

January 15, 2014

Dear Legislator,

I am pleased to present the Vermont Agency of Agriculture, Food, and Market's (VAAFM) 2013 annual report. It encompasses the enormous breadth and depth of VAAFM's activities over the past year. In addition to a wide range of regulatory responsibilities, the Agency has taken a leadership role in developing a vibrant, community-based agricultural system in Vermont.

Our mission is broad: to facilitate, support and encourage the growth and viability of agriculture in Vermont while protecting the working landscape, human health, animal health, plant health, consumers and the environment.

Below is an overview of some notable accomplishments, challenges, and initiatives from 2013:

Small Farm Operations Program: The Agency has hired the first Small Farm Operations Coordinator. The purpose of this new position is to contribute to an overall strategy to assist in the reduction of phosphorus runoff into the watersheds of Lake Champlain. The coordinator will work with farmers to ensure understanding and compliance with the Accepted Agricultural Practices (AAP's) regulations on all farms not previously covered by either the Large Farm or Medium Farm regulations.

Dairy: The Agency has worked closely with Vermont's Congressional delegation and local cooperatives to provide input to the Farm Bill's Dairy Security Act. We've also worked with the Governor's office to manage the nomination process for the Milk Commission, collaborated with Green Mountain Power to expand the Cow Power Program, and provided support for the new, statewide, Dairy Vision Team.

Maple Grading: In partnership with the Vermont Maple Sugar Makers Association (VMSMA), the Agency advanced an initiative to adopt the international system of maple grading which will open new markets for Vermont syrup. The Agency, along with the Vermont Agriculture and Forest Development Board, hosted listening sessions attended by over 200 sugar makers to ensure this initiative was supported by the majority of the producer community. Upon confirmation of industry support, the Agency wrote rules to institute the change.

Working Lands: In FY13 the Working Lands Enterprise Board invested over \$1 million (\$1,037,000.00) into 36 agriculture and forestry initiative reaching every county in the State and leveraging an additional \$1.3 million in matching funds.

Compost: In late June, 2012, Green Mountain Compost (GMC) and the Vermont Agency of Agriculture received a series of calls from people who reported symptoms indicative of persistent herbicide damage in gardens containing Green Mountain Compost products. The Agency was instrumental in subsequent investigation to determine the source of the persistent herbicide. Throughout 2013, VAAFM worked with the US EPA and the registrant to effect a label change that helps protects Vermont composters from this type of contamination in the future.

Food Safety Modernization Act: The FDA Food Safety Modernization Act (FSMA), the most sweeping reform of our food safety laws in more than 70 years, was signed into law by President Obama on January 4, 2011. VAAFM mobilized to read the rules to formulate official comments for submission and form an education and outreach plan for Vermont stakeholders. The Agency also organized listening sessions for the FDA to hear, first hand, from Northeast farmers about the potential impact of these rules on local agriculture.

Bed Bugs/Banned Pesticides: The State of Vermont faced a widespread pesticide contamination event during 2013, due to the misuse of a canceled pesticide product that was primarily used to treat bed bug infestations in the Rutland area. As the Agency responsible for overseeing pesticide use, VAAFM worked closely with the Vermont Department of Health and the US Environmental Protection Agency to investigate and mitigate the impact.

Lab Operations: The Agency's lab facilities continue to face challenges since falling victim to Irene in 2011. In August 2012, the Agriculture and DEC Labs moved into renovated shared laboratory space in the UVM Hills Science Building. This is the second time the Labs have moved in less than a year, and is not a permanent solution. The Agency is undertaking a feasibility study to assess future options for the lab.

Federal Policy: As Secretary of Agriculture for Vermont, I was elected President of the National Association of State Departments of Agriculture (NASDA). This role has afforded Vermont a larger voice in the national conversation about agriculture. My one year term will culminate this September, when the Agency will host the annual NASDA conference in Burlington. We look forward to sharing Vermont's local, community-based agriculture with our colleagues from across the nation.

These issues are just a sampling of the diverse, and impactful, role VAAFM plays in Vermont's agricultural community, and in the lives of all Vermonters. The attached report is a deep-dive into the Agency's scope of work in 2013. I hope you will find it informative, and interesting. From Farm to School to meat industry development to the most successful year in the history of Eastern States for 20 Vermont businesses, I am proud of our small but strong Vermont Agency of Agriculture team which provides the highest quality technical assistance.

Thank you for your continued partnership. It is an honor and a pleasure to work with you, our esteemed legislators, to advance and protect one of our state's greatest treasures – local agriculture. I look forward to continuing our dialogue throughout the session, and beyond.

Sincerely,

Charles RResul.

Chuck Ross Secretary Vermont Agency of Agriculture, Food, and Markets