

COMPOSTING RESEARCH AND RECOMMENDATIONS

VERMONT AGRICULTURAL AND FOREST PRODUCTS DEVELOPMENT BOARD

Introduction and Statement of Concerns

At the May meeting of the Vermont Agricultural and Forest Products Development Board (VAFPDDB), Rep. Carolyn Partridge, Chair of the House Agriculture and Forest Products Committee of the Vermont Legislature presented the board with a letter regarding composting in the State of Vermont.

Representative Partridge articulated these concerns in three statements:

1. The Vermont Tax Department considers compost to be subject to sales and use tax, even when used for agricultural production.
2. Composters are faced with difficult resource/input challenges, in part because of the presence of persistent herbicides, specifically clopyralid and aminopyralid, which are found in horse manures and food scraps.
3. Act 148 of 2012 requires that all organic materials be removed from our waste stream by 2020, and by extension, compost becomes a critical part of our solid waste planning solutions.

Rep. Partridge asked that the board consider the subject and relevance of composting in Vermont and to make policy recommendations regarding production, distribution, use, sales, and taxable status of compost.

The board thus far has taken testimony and read research from a variety of sources. These sources include:

1. "Report to the Vermont Legislature: Act 148 Implementation" Prepared by: Solid Waste Management Program, Department of Environmental Conservation, Vermont Agency of Natural Resources. November 8, 2013.
2. "Pay Dirt – Composting in Maryland to Reduce Waste, Create Jobs, and Protect the Bay. (Platt et al. Institute for Local Self – Reliance) May 2013.
3. "Investing in Community Resilience: The Role of Vermont's Compost Sales Tax Policy" Prepared by: Composting Association of Vermont.
4. Title 32 V.S.A. sect. 9741. Sales not covered.
5. Composting Association of Vermont – Pat Sagui – Director
6. Agency of Agriculture – Jim Leland
7. Agency of Agriculture – Cary Giguere
8. Chittenden Solid Waste – Thomas Moreau

Recommendations

1. The VAFPDB sees composting of organic materials as a vital component of Vermont agriculture and contributes to both a sustainable environment and the continued growth of the Vermont food system. The VAFPDB supports the recommendations and vision of Act 148 and supports the Vermont Legislature, the Solid Waste Management Program, the Agency of Agriculture, and the Composting Association of Vermont in their efforts to implement Act 148. Further, the VAFPDB would encourage the Vermont Working Lands Enterprise Fund be accessed to support the further implementation of Act 148.
2. Composting is vital to Vermont agriculture. Composting enhances food security for the neediest Vermonters, and connects with 11 of the goals put forward by Farm to Plate. Compost is a soil supplement and an agricultural product, both of which are tax exempt. Thus, compost should also be tax exempt. Composting of organic material is mandated by Act 148. For all of these reasons, the VAFPDB recommends that all compost produced for sale in the State of Vermont be declared tax exempt under Title 32 V.S.A. sect. 9741.
3. The herbicide issue is large, complex, and threatens the vision of Act 148. Of most concern to the VAFPDB was the absence of any qualified testing labs within the state. The only apparent testing laboratories are owned by the developers of the herbicides. We realize that this is a national problem but efforts should be made to secure the Vermont composting industry. With the proposed Vermont Agency of Agriculture, Food and Markets' enhanced laboratory, the VAFPDB recommends that the Agency is charged with the analysis of herbicides and to create a consumer assurance program, whereas the University of Vermont will continue to use their capabilities to research.
4. For Act 148 to be accomplished, considerable education and marketing must occur. Following the example of successful recycling programs, many K-12 and post-secondary schools across the state have voluntarily started composting programs. Some of those consider composting as part of their schools curriculum and view composting as part of the overall food system. Ferrisburgh Elementary School is a good example. However, most schools and institutions do not as a matter of course participate in composting programs. In addition, very few members of the general public compost and are not aware of Act 148. It is recommended that a marketing campaign be started that would emphasize the benefits of composting. It is further recommended that the WLEB consider composting as a priority for funding projects both in terms of service providers as well as infrastructure.