In determining whether a health hazard is public or private, the Secretary shall consider at least the following factors:
 - (A) the number of persons at risk;
 - (B) the characteristics of the person or persons at risk;
- (C) the characteristics of the condition or agent that is the source of potential harm;
 - (D) the availability of private remedies;
- (E) the geographical area and characteristics thereof where the condition or agent that is the source of the potential harm or the receptors exists; and
- (F) the policy of the Agency of Agriculture, Food and Markets as established by rule or procedure.

- (6) "Raw agricultural commodity" means any food in its raw or natural state, including all fruits or vegetables that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing.
 - (7) "Secretary" means the Secretary of Agriculture, Food and Markets.(b) The Secretary shall have the authority to:
- (1) respond to and remediate incidences of mass animal death, agricultural structure fires, or other emergencies on a farm in order to prevent a public health hazard;
- (2) condemn, confiscate, or establish restrictions on the use, sale, or distribution of adulterated raw agricultural commodities or animal feed; and
- (3) cooperate with the Department of Health and other State and federal agencies regarding:
- (A) the prevention or remediation of the adulteration of raw agricultural commodities, food, or animal feed on farms; and
- (B) application of the FDA Food Safety Modernization Act, 21 U.S.C. §§ 2201–2252, to farms, farm products, or value-added products produced in the State.
 - * * * Testing of Captive Deer * * *
- Sec. 13. 6 V.S.A. § 1165 is amended to read:
- *§ 1165. TESTING OF CAPTIVE DEER*
 - (a) Definitions. As used in this section:

- (1) "Captive deer operation" means a place where deer are privately or publicly maintained or held for economic or other purposes within a perimeter fence or confined space.
- (2) "Chronic wasting disease" or "CWD" means a transmissible spongiform encephalopathy.
- (b) Testing. A person operating a captive deer operation under the jurisdiction of the Secretary of Agriculture, Food and Markets shall inform the Secretary when a captive deer in his or her control dies or is sent to slaughter.

 The person operating the captive deer operation shall make the carcass of a deceased or slaughtered animal available to the Secretary for testing for CWD.
- (c) Cost. The cost of CWD testing required under this section shall be paid by the Secretary, and shall not be assessed to the person operating the captive deer operation from which a tested captive deer originated.
 - * * * Agricultural Water Quality* * *
- Sec. 14. 6 V.S.A. § 4812 is amended to read:
- § 4812. CORRECTIVE ACTIONS
- (a) When the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets determines that a person engaged in farming is managing a farm using practices which are inconsistent with the practices defined by requirements of this chapter or rules adopted under this subchapter,

the secretary Secretary may issue a written warning which shall be served in person or by certified mail, return receipt requested. The warning shall include a brief description of the alleged violation, identification of this statute and applicable rules, a recommendation for corrective actions that may be taken by the person, along with a summary of federal and state State assistance programs which may be utilized by the person to remedy the violation and a request for an abatement schedule from the person according to which the practice shall be altered. The person shall have 30 days to respond to the written warning and shall provide an abatement schedule for curing the violation and a description of the corrective action to be taken to cure the violation. If the person fails to respond to the written warning within this period or to take corrective action to change the practices in order to protect water quality, the secretary Secretary may act pursuant to subsection (b) of this section in order to protect water quality.

- (b) After an opportunity for a hearing, the secretary The Secretary may:
- (1) issue cease and desist orders and administrative penalties in accordance with the requirements of sections 15, 16, and 17 of this title; and
- (2) institute appropriate proceedings on behalf of the agency Agency to enforce this subchapter.
- (c) Whenever the secretary Secretary believes that any person engaged in farming is in violation of this subchapter or rules adopted thereunder, an

action may be brought in the name of the agency Agency in a court of competent jurisdiction to restrain by temporary or permanent injunction the continuation or repetition of the violation. The court may issue temporary or permanent injunctions, and other relief as may be necessary and appropriate to curtail any violations.

- (d) The secretary may assess administrative penalties in accordance with sections 15, 16, and 17 of this title against any farmer who violates a cease and desist order or other order issued under subsection (b) of this section.

 [Repealed.]
- (e) Any person subject to an enforcement order or an administrative penalty who is aggrieved by the final decision of the secretary Secretary may appeal to the superior court Superior Court within 30 days of the decision. The administrative judge may specially assign an environmental Environmental judge to superior court Superior Court for the purpose of hearing an appeal.

Sec. 15. 6 *V.S.A.* § 4816 is added to read:

§ 4816. SEASONAL APPLICATION OF MANURE

(a) Prohibition on application. A person shall not apply manure to land in the State between December 15 and April 1 of any calendar year unless authorized by this section.

- (b) Extension of prohibition. The Secretary of Agriculture, Food and Markets shall amend the accepted agricultural practices by rule in order to establish a process under which the Secretary may prohibit the application of manure to land in the State between December 1 and December 15 and between April 1 and April 30 of any calendar year when the Secretary determines that due to weather conditions, soil conditions, or other limitations, application of manure to land would pose a significant potential of discharge or runoff to State waters.
- shall amend the accepted agricultural practices by rule in order to establish a process under which the Secretary may authorize an exemption to the prohibition on the application of manure to land in the State between December 15 and April 1 of any calendar year or during any period established under subsection (b) of this section when manure is prohibited from application. Any process established for the issuance of an exemption under the accepted agricultural practices may authorize land application of manure on a weekly, monthly, or seasonal basis or in authorized regions, areas, or fields in the State, provided that any exemption shall:
 - (1) prohibit application of manure:
- (A) in areas with established channels of concentrated stormwater runoff to surface waters, including ditches and ravines;

- (B) in nonharvested permanent vegetative buffers;
- (C) in a nonfarmed wetland, as that term is defined in 10 V.S.A. § 902(5);
- (D) within 50 feet of a potable water supply, as that term is defined in 10 V.S.A. § 1972(6);
 - (E) to fields exceeding tolerable soil loss; and
 - (F) to saturated soils;
- (2) establish requirements for the application of manure when frozen or snow-covered soils prevent effective incorporation at the time of application;
- (3) require manure to be applied according to a nutrient management plan; and
- (4) establish the maximum tons of manure that may be applied per acre during any one application.
- Sec. 16. SMALL FARM AGRICULTURAL WATER QUALITY TRAINING

 On or before January 15, 2015, the Secretary of Agriculture, Food and

 Markets shall submit to the Senate Committee on Agriculture and the House

 Committee on Agriculture and Forest Products a proposed voluntary training

 program for owners or operators of small farms. The proposed voluntary

 training program shall include:
- (1) the prevention of discharges, as that term is defined in 10 V.S.A. § 1251(3);

- (2) the requirements for small farms under the accepted agricultural practices;
- (3) the mitigation and management from farms of stormwater runoff, as that term is defined in 10 V.S.A. § 1264;
- (4) the existing statutory and regulatory requirements for operation of a small farm in the State; and
- (5) address the management practices and technical and financial resources available to assist in compliance with statutory or regulatory agricultural requirements.

* * * Primary Agricultural Soils * * *

Sec. 16a. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

- (a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.
- (1) Project located in growth center certain designated areas. This subdivision applies to projects located in the following areas designated under 24 V.S.A. chapter 76A: a downtown development district, a growth center, a new town center designated on or before January 1, 2014, and a neighborhood development area associated with a designated downtown development

district. If the project tract is located in a designated growth center one of these designated areas, an applicant who complies with subdivision 6086(a)(9)(B)(iv) of this title shall deposit an offsite mitigation fee into the Vermont housing and conservation trust fund Housing and Conservation Trust Fund established under section 312 of this title for the purpose of preserving primary agricultural soils of equal or greater value with the highest priority given to preserving prime agricultural soils as defined by the U.S. Department of Agriculture. Any required offsite mitigation fee shall be derived by:

- (A) determining Determining the number of acres of primary agricultural soils affected by the proposed development or subdivision;.
- (B) multiplying Multiplying the number of affected acres of primary agricultural soils by a factor resulting in a ratio established as follows:
- (i) for For development or subdivision within a designated growth center area described in this subdivision (a)(1), the ratio shall be 1:1;.
- (ii) for For residential construction that has a density of at least eight units of housing per acre, of which at least eight units per acre or at least 40 percent of the units, on average, in the entire development or subdivision, whichever is greater, meets the definition of affordable housing established in this chapter, no mitigation shall be required, regardless of location in or outside a designated area described in this subdivision (a)(1). However, all affordable housing units shall be subject to housing subsidy covenants, as

defined in 27 V.S.A. § 610, that preserve their affordability for a period of 99 years or longer. For purposes of As used in this section, housing that is rented shall be considered affordable housing when its inhabitants have a gross annual household income that does not exceed 60 percent of the county median income or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area.

- (C) multiplying Multiplying the resulting product by a "price-per-acre" value, which shall be based on the amount that the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets has determined to be the recent, per-acre cost to acquire conservation easements for primary agricultural soils in the same geographic region as the proposed development or subdivision.
- (2) Project located outside <u>certain</u> designated growth center areas. If the project tract is not located in a designated growth center area described in <u>subdivision (1) of this subsection</u>, mitigation shall be provided on site in order to preserve primary agricultural soils for present and future agricultural use, with special emphasis on preserving prime agricultural soils. Preservation of primary agricultural soils shall be accomplished through innovative land use design resulting in compact development patterns which will maintain a sufficient acreage of primary agricultural soils on the project tract capable of supporting or contributing to an economic or commercial agricultural

operation and shall be enforceable by permit conditions issued by the district commission. The number of acres of primary agricultural soils to be preserved shall be derived by:

- (A) determining Determining the number of acres of primary agricultural soils affected by the proposed development or subdivision; and.
- (B) multiplying Multiplying the number of affected acres of primary agricultural soils by a factor based on the quality of those primary agricultural soils, and other factors as the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets may deem relevant, including the soil's location; accessibility; tract size; existing agricultural operations; water sources; drainage; slope; the presence of ledge or protected wetlands; the infrastructure of the existing farm or municipality in which the soils are located; and the N.R.C.S. NRCS rating system for Vermont soils. This factor shall result in a ratio of no less than 2:1, but no more than 3:1, protected acres to acres of impacted primary agricultural soils.

(3) Mitigation flexibility.

(A) Notwithstanding the provisions of subdivision (a)(1) of this subsection section pertaining to a development or subdivision on primary agricultural soils within a certain designated growth center areas, the district commission District Commission may, in appropriate circumstances, require onsite mitigation with special emphasis on preserving prime agricultural soils

if that action is deemed consistent with the agricultural elements of local and regional plans and the goals of 24 V.S.A. § 4302. In this situation, the approved plans must designate specific soils that shall be preserved inside growth centers a designated area described in subdivision (a)(1) of this section. For projects located within such a designated growth center area, all factors used to calculate suitable mitigation acreage or fees, or some combination of these measures, shall be as specified in this subsection, subject to a ratio of 1:1.

(B) Notwithstanding the provisions of subdivision (a)(2) of this subsection section pertaining to a development or subdivision on primary agricultural soils outside a designated growth center area described in subdivision (a)(1) of this section, the district commission District Commission may, in appropriate circumstances, approve off-site mitigation or some combination of onsite and off-site mitigation if that action is deemed consistent with the agricultural elements of local and regional plans and the goals of 24 V.S.A. § 4302. For projects located outside such a designated growth center area, all factors used to calculate suitable mitigation acreage or fees, or some combination of these measures, shall be as specified in this subsection (a), subject to a ratio of no less than 2:1, but no more than 3:1.

* * *

Sec. 16b. 10 V.S.A. § 6001(15) is amended to read:

- (b) Easements required for protected lands. All primary agricultural soils preserved for commercial or economic agricultural use by the Vermont housing and conservation board Housing and Conservation Board pursuant to this section shall be protected by permanent conservation easements (grant of development rights and conservation restrictions) conveyed to a qualified holder, as defined in section 821 of this title, with the ability to monitor and enforce easements in perpetuity. Off-site mitigation fees may be used by the Vermont housing and conservation board Housing and Conservation Board and shall be used by the Agency of Agriculture, Food and Markets to pay reasonable staff or transaction costs, or both, of the board and agency of agriculture, food, and markets Board and Agency related to preserve the preservation of primary agricultural soils or to implement section the implementation of subdivision 6086(a)(9)(B) or section 6093 of this title.
- (15) "Primary agricultural soils" means soil map units with the best combination of physical and chemical characteristics that have a potential for growing food, feed, and forage crops, have sufficient moisture and drainage, plant nutrients or responsiveness to fertilizers, few limitations for cultivation or limitations which may be easily overcome, and an average slope that does not exceed 15 percent. Present uses may be cropland, pasture, regenerating forests, forestland, or other agricultural or silvicultural uses. However, the

soils must be of a size and location, relative to adjoining land uses, so that those soils will be capable, following removal of any identified limitations, of supporting or contributing to an economic or commercial agricultural operation. Unless contradicted by the qualifications stated in this subdivision, primary agricultural soils shall include important farmland soils map units with a rating of prime, statewide, or local importance as defined by the Natural Resources Conservation Service (N.R.C.S.) of the United States Department of Agriculture (U.S.D.A.) each of the following:

- (A) An important farmland soils map unit that the Natural Resources

 Conservation Service of the U.S. Department of Agriculture (NRCS) has

 identified and determined to have a rating of prime, statewide, or local

 importance, unless the District Commission determines that the soils within the

 unit have lost their agricultural potential. In determining that soils within an

 important farmland soils map unit have lost their agricultural potential, the

 Commission shall consider:
- (i) impacts to the soils relevant to the agricultural potential of the soil from previously constructed improvements;
- (ii) the presence on the soils of a Class I or Class II wetland under chapter 37 of this title;

- (iii) the existence of topographic or physical barriers that reduce
 the accessibility of the rated soils so as to cause their isolation and that cannot
 reasonably be overcome; and
- (iv) other factors relevant to the agricultural potential of the soils, on a site-specific basis, as found by the Commission after considering the recommendation, if any, of the Secretary of Agriculture, Food and Markets.
- (B) Soils on the project tract that the District Commission finds to be of agricultural importance, due to their present or recent use for agricultural activities and that have not been identified by the NRCS as important farmland soil map units.

* * * Use Value Appraisal * * *

Sec. 16c. 32 V.S.A. § 3752 is amended to read:

§ 3752. DEFINITIONS

* * *

- (9) "Managed forestland" means:
- (A) any land, exclusive of any house site, which is at least 25 acres in size and which is under active long-term forest management for the purpose of growing and harvesting repeated forest crops in accordance with minimum acceptable standards for forest management. Such land may include eligible ecologically significant treatment areas in accordance with minimum

acceptable standards for forest management and as approved by the

Commissioner; or

* * *

Sec. 16d. 32 V.S.A. § 3755 is amended to read:

§ 3755. ELIGIBILITY FOR USE VALUE APPRAISALS

* * *

(b) Managed forestland shall be eligible for use value appraisal under this subchapter only if:

* * *

(3) there has not been filed with the Director an adverse inspection report by the Department stating that the management of the tract is contrary to the forest or conservation management plan, or contrary to the minimum acceptable standards for forest or conservation management. The management activity report shall be on a form prescribed by the Commissioner of Forests, Parks and Recreation in consultation with the Commissioner of Taxes and shall include a detachable section signed by all the owners that shall contain the federal tax identification numbers of all the owners. The section containing federal tax identification numbers shall not be made available to the general public, but shall be forwarded to the Commissioner of Taxes within 30 days after receipt and used for tax administration purposes. If any owner shall satisfy the Department that he or

she was prevented by accident, mistake, or misfortune from filing a an initial or revised management plan which is required to be filed on or before October 1, or a management plan update which is required to be filed on or before April 1 of the year in which the plan expires, or a management activity report which is required to be filed on or before February 1 of the year following the year when the management activity occurred, the Department may receive that management plan or management activity report at a later date; provided, however, no initial or revised management plan shall be received later than December 31, and no management plan update shall be received later than one year after April 1 of the year the plan expires, and no management activity report shall be received later than March 1.

Sec. 16e. 2008 Acts and Resolves No. 205, Sec. 7 is amended to read:

Sec. 7. COMMISSIONER OF FORESTS, PARKS AND RECREATION

* * *

(3) If more than 20 percent of the acres to be enrolled are Site 4, plus open not to be restocked, plus ecologically significant not to be managed for timber production, landowners may apply to the commissioner Commissioner for approval. The plans and maps shall be reviewed by the county foresters of the county where the parcel is located. In no situation shall a parcel be approved that does not provide for at least 80 percent of the land classified as Site 1, 2, or 3 to be managed for timber production.

* * *

* * * Neonicotinoid Pesticides * * *

Sec. 17. NEONICOTINOID PESTICIDES; SAFETY AND USE

The Secretary of Agriculture Food, and Markets shall evaluate whether the use or application of the pesticides imidacloprid, clothianiden, thiamethoxam, donotafuran, or any other member of the nitro group of neonicotinoid pesticides is safe and not harmful to human health or the health of bees and other pollinators in the State.

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

This section and Secs. 12 (AAFM emergency authority), 13 (captive deer testing), 14 (corrective actions; agricultural water quality), and 17 (neonicotinoid pesticides) shall take effect on passage. All other sections shall take effect on July 1, 2014.