

1 TO THE HONORABLE SENATE:

2 The Committee on Agriculture to which was referred House Bill No. 484  
3 entitled “An act relating to miscellaneous agricultural subjects” respectfully  
4 reports that it has considered the same and recommends that the Senate  
5 propose to the House that the bill be amended by striking out all after the  
6 enacting clause and inserting in lieu thereof the following:

7 \* \* \* Agricultural Water Quality; Financial Assistance \* \* \*

8 Sec. 1. 6 V.S.A. § 4815(c) is amended to read:

9 (c) ~~For purposes of~~ As used in this section, “waste storage facility” means  
10 an impoundment made for the purpose of storing agricultural waste by  
11 constructing an embankment, excavating a pit or dugout, fabricating an  
12 ~~in-ground or above-ground~~ inground and aboveground structure, or any  
13 combination thereof. ~~This section does not apply to concrete slabs used for~~  
14 ~~agricultural waste management.~~

15 Sec. 2. 6 V.S.A. § 4820 is amended to read:

16 § 4820. DEFINITIONS

17 ~~For purposes of~~ As used in this subchapter:

18 (1) “AAPs” means “accepted agricultural practices” as defined by the  
19 ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and  
20 Markets pursuant to subchapter 1 of this chapter.

1           (2) “Secretary” means the ~~secretary of agriculture, food and markets~~  
2           Secretary of Agriculture, Food and Markets.

3           (3) “Agency” means the ~~agency of agriculture, food and markets~~  
4           Agency of Agriculture, Food and Markets.

5                                           \* \* \*

6           (6) “Good standing” means the participant:

7                   (A) does not have an active enforcement violation that has reached a  
8           final order with the Secretary; or

9                   (B) is in compliance with all terms of a current grant agreement or  
10          contract with the Agency.

11          Sec. 3. 6 V.S.A. § 4821 is amended to read:

12          § 4821. ASSISTANCE PROGRAM CREATED; ADMINISTRATION

13          (a) Program created. A program is created to provide ~~state~~ State financial  
14          assistance to Vermont farmers in support of their voluntary construction of  
15          on-farm improvements and maintenance of acceptable operating standards  
16          designed to abate nonpoint source agricultural waste discharges into the waters  
17          of the ~~state~~ State of Vermont, consistent with goals of the federal Water  
18          Pollution Control Act and with ~~state~~ State water quality standards. The  
19          program shall be conducted in a manner which makes maximum use of federal  
20          financial aid for the same purpose, as provided by this subchapter, and which  
21          seeks to use the least costly methods available to accomplish the abatement

1 required. The construction of temporary fencing intended to exclude livestock  
2 from entering surface waters of the ~~state~~ State shall be an on-farm  
3 improvement eligible for assistance under this subchapter when subject to a  
4 maintenance agreement entered into with the ~~agency of agriculture, food and~~  
5 ~~markets~~ Agency of Agriculture, Food and Markets.

6 (b) Program administration. The ~~secretary~~ Secretary shall:

7 (1) ~~administer~~ Administer the ~~state~~ State assistance program, for which  
8 purpose the ~~secretary~~ Secretary shall coordinate with officials of the U.S.  
9 Department of Agriculture or other federal agencies, and shall adopt rules  
10 pursuant to 3 V.S.A. chapter 25 of Title 3 concerning farmer application and  
11 eligibility requirements, financial assistance award priorities, and other  
12 administrative and enforcement conditions; ~~and~~.

13 (2) ~~may~~ May provide technical assistance to individual farmers with the  
14 preparation of on-farm agricultural waste management plans, applications for  
15 ~~state~~ State and federal financial assistance awards, installation of on-farm  
16 improvements, and maintenance of acceptable operating standards during the  
17 ~~life of a state assistance award contract~~ term of the program grant agreement.

18 For this purpose, ~~state~~ State employees of the ~~agency~~ Agency shall cooperate  
19 with federal employees of the U.S. Department of Agriculture or other federal  
20 agencies.

1 Sec. 4. 6 V.S.A. § 4822 is amended to read:

2 § 4822. ELIGIBILITY FOR STATE ASSISTANCE

3 Vermont farmers shall be eligible to receive available ~~state~~ State financial  
4 assistance with the installation of on-farm improvements designed to control  
5 agricultural nonpoint source waste discharges, provided that:

6 (1) for farmers who also seek federal financial assistance for this  
7 purpose, the improvements:

8 (A) are eligible for federal assistance through programs of the  
9 U.S. Department of Agriculture; and

10 (B) are consistent with a “nutrient management plan” prepared by the  
11 Vermont field office of the NRCS, or with an animal waste management plan  
12 based on standards equivalent to those of the NRCS; or

13 (2) for farmers who decline to seek or accept federal financial assistance  
14 for this purpose, the improvements:

15 (A) are determined by the ~~secretary~~ Secretary to be equivalent to  
16 those eligible for federal assistance through programs of the U.S. Department  
17 of Agriculture; and

18 (B) are consistent with an animal waste management plan based on  
19 standards determined by the ~~secretary~~ Secretary to be equivalent to those of  
20 the NRCS; and

1           (3) improvements will be constructed on a farm that is in good standing  
2           with the Secretary at the time of the award on all grant agreements, contract  
3           awards, or enforcement proceedings.

4           Sec. 5. 6 V.S.A. § 4824 is amended to read:

5           § 4824. STATE FINANCIAL ASSISTANCE AWARDS

6           (a) State grant. State financial assistance awarded under this subchapter  
7           shall be in the form of a grant. When a State grant is intended to match federal  
8           financial assistance for the same on-farm improvement project, the State grant  
9           shall be awarded only when the federal financial assistance has also been  
10          approved or awarded. An applicant for a State grant shall pay at least  
11          10 percent of the total eligible project cost. The dollar amount of a State grant  
12          shall be equal to the total eligible project cost, less 10 percent of the total as  
13          paid by the applicant, and less the amount of any federal assistance awarded,  
14          except that a State grant shall not exceed 90 percent of the total eligible  
15          project cost.

16          (b) ~~Farmer contract.~~ A State grant awarded to an applicant under this  
17          subchapter shall be awarded in accordance with a State ~~contract~~ grant  
18          containing ~~contract~~ terms substantially the same as those required for receipt of  
19          a federal award for the same purpose from the U.S. Department of Agriculture,  
20          except as provided by the Secretary by rule.

1 Sec. 6. 6 V.S.A. § 4826 is amended to read:

2 § 4826. COST ASSISTANCE FOR WASTE STORAGE FACILITIES

3 (a) The owner or operator of a farm required under section 4815 of this title  
4 to design, construct, or modify a waste storage facility may apply in writing to  
5 the Secretary of Agriculture, Food and Markets for cost assistance. Using ~~state~~  
6 State or federal funds, or both, a State assistance grant shall be awarded,  
7 subject to the availability of funds, to applicants. Such grants shall not exceed  
8 90 percent of the cost of an adequately sized and designed waste storage  
9 facility and the equipment eligible for Natural Resources Conservation Service  
10 cost share assistance. Application for a State assistance grant shall be made in  
11 the manner prescribed by the Secretary. ~~As used in this section, “waste storage~~  
12 ~~facility” means an impoundment made for the purpose of storing agricultural~~  
13 ~~waste by constructing an embankment, excavating a pit or dugout, fabricating~~  
14 ~~an in-ground or above-ground structure, or any combination thereof. This~~  
15 ~~section shall apply to concrete slabs used for agricultural waste management.~~

16 (b) If the Secretary lacks adequate funds necessary for the cost assistance  
17 awards required by subsection (a) of this section, the Secretary shall appear  
18 before the Emergency Board, as soon as possible, and shall request that  
19 necessary funds be provided. If the Emergency Board fails to provide  
20 adequate funds, the design and construction requirements for waste storage  
21 facilities under subsection 4815(b) of this title and the AAPs for groundwater,

1 as they relate to a waste storage facility, shall be suspended for a farm with a  
2 waste storage facility subject to the requirements of subsection 4815(b) of this  
3 title until adequate funding becomes available. Suspension of the design and  
4 construction requirements of subsection 4815(b) of this title does not relieve an  
5 owner or operator of a farm permitted under section 4858 or 4851 of this title  
6 from the remaining requirements of the owner's or operator's permit, including  
7 discharge standards, groundwater protection, nutrient management planning,  
8 and land application of manure. This subsection does not apply to farms  
9 permitted under 10 V.S.A. § 1263 ~~or farms permitted under section 4851 of~~  
10 ~~this title.~~

11 (c) The owner or operator of a farm with a waste storage facility may apply  
12 in writing to the Secretary of Agriculture, Food and Markets for a State  
13 assistance grant for the costs of complying with the U.S. Department of  
14 Agriculture Natural Resources Conservation Service requirements for  
15 inspection of a waste storage facility. Such grants shall not exceed 90 percent  
16 of the cost of the inspection of the waste storage facility. Application for a  
17 State assistance grant shall be made in the manner prescribed by the Secretary.

18 Sec. 7. 6 V.S.A. § 4827(e) and (f) are amended to read:

19 (e) If the Secretary or the applicable U.S. Department of Agriculture  
20 conservation programs lack adequate funds necessary for the financial  
21 assistance required by subsection (a) of this section, the requirement to develop

1 and implement a nutrient management plan under State statute or State  
2 regulation shall be suspended until adequate funding becomes available.  
3 Suspension of a State-required nutrient management plan does not relieve an  
4 owner or operator of a farm permitted under section 4858 or 4851 of this title  
5 of the remaining requirements of a State permit, including discharge standards,  
6 groundwater protection, and land application of manure. This subsection does  
7 not apply to farms permitted under 10 V.S.A. § 1263 ~~or farms permitted under~~  
8 ~~section 4851 of this title.~~

9 (f) The Secretary may ~~contract~~ enter into grants with natural resources  
10 conservation districts, the University of Vermont Extension Service, and other  
11 persons and organizations to aid in the implementation of the incentive grants  
12 program under subsection (a) of this section and to assist farmers in the  
13 development and implementation of nutrient management plans.

14 Sec. 8. 6 V.S.A. § 4828 is amended to read:

15 § 4828. CAPITAL EQUIPMENT ASSISTANCE PROGRAM

16 (a) It is the purpose of this section to provide assistance to contract  
17 applicators, nonprofit organizations, and farms to purchase or use innovative  
18 equipment that will aid in the reduction of surface runoff of agricultural wastes  
19 to ~~state~~ State waters, improve water quality of State waters, reduce odors from  
20 manure application, decrease greenhouse gas emissions, and reduce costs to  
21 farmers.



1           (b) The capital equipment assistance program is created in the Agency of  
2           Agriculture, Food and Markets to provide farms, nonprofit organizations, and  
3           custom applicators in Vermont with State financial assistance for the purchase  
4           of new or innovative equipment to improve manure application or nutrient  
5           management plan implementation.

6           (c) Assistance under this section shall in each fiscal year be allocated  
7           according to the following priorities and as further defined ~~by rule~~ by the  
8           Secretary:

9           (1) First priority shall be given to capital equipment to be used on farm  
10          sites that are serviced by custom applicators and nonprofit organizations and  
11          that are located in descending order within the boundaries of:

- 12                   (A) the Lake Champlain Basin;
- 13                   (B) the Lake Memphremagog Basin;
- 14                   (C) the Connecticut River Basin; and
- 15                   (D) the Hudson River Basin.

16          (2) Next priority shall be given to capital equipment to be used at a farm  
17          site which is located in descending order within the boundaries of:

- 18                   (A) the Lake Champlain Basin;
- 19                   (B) the Lake Memphremagog Basin;
- 20                   (C) the Connecticut River Basin; and
- 21                   (D) the Hudson River Basin.

1 (d) [Repealed.]

2 Sec. 9. 6 V.S.A. § 4849 is amended to read:

3 § 4849. RECYCLING ANIMAL WASTE NUTRIENTS

4 In order to best use the nutrients of animal waste generated by ~~large~~ farm  
5 operations, the ~~agency of agriculture, food and markets~~ Agency of Agriculture,  
6 Food and Markets together with the ~~department of public service~~ Department  
7 of Public Service shall use available resources to inform ~~large~~ farm operations  
8 of appropriate methods and resources available to digest and compost their  
9 animal wastes, and to capture methane for beneficial uses.

10 Sec. 10. 6 V.S.A. § 4850 is amended to read:

11 § 4850. DEFINITIONS

12 ~~For purposes of~~ As used in this subchapter:

13 (1) “Domestic fowl” means laying-hens, broilers, ducks, ~~and~~ turkeys, or  
14 any other number or type of fowl that the Secretary deems domestic fowl.

15 (2) “Livestock” means cattle, mature cow/calf pairs, youngstock,  
16 heifers, bulls, swine, sheep, or goats, horses, or any other number and type of  
17 domestic animal that the Secretary deems livestock.

18 Sec. 11. 6 V.S.A. § 4851 is amended to read:

19 § 4851. PERMIT REQUIREMENTS FOR LARGE FARM OPERATIONS

20 (a) No person shall, without a permit from the ~~secretary~~ Secretary,  
21 construct a new barn, or expand an existing barn, designed to house more than

1 700 mature dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal calves,  
2 2,500 swine weighing over 55 pounds, 10,000 swine weighing less than  
3 55 pounds, 500 horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying  
4 hens or broilers with a liquid manure handling system, 82,000 laying hens  
5 without a liquid manure handling system, 125,000 chickens other than laying  
6 hens without a liquid manure handling system, 5,000 ducks with a liquid  
7 manure handling system, or 30,000 ducks without a liquid manure handling  
8 system. No permit shall be required to replace an existing barn in use for  
9 livestock or domestic fowl production at its existing capacity. ~~The secretary of~~  
10 ~~agriculture, food and markets~~ Secretary of Agriculture, Food and Markets, in  
11 consultation with the ~~secretary of natural resources~~ Secretary of Natural  
12 Resources, shall review any application for a permit under this section with  
13 regard to water quality impacts and, prior to approval of a permit under this  
14 subsection, shall issue a written determination regarding whether the applicant  
15 has established that there will be no unpermitted discharge to waters of the  
16 ~~state~~ State pursuant to the federal regulations for concentrated animal feeding  
17 operations. If upon review of an application for a permit under this subsection,  
18 the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food  
19 and Markets determines that the permit applicant may be discharging to waters  
20 of the ~~state~~ State, the ~~secretary of agriculture, food and markets~~ Secretary of  
21 Agriculture, Food and Markets and the ~~secretary of natural resources~~ Secretary

1 of Natural Resources shall respond to the discharge in accordance with the  
2 memorandum of understanding regarding concentrated animal feeding  
3 operations under subsection 4810(b) of this title. The ~~secretary of natural~~  
4 ~~resources~~ Secretary of Natural Resources may require a large farm to obtain a  
5 permit under 10 V.S.A. § 1263 pursuant to federal regulations for concentrated  
6 animal feeding operations.

7 (b) A person shall apply for a permit in order to operate a farm which  
8 exceeds 700 mature dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal  
9 calves, 2,500 swine weighing over 55 pounds, 10,000 swine weighing less than  
10 55 pounds, 500 horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying  
11 hens or broilers with a liquid manure handling system, 82,000 laying hens  
12 without a liquid manure handling system, 125,000 chickens other than laying  
13 hens without a liquid manure handling system, 5,000 ducks with a liquid  
14 manure handling system, or 30,000 ducks if the livestock or domestic fowl are  
15 in a barn or adjacent barns owned by the same person, or if the barns share a  
16 common border or have a common waste disposal system. In order to receive  
17 this permit, the person shall demonstrate to the ~~secretary~~ Secretary that the  
18 farm has an adequately sized manure management system to accommodate the  
19 wastes generated and a nutrient management plan to dispose of wastes in  
20 accordance with accepted agricultural practices adopted under this chapter and  
21 current U.S. Department of Agriculture nutrient management standards.

1 (c) The ~~secretary~~ Secretary shall approve, condition, or disapprove the  
2 application within 45 business days of the date of receipt of a complete  
3 application for a permit under this section. Failure to act within the  
4 45 business days shall be deemed approval.

5 (d) A person seeking a permit under this section shall apply in writing to  
6 the ~~secretary~~ Secretary. The application shall include a description of the  
7 proposed barn or expansion of livestock or domestic fowl; a proposed nutrient  
8 management plan to accommodate the number of livestock or domestic fowl  
9 the barn is designed to house or the farm is intending to expand to; and a  
10 description of the manure management system to be used to accommodate  
11 agricultural wastes.

12 (e) The ~~secretary~~ Secretary may condition or deny a permit on the basis of  
13 odor, noise, traffic, insects, flies, or other pests.

14 (f) Before granting a permit under this section, the ~~secretary~~ Secretary shall  
15 make an affirmative finding that the animal wastes generated by the  
16 construction or expansion will be stored so as not to generate runoff from a  
17 25-year, 24-hour storm event and shall be disposed of, in accordance with the  
18 accepted agricultural practices adopted under this chapter and current  
19 U.S. Department of Agriculture nutrient management standards.

20 (g) A farm that is permitted under this section and that withdraws more  
21 than 57,600 gallons of groundwater per day averaged over any 30

1 consecutive-day period shall annually report estimated water use to the  
2 ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and  
3 Markets. The ~~secretary of agriculture, food and markets~~ Secretary of  
4 Agriculture, Food and Markets shall share information reported under this  
5 subsection with the ~~agency of natural resources~~ Agency of Natural Resources.

6 Sec. 12. 6 V.S.A. § 4856 is amended to read:

7 § 4856. ~~RECYCLING ANIMAL WASTE NUTRIENTS~~

8 ~~In order best to use the nutrients of animal waste generated by farms to~~  
9 ~~which this subchapter applies, the agency of agriculture, food and markets,~~  
10 ~~together with the department of public service, shall use available resources to~~  
11 ~~inform operators of such farms of appropriate methods and resources available~~  
12 ~~to digest and compost their animal wastes and to capture methane for~~  
13 ~~beneficial uses. [Repealed.]~~

14 Sec. 13. 6 V.S.A. § 4857 is amended to read:

15 § 4857. DEFINITIONS

16 ~~For purposes of~~ As used in this subchapter:

17 (1) “Animal feeding operation” (AFO) means a lot or facility where the  
18 livestock or domestic fowl have been, are, or will be stabled or confined and  
19 fed or maintained for a total of 45 days or more in any 12-month period, and  
20 crops, vegetation, or forage growth are not sustained in the normal growing  
21 season over any portion of the lot or facility. Two or more individual farms

1 qualifying as an AFO which are under common ownership and which adjoin  
2 each other or use a common area or system for the disposal of waste, shall be  
3 considered to be a single AFO if the combined number of livestock or  
4 domestic fowl resulting qualifies as a medium farm as defined in subdivision  
5 (2) of this section.

6 (2) “Medium farm” is an AFO which houses 200 to 699 mature dairy  
7 animals, 300 to 999 cattle or cow/calf pairs, 300 to 999 veal calves, 750 to  
8 2,499 swine weighing over 55 pounds, 3,000 to 9,999 swine weighing less than  
9 55 pounds, 150 to 499 horses, 3,000 to 9,999 sheep or lambs, 16,500 to 54,999  
10 turkeys, 9,000 to 29,999 laying hens or broilers with a liquid manure handling  
11 system, 25,000 to 81,999 laying hens without a liquid manure handling system,  
12 37,500 to 124,999 chickens other than laying hens without a liquid manure  
13 handling system, 1,500 to 4,999 ducks with a liquid manure handling system  
14 or 10,000 to 29,999 ducks without a liquid manure handling system.

15 (3) “Small farm” is an AFO which houses no more than 199 mature  
16 dairy animals, 299 cattle or cow/calf pairs, 299 veal calves, 749 swine  
17 weighing over 55 pounds, 2,999 swine weighing less than 55 pounds, 149  
18 horses, 2,999 sheep or lambs, 16,499 turkeys, 8,999 laying hens or broilers  
19 with a liquid manure handling system, 24,999 laying hens without a liquid  
20 manure handling system, 37,499 chickens other than laying hens without a

1 liquid manure handling system, 1,499 ducks with a liquid manure handling  
2 system or 9,999 ducks without a liquid manure handling system.

3 (4) “Domestic fowl” means laying hens, broilers, ducks, ~~and~~ turkeys, or  
4 any other number or type of fowl that the Secretary deems domestic fowl.

5 (5) “Livestock” means cattle, swine, sheep, goats, and horses, or any  
6 other number and type of domestic animal that the Secretary deems livestock.

7 Sec. 14. 6 V.S.A. § 4858(c) is amended to read:

8 (c)(1) Medium farm general permit. The owner or operator of a medium  
9 farm seeking coverage under a general permit adopted pursuant to this section  
10 shall certify to the ~~secretary~~ Secretary within a period specified in the permit,  
11 and in a manner specified by the ~~secretary~~ Secretary, that the medium farm  
12 does comply with permit requirements regarding an adequately sized and  
13 designed manure management system to accommodate the wastes generated  
14 and a nutrient management plan to dispose of wastes in accordance with  
15 accepted agricultural practices adopted under this chapter and current U.S.  
16 Department of Agriculture nutrient management standards. Any certification  
17 or notice of intent to comply submitted under this subdivision shall be kept on  
18 file at the ~~agency of agriculture, food and markets~~ Agency of Agriculture,  
19 Food and Markets. The ~~secretary of agriculture, food and markets~~ Secretary of  
20 Agriculture, Food and Markets, in consultation with the ~~secretary of natural~~  
21 ~~resources~~ Secretary of Natural Resources, shall review any certification or



1 notice of intent to comply submitted under this subdivision with regard to the  
2 water quality impacts of the medium farm for which the owner or operator is  
3 seeking coverage, and, within 18 months of receiving the certification or notice  
4 of intent to comply, shall verify whether the owner or operator of the medium  
5 farm has established that there will be no unpermitted discharge to waters of  
6 the ~~state~~ State pursuant to the federal regulations for concentrated animal  
7 feeding operations. If upon review of a medium farm granted coverage under  
8 the general permit adopted pursuant to this subsection, the ~~secretary of~~  
9 ~~agriculture, food and markets~~ Secretary of Agriculture, Food and Markets  
10 determines that the permit applicant may be discharging to waters of the ~~state~~  
11 State, the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture,  
12 Food and Markets and the ~~secretary of natural resources~~ Secretary of Natural  
13 Resources shall respond to the discharge in accordance with the memorandum  
14 of understanding regarding concentrated animal feeding operations under  
15 subsection 4810(b) of this title.

16 \* \* \*

17 (d) Medium and small farms; individual permit. The ~~secretary~~ Secretary  
18 may require the owner or operator of a small or medium farm to obtain an  
19 individual permit to operate after review of the farm's history of compliance,  
20 application of accepted agricultural practices, the use of an experimental or  
21 alternative technology or method to meet a ~~state~~ State performance standard, or

1 other factors set forth by rule. The owner or operator of a small farm may  
2 apply to the ~~secretary~~ Secretary for an individual permit to operate under this  
3 section. To receive an individual permit, an applicant shall in a manner  
4 prescribed by rule demonstrate that the farm has an adequately sized and  
5 designed manure management system to accommodate the wastes generated  
6 and a nutrient management plan to dispose of wastes in accordance with  
7 accepted agricultural practices adopted under this chapter and current  
8 U.S. Department of Agriculture nutrient management standards, including  
9 setback requirements for waste application. An individual permit shall be  
10 valid for no more than five years. Any application for an individual permit  
11 filed under this subsection shall be kept on file at the ~~agency of agriculture,~~  
12 ~~food and markets~~ Agency of Agriculture, Food and Markets. The ~~secretary of~~  
13 ~~agriculture, food and markets~~ Secretary of Agriculture, Food and Markets, in  
14 consultation with the ~~agency of natural resources~~ Agency of Natural  
15 Resources, shall review any application for a permit under this subsection and,  
16 prior to issuance of an individual permit under this subsection, shall issue a  
17 written determination regarding whether the permit applicant has established  
18 that there will be no unpermitted discharge to waters of the ~~state~~ State pursuant  
19 to federal regulations for concentrated animal feeding operations. If, upon  
20 review of an application for a permit under this subsection, the ~~secretary of~~  
21 ~~agriculture, food and markets~~ Secretary of Agriculture, Food and Markets that

1 the permit applicant may be discharging to waters of the ~~state~~ State, the  
2 ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and  
3 Markets and the ~~secretary of natural resources~~ Secretary of Natural Resources  
4 shall respond to the discharge in accordance with the memorandum of  
5 understanding regarding concentrated animal feeding operations under  
6 subsection 4810(b) of this title. The ~~secretary of natural resources~~ Secretary of  
7 Natural Resources may require a medium or small farm to obtain a permit  
8 under 10 V.S.A. § 1263 pursuant to federal regulations for concentrated animal  
9 feeding operations. Coverage of a medium farm under a general permit  
10 adopted pursuant to this section or an individual permit issued to a medium or  
11 small farm under this section is rendered void by the issuance of a permit to a  
12 farm under 10 V.S.A. § 1263.

13 Sec. 15. 6 V.S.A. chapter 215, subchapter 6 is amended to read:

14 Subchapter 6. Vermont ~~Agricultural Buffer~~ Critical Area Seeding  
15 and Filter Strip Program

16 § 4900. VERMONT ~~AGRICULTURAL BUFFER~~ SEEDING AND FILTER  
17 STRIP PROGRAM

18 (a) The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture,  
19 Food and Markets is authorized to develop a Vermont ~~agricultural buffer~~  
20 critical source area seeding and filter strip program in addition to the federal  
21 conservation reserve enhancement program in order to compensate farmers for

1 establishing and maintaining harvestable perennial vegetative ~~buffers and~~  
2 ~~installing conservation practices in ditch networks~~ grassed waterways and filter  
3 strips on agricultural ~~land~~ cropland perpendicular and adjacent to the surface  
4 waters of the ~~state~~ State, including ditches. Eligible acreage would include  
5 annually tilled cropland or a portion of cropland currently cropped as hay that  
6 will not be rotated into an annual crop for a 10-year period of time. Acreage  
7 that is currently managed as hay shall have a prior history of rotation as corn or  
8 other annual commodity crop.

9 (b) ~~The establishment and annual incentive payments from the agency of~~  
10 ~~agriculture, food and markets under the Vermont agricultural buffer program~~  
11 ~~shall not exceed the combined federal and state payment that the relevant~~  
12 ~~agricultural land or conservation practice would be eligible for under the~~  
13 ~~federal conservation reserve enhancement program or another approved~~  
14 ~~conservation program. The incentive payment~~ Incentive payments from the  
15 Agency of Agriculture, Food and Markets shall be made ~~annually at the end of~~  
16 ~~the cropping season for a nonrenewable five year period~~ at the outset of a  
17 10-year agreement to establish or maintain the acreage as harvestable grassed  
18 waterway or filter strip.

19 (c) ~~The secretary of agriculture, food and markets~~ Secretary of Agriculture,  
20 Food and Markets may establish by procedure financial and technical criteria

1 for the implementation and operation of the Vermont ~~agricultural buffer~~  
2 critical source area seeding and filter strip program.

3 (d) Land enrolled in the Vermont agricultural buffer program shall be  
4 considered to be in “active use” as that term is defined in 32 V.S.A.  
5 § 3752(15).

6 (e) As used in this section, “surface waters” means all rivers, streams,  
7 ditches, creeks, brooks, reservoirs, ponds, lakes, and springs which are  
8 contained within, flow through, or border upon the ~~state~~ State or any portion  
9 of it.

10 Sec. 16. 6 V.S.A. § 4951 is amended to read:

11 § 4951. FARM AGRONOMIC PRACTICES PROGRAM

12 (a) The Farm Agronomic Practices Assistance Program is created in the  
13 Agency of Agriculture, Food and Markets to provide the farms of Vermont  
14 with State financial assistance for the implementation of soil-based practices  
15 that improve soil quality and nutrient retention, increase crop production,  
16 minimize erosion potential, and reduce agricultural waste discharges. The  
17 following practices ~~shall~~ may be eligible for assistance to farms under the grant  
18 program:

19 (1) conservation crop rotation;

20 (2) cover cropping;

21 (3) strip cropping;

- 1 (4) cross-slope tillage;
- 2 (5) zone or no-tillage;
- 3 (6) pre-sidedress nitrate tests;
- 4 (7) annual maintenance of a nutrient management plan that is no longer  
5 receiving funding under a State or federal contract, provided the maximum  
6 assistance provided to a farmer under this subdivision shall be \$2,000.00 per  
7 year;
- 8 (8) educational and instructional activities to inform the farmers and  
9 citizens of Vermont of:
  - 10 (A) the impact on Vermont waters of agricultural waste discharges;
  - 11 (B) the federal and State requirements for controlling agricultural  
12 waste discharges;
- 13 (9) implementing alternative manure application techniques; and
- 14 (10) additional soil erosion reduction practices.
- 15 (b) Funding available under section 4827 of this title for nutrient  
16 management planning may be used to fund practices under this section.

1           \* \* \* Agency of Agriculture, Food and Markets Permitting \* \* \*

2       Sec. 17. 6 V.S.A. § 1 is amended to read:

3       § 1. GENERAL POWERS OF AGENCY; SECRETARY OF  
4       AGRICULTURE, FOOD AND MARKETS

5       (a) The ~~agency of agriculture, food and markets~~ Agency of Agriculture,  
6       Food and Markets shall be administered by a ~~secretary of agriculture, food and~~  
7       ~~markets~~ Secretary of Agriculture, Food and Markets. The ~~secretary~~ Secretary  
8       shall supervise and be responsible for the execution and enforcement of all  
9       laws relating to agriculture and standards of weight and measure. The  
10      ~~secretary~~ Secretary may:

11                                                                                               \* \* \*

12           (13) notwithstanding any law to the contrary in this title or Title 9 or 20,  
13      issue all licenses, permits, registrations, or certificates under a program  
14      administered by the ~~secretary~~ Secretary for a term of up to three years; renew  
15      and issue such licenses, permits, registrations, and certificates on any calendar  
16      cycle; collect any annual fee set by law for such multiyear licensure, permit,  
17      registration, or certificate on a pro-rated basis which shall not exceed  
18      150 percent of the annual fee for an 18-month cycle, 200 percent of the annual  
19      fee for a two-year cycle, or 300 percent of the annual fee for a three-year cycle;  
20      and conduct inspections at regulated premises at least once every three years  
21      when inspection is required by law. The authority to mandate licenses,

1 permits, registrations, or certificates for more than one year shall not extend to  
2 any program administered by the ~~secretary~~ Secretary where the annual fee is  
3 more than \$125.00. The Secretary shall only provide refunds for  
4 overpayments of \$25.00 or more on a license, permit, registration, or certificate  
5 issued by the Secretary;

6 \* \* \*

7 \* \* \* Dairy Operations; Drugs \* \* \*

8 Sec. 18. 6 V.S.A. § 2744a is amended to read:

9 § 2744a. DRUGS

10 (a) No producer shall sell or offer for sale milk which contains any drug or  
11 drugs in excess of tolerances established by the United States Food and Drug  
12 Administration in the Code of Federal Regulations.

13 ~~(1) In the event that milk from a dairy farm contains a drug, no more~~  
14 ~~milk produced by that producer shall be received by any milk dealer or handler~~  
15 ~~until a sample of at least one complete milking has been collected and found~~  
16 ~~negative. In the event of a second violation within a 12-month period, no more~~  
17 ~~milk produced by that producer shall be received by any milk dealer or handler~~  
18 ~~for a period of up to two days and until a sample of at least one complete~~  
19 ~~milking has been collected and found negative. In the event of a third violation~~  
20 ~~within a 12-month period, the secretary shall, at a minimum, take the same~~  
21 ~~action as required for a second violation and may prohibit the producer from~~



1 ~~selling milk in this state. No handler or dealer shall accept milk from a~~  
2 ~~producer whose ability to sell milk is suspended or terminated.~~

3 ~~(2) In lieu of suspending a producer's ability to sell milk, the secretary~~  
4 ~~may issue an administrative penalty. The amount of the penalty shall not~~  
5 ~~exceed the value of the milk which could have been prohibited from sale. A~~  
6 ~~producer who fails to pay an administrative penalty, after opportunity for~~  
7 ~~hearing, shall have his or her ability to sell milk suspended until the penalty is~~  
8 ~~paid. In lieu of suspending a producer's ability to sell milk, the secretary may~~  
9 ~~accept the assessment by the milk dealer or handler, against the producer, of~~  
10 ~~damages beyond the milk dealer's or handler's control that occurred as a result~~  
11 ~~of purchasing the contaminated milk, as an equivalent penalty.~~

12 (1) In the event that milk from a dairy producer contains a drug residue:

13 (A) No more milk from that producer shall be received by any milk  
14 dealer or handler until a sample of at least one complete milking has been  
15 collected and found negative.

16 (B) If a second drug residue violation occurs within 12 months of the  
17 first violation, no more milk from that producer shall be received by any milk  
18 dealer or handler until a sample of at least one complete milking has been  
19 collected and found negative. The producer shall have an administrative  
20 penalty equal to the value of one day of milk production assessed.

1           (C) If a third drug residue violation occurs within 12 months of the  
2           first violation, no more milk from that producer shall be received by any milk  
3           dealer or handler until a sample of at least one complete milking has been  
4           collected and found negative. The producer shall have an administrative  
5           penalty equal to the value of two days of milk production assessed. A hearing  
6           shall be warned to determine if the producer will be allowed to continue to  
7           ship milk.

8           (2) No handler or dealer shall accept milk from:

9           (A) a producer after a drug residue violation has occurred until a  
10          sample of at least one complete milking has been found negative; or

11          (B) a producer whose ability to sell milk is suspended or terminated.

12          (3) A producer who fails to pay an administrative penalty issued under  
13          this section within 30 days of issuance of a citation for violation of this section  
14          shall have his or her ability to sell milk suspended until the administrative  
15          penalty is paid. In lieu of suspending a producer's ability to sell milk, the  
16          Secretary may accept the assessment by the milk dealer against the producer.

17          ~~(3)~~(4) Notwithstanding the provisions of subsection (c) of this section,  
18          ~~the secretary~~ Secretary may at any time issue an emergency order prohibiting a  
19          producer from selling and a handler from accepting any milk until the milk  
20          tests negative for drugs.

1 (b)(1) No producer shall sell ~~livestock~~ for slaughter ~~which contains~~  
2 livestock with bodily tissue containing any drug or drugs in excess of  
3 tolerances established by the ~~United States~~ U.S. Food and Drug Administration  
4 in the Code of Federal Regulations.

5 (2) In the event that bodily tissue obtained from livestock intended for  
6 slaughter is found to contain a drug or drugs in excess of levels established by  
7 the ~~United States~~ U.S. Food and Drug Administration in the Code of Federal  
8 Regulations at the time of sale, the ~~secretary~~ Secretary may assess an  
9 administrative penalty not to exceed \$1,000.00 for each violation and may  
10 require the farm to participate in a program approved by the Agency intended  
11 to mitigate further selling of animals for food that contain violative drug  
12 residues in their tissue.

13 (c) Before issuing an order or administrative penalty under this section, the  
14 ~~secretary~~ Secretary shall provide the producer and the handler or dealer an  
15 opportunity for hearing.

16 \* \* \* Weights and Measures \* \* \*

17 Sec. 19. 9 V.S.A. § 2633 is amended to read:

18 § 2633. SPECIFIC POWERS AND DUTIES OF SECRETARY;

19 REGULATIONS

20 (a) The Secretary shall issue from time to time reasonable regulations for  
21 the enforcement of this chapter, which regulations shall have the force and

1 effect of law. These regulations may include (1) standards of net weight,  
2 measure, or count, and reasonable standards of fill, for any commodity in  
3 package form, (2) rules governing the technical and reporting procedures to be  
4 followed and the report and record forms and marks of approval and rejection  
5 to be used by inspectors of weights and measures in the discharge of their  
6 official duties, (3) exemptions from the sealing or marking requirements of  
7 section 2639 of this title with respect to weights and measures of such  
8 character or size that such sealing or marking would be inappropriate,  
9 impracticable, or damaging to the apparatus in question. These regulations  
10 shall include specifications, tolerances, and other technical requirements for  
11 weights and measures of the character of those specified in section 2635 of this  
12 title, designed to eliminate from use, without prejudice to apparatus that  
13 conforms as closely as practicable to the official standards, those (1) that are  
14 not accurate, (2) that are of such construction that they are faulty—that is, that  
15 are not reasonably permanent in their adjustment or will not repeat their  
16 indications correctly—or (3) that facilitate the perpetration of fraud.

17 (b) The specifications, tolerances, and other technical requirements for  
18 commercial, law enforcement, data gathering, and other weighing and  
19 measuring devices, as adopted by the national conference on weights and  
20 measures and published in National Institute of Standards and Technology  
21 Handbook 44, “Specifications, Tolerances, and other Technical Requirements

1 for Weighing and Measuring Devices,” and supplements thereto, or revisions  
2 thereof, shall apply to weighing and measuring devices in the State, except  
3 insofar as modified or rejected by regulation.

4 (c) The uniform regulation for packaging and labeling, the uniform  
5 regulation for unit pricing, and the uniform regulation for the method of sale of  
6 commodities, except for bread, as adopted by the national conference on  
7 weights and measures, and published by the National Institute of Standards and  
8 Technology Handbook 130, “Uniform Laws and Regulations,” together with  
9 amendments, supplements, and revisions thereto, are adopted as part of this  
10 chapter except as modified or rejected by regulation.

11 \* \* \* VEDA; Water Quality Initiatives \* \* \*

12 Sec. 20. 10 V.S.A. § 280a is amended to read:

13 § 280a. ELIGIBLE PROJECTS; AUTHORIZED FINANCING PROGRAMS

14 (a) The Authority may develop, modify, and implement any existing or  
15 new financing program, provided that any specific project that benefits from  
16 such program shall meet the criteria contained in the Vermont Sustainable Jobs  
17 Strategy adopted under section 280b of this title, and provided further that the  
18 program shall meet the criteria contained in the Vermont Sustainable Jobs  
19 Strategy adopted under section 280b of this title. These programs may include:

20 \* \* \*

1 (11) a program that would award grants made to eligible and qualified  
2 recipients as directed by the Agency of Agriculture, Food and Markets or the  
3 Agency of Natural Resources for the purpose of funding ~~stream stability and~~  
4 ~~conservation reserve enhancement environmental~~ water quality initiatives  
5 approved by the agencies, provided that the maximum amount of grants  
6 awarded by the Authority pursuant to the program shall not exceed  
7 \$1,340,238.00 in the aggregate.

8 \* \* \*

9 Sec. 21. VEDA FINANCING OF WATER QUALITY INITIATIVES

10 Notwithstanding 32 V.S.A. § 706, the Vermont Economic Development  
11 Authority is authorized to transfer to the Agency of Agriculture, Food and  
12 Markets or the Agency of Natural Resources funds held by VEDA for water  
13 quality programs pursuant to 10 V.S.A. § 280a(11).

14 \* \* \* Working Lands Enterprise Program \* \* \*

15 Sec. 22. 6 V.S.A. § 4604 is amended to read:

16 § 4604. LEGISLATIVE INTENT

17 It is the intent of the General Assembly in adopting this subchapter to create  
18 a working lands enterprise board to administer a fund and develop policy  
19 recommendations to:

20 \* \* \*

1           (8) increase the amount of State investment in working lands  
2 enterprises, particularly when it leverages private and philanthropic funds; ~~and~~

3           (9) support the people and businesses that depend on Vermont’s  
4 renewable land-based resources and the sustainable and productive use of the  
5 land by coordinating and integrating financial products and programs; and

6           (10) provide priority funding to agricultural and forest product  
7 enterprises. The priority for funding agricultural and forest product enterprises  
8 is not intended to exclude funding for technical assistance that directly  
9 supports enterprise development.

10 Sec. 23. 6 V.S.A. § 4606(b) is amended to read:

11           (b) Organization of Board. The Board shall be composed of:

12           (1) the Secretary of Agriculture, Food and Markets or designee, who  
13 shall serve as chair;

14           (2) the Commissioner of Forests, Parks and Recreation or designee;

15           (3) the Secretary of Commerce and Community Development or  
16 designee;

17           (4) the following members appointed by the Speaker of the House:

18           (A) one member who is a ~~representative of the Vermont forest~~  
19 ~~industry who is also a~~ consulting forester;

20           (B) one member who is actively engaged in ~~commodity~~ maple  
21 production;

1           (C) one member who is actively engaged in on-farm value-added  
2           processing;

3           (D) one member who is actively engaged in manufacturing or  
4           distribution of Vermont agricultural products; and

5           (E) one member with expertise in sales, marketing, or market  
6           development;

7           (5) the following members appointed by the Senate Committee on  
8           Committees:

9           (A) one member who is actively engaged in wood products  
10          manufacturing;

11          (B) one member ~~who is a representative of one of the two largest~~  
12          ~~membership-based agricultural organizations in Vermont who is not a dairy~~  
13          ~~farmer~~ involved in production agriculture whose primary enterprise is not fluid  
14          milk;

15          (C) one member who is actively engaged in primary wood processing  
16          or logging;

17          (D) one member who is an agriculture and forestry enterprise  
18          funder; and

19          (E) one member who is a person with expertise in rural economic  
20          development; and

21          (6) the following members appointed by the Governor:



1 (A) one member who is a representative of Vermont’s dairy industry  
2 who is also a dairy farmer;

3 (B) one member who is a representative of ~~a membership-based~~  
4 ~~forestland owner organization~~ Vermont’s forestry industry who is also a  
5 working forest landowner;

6 (C) one member with expertise in land planning and conservation  
7 efforts that support Vermont’s working landscape; and

8 (D) one member who is an employee of a Vermont institution  
9 engaged in agriculture or forestry education, training, or research; and

10 ~~(7) the following members appointed by the Vermont Agricultural and~~  
11 ~~Forest Products Development Board:~~

12 ~~(A) one member who is actively engaged in value-added agricultural~~  
13 ~~products manufacturing; and~~

14 ~~(B) two members actively engaged in providing marketing~~  
15 ~~assistance, market development, or business and financial planning;~~

16 ~~(8)~~(7) the following members, who shall serve as ex officio, nonvoting  
17 members:

18 (A) the Manager of the Vermont Economic Development Authority  
19 or designee;

20 (B) the Executive Director of the Vermont Sustainable Jobs Fund or  
21 designee; and

1 (C) the Executive Director of the Vermont Housing Conservation  
2 Board or designee.

3 Sec. 24. 6 V.S.A. § 4607 is amended to read:

4 § 4607. POWERS AND DUTIES OF THE VERMONT WORKING LANDS

5 ENTERPRISE BOARD

6 (a) Duties. The Vermont Working Lands Enterprise Board is charged with:

7 (1) optimizing the agricultural and forest use of Vermont lands and  
8 other agricultural resources;

9 (2) expanding existing markets and identifying and developing new  
10 profitable in-state and out-of-state markets for food, fiber, forest products, and  
11 value-added agricultural products, including farm-derived renewable  
12 energy; and

13 (3) identifying opportunities and challenges related to access to capital,  
14 infrastructure, product development, marketing, training, research, and  
15 education.

16 (b) Powers. The Vermont Working Lands Enterprise Board shall have the  
17 authority:

18 (1) to design and conduct an ongoing public engagement process, which  
19 may include taking testimony and receiving information from any party  
20 interested in the Board's activities;

1           (2) to gain information through the use of experts, consultants, and data  
2           to perform analysis as needed;

3           (3) to request services from State economists, State administrative  
4           agencies, and State programs;

5           (4) to obtain information from other planning entities, including the  
6           Farm to Plate Investment Program;

7           (5) to serve as a resource for and make recommendations to the  
8           Administration and the General Assembly on ways to improve Vermont's  
9           laws, regulations, and policies in order to attain the goals set forth in section  
10          4604 of this title;

11          ~~(4)~~(6) to establish an application process and eligibility criteria for  
12          awarding grants, loans, incentives, and other investments in agricultural and  
13          forestry enterprises and in food and forest systems, provided that the Board  
14          shall prioritize assistance under this chapter to a person engaged in farming or  
15          forestry before providing assistance to a nonprofit organization or nonprofit  
16          corporation for a project that competes with a person engaged in farming or  
17          forestry;

18          ~~(2)~~(7) to award grants and other investments, which may include loans  
19          underwritten and administered through the Vermont Economic Development  
20          Authority;

1           ~~(3)~~(8) to enter into performance contracts with one or more persons in  
2 order to provide investment and services to agricultural and forestry  
3 enterprises, including:

4           (A) technical assistance and product research services;

5           (B) marketing assistance, market development, and business and  
6 financial planning;

7           (C) organizational, regulatory, and development assistance; and

8           (D) feasibility studies of facilities or capital investments to optimize  
9 construction and other cost efficiencies;

10          ~~(4)~~(9) to identify workforce needs and programs in order to develop  
11 training and incentive opportunities for the agriculture and forest product  
12 sectors after consulting with the Department of Labor;

13          ~~(5)~~(10) to identify strategic statewide infrastructure and investment  
14 priorities considering:

15           (A) leveraging opportunities;

16           (B) economic clusters;

17           (C) return-on-investment analysis;

18           (D) other considerations the Board determines appropriate; and

19          ~~(6)~~(11) ~~to pursue and accept grants or other funding from any public or~~  
20 ~~private source and to administer such grants or funding consistent with their~~  
21 ~~terms.~~ to develop an annual operating budget, and:

1            (A) solicit and accept any grants, gifts, or appropriations necessary to  
2            implement the budget pursuant to 32 V.S.A. § 5; and

3            (B) expend any monies necessary to carry out the purposes of this  
4            section.

5            ~~(b)~~(c) Staff support. The Agency of Agriculture, Food and Markets shall  
6            provide administrative support to the extent authorized by the Secretary of  
7            Agriculture, Food and Markets, and with the assistance of the Department of  
8            Forests, Parks and Recreation to the extent authorized by the Commissioner of  
9            Forests, Parks and Recreation, in order to support the ~~board~~ Board in the  
10           performance of its duties pursuant to this section.

11        Sec. 25. REPEAL OF VERMONT AGRICULTURAL AND FOREST

12                                PRODUCTS DEVELOPMENT BOARD

13            6 V.S.A. § 2966 (Agricultural and Forest Products Development Board)

14            shall be repealed on July 1, 2015.

15                                                        \* \* \* Animal Shelter \* \* \*

16        Sec. 26. 13 V.S.A. § 365 is amended to read:

17        § 365. SHELTER OF ANIMALS

18                                                                                \* \* \*

19            (c)(1) A dog, whether chained or penned, shall be provided living space no  
20            less than three feet by four feet for 25 pound and smaller dogs, four feet by  
21            four feet for 26-35 pound dogs, four feet by five feet for 36-50 pound dogs,

1 five feet by five feet for 51-99 pound dogs, and six feet by five feet for 100  
2 pound and larger dogs. The shelter shall be constructed of materials with a  
3 thermal resistance factor of 0.9 or greater and shall contain clean bedding  
4 material sufficient to retain the dog's normal body heat.

5 \* \* \*

6 (e) A dog maintained out-of-doors ~~must~~ shall be provided with suitable  
7 housing or shelter that ~~assures~~ ensures that the dog is protected from wind and  
8 draft, and from excessive sun, rain, and other environmental hazards  
9 throughout the year. The housing or shelter shall be fully enclosed except for a  
10 portal. The portal shall be of a sufficient size to allow the dog unimpeded  
11 passage into and out of the structure. The portal shall be constructed with a  
12 baffle or other means of keeping wind and precipitation out of the interior.  
13 Inadequate shelter may be indicated by the shivering of the dog due to cold  
14 weather for a continuous period of 10 minutes or by symptoms of frostbite or  
15 hypothermia. A metal barrel is not adequate shelter for a dog.

16 (f) A dog chained to a shelter must be on a tether chain at least ~~four~~ five  
17 times the length of the dog as measured from the tip of its nose to the base of  
18 its tail, and shall allow the dog access to the shelter. The chain or tether shall  
19 be attached to both the dog and the anchor using swivels or similar devices that  
20 prevent the chain or tether from becoming entangled or twisted. The chain or  
21 tether shall be attached to a well-fitted collar or harness on the dog.

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\* \* \*

\* \* \* Agricultural Equipment \* \* \*

Sec. 27. 32 V.S.A. § 9741(25) is amended to read:

(25) ~~Sales~~ Sale to a farmer, as that term is defined in section 3752 of this title, of agricultural machinery and equipment for use and consumption directly and exclusively, except for isolated or occasional uses, in the production for sale of tangible personal property on farms (including stock, dairy, poultry, fruit, and truck farms), orchards, nurseries, or in greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities for sale. It shall be rebuttably presumed that uses are not isolated or occasional if they total more than ~~four~~ 50 percent of the time the machinery or equipment is operated.

\* \* \* Motor Fuel Oil Prices; Agricultural Economy \* \* \*

Sec. 28. MOTOR FUEL OIL PRICES; STUDY

(a) Findings. The General Assembly finds as follows:

(1) The price of motor fuel has a major effect on Vermonters and our economy as a whole, particularly the agricultural sector of our economy.

(2) In recent years, it has become apparent that, although fuel prices have decreased nationally and across Vermont, this cost reduction has not kept pace in the State's northwestern communities.

1           (3) Based on the most recent census data collected by the U.S.  
2           Department of Agriculture, in the year 2012 there were 1,444 farms spanning  
3           278,897 acres in Chittenden, Franklin, and Grand Isle Counties.

4           (4) Combined, the gasoline, fuel, and oil expenses for the farms in those  
5           three counties were \$14.712 million.

6           (5) It is incumbent upon the proper authorities to ensure to the greatest  
7           extent possible that farm production expenses reflect fair pricing so that the  
8           many agricultural products placed into the greater stream of commerce are  
9           competitively priced.

10          (b) Definitions. As used in this section:

11           (1) “Control” means the power, whether or not exercised, to establish,  
12           fix, or direct the retail price of motor fuel sold by a dealer, through ownership  
13           of stock or assets used by the dealer or through contract, agency, consignment,  
14           or otherwise, whether that power can be exercised directly or indirectly or  
15           through parent corporations, subsidiaries, related persons and entities, or  
16           affiliates.

17           (2) “Dealer” means a person located in Vermont that sells motor fuel oil  
18           to an end user at a service station, filling station, or otherwise.

19           (3) “Distributor” means a person that sells motor fuel oil to a dealer or  
20           directly to an end user.



1           (4) “Motor fuel oil” means internal combustion fuel sold for use in a  
2           motor vehicle, as that term is defined in 23 V.S.A. § 4(21), or in a farm tractor,  
3           as that term is defined in 23 V.S.A. § 4(68).

4           (5) “Motor fuel oil sales” means the wholesale or retail sale of motor  
5           fuel oil.

6           (c) Reporting. On or before December 15, 2015, the Attorney General may  
7           require distributors and dealers to provide information about the ownership or  
8           control of dealers or of assets related to motor fuel oil sales, volume of motor  
9           fuel oil sold or supplied, and wholesale and retail motor fuel oil prices.

10           (d) Confidentiality. Information received by the Attorney General under  
11           this section is confidential and shall be treated in the same manner as provided  
12           in 9 V.S.A. § 2460(a)(4).

13           (e) Report. The Attorney General shall study any data deemed relevant to  
14           the retail price of motor fuel oil in Vermont, including the data identified in  
15           subsection (c) of this section, and, on or before December 15, 2015, shall  
16           report to the General Assembly with recommendations, if any, regarding  
17           market conduct, including pricing, in the motor fuel oil industry in Vermont.

18           (f) Exercise of authority. The authority of the Attorney General under  
19           subsection (c) of this section to require reporting of distributors and dealers  
20           shall be exercised only with respect to the requirements of this section and  
21           shall not be exercised after December 15, 2015.

\* \* \* Unpasteurized Milk \* \* \*

Sec. 29. 6 V.S.A. chapter 152 is amended to read:

CHAPTER 152. SALE OF UNPASTEURIZED (RAW) MILK

\* \* \*

§ 2777. STANDARDS FOR THE SALE OF UNPASTEURIZED (RAW)  
MILK

\* \* \*

(b) Unpasteurized milk shall be sold only from the farm on which it was produced except when delivery is arranged in conformance with section 2778 of this chapter. Unpasteurized milk shall not be sold or offered as free samples at any location other than on the farm on which the milk was produced.

(c) Unpasteurized milk operations shall conform to reasonable sanitary standards, including:

(1)(A) Unpasteurized milk shall be derived from healthy animals which are subject to appropriate veterinary care, including tuberculosis and brucellosis testing and rabies vaccination, according to accepted testing and ~~vaccinations~~ vaccination standards as established by the Agency.

(B) Prior to the use of a dairy animal for the production and sale of unpasteurized milk under this chapter, a producer of unpasteurized milk shall test the dairy animal for brucellosis and tuberculosis. The producer shall test the dairy animal used for production and sale of unpasteurized milk for

1 brucellosis and tuberculosis every two years from the date of the first test for  
2 brucellosis and tuberculosis accordingly.

3 (C) ~~Test~~ A producer shall post test results and verification of  
4 vaccinations shall be posted on the farm in a prominent place and ~~be easily~~  
5 visible shall make results available to customers and the Agency.

6 \* \* \*

7 (d) Unpasteurized milk shall conform to the following production and  
8 marketing standards:

9 \* \* \*

10 (6) Customer inspection and notification.

11 (A) ~~Prior to selling milk to a new customer, the new customer shall~~  
12 ~~visit the farm and the~~ The producer shall provide the customer with the  
13 opportunity to tour the farm and any area associated with the milking  
14 operation. The producer shall permit the customer to return to the farm at a  
15 reasonable time and at reasonable intervals to reinspect any areas associated  
16 with the milking operation.

17 (B) A sign with the words “Unpasteurized (Raw) Milk. Not  
18 pasteurized. Keep Refrigerated.” and “This product has not been pasteurized  
19 and therefore may contain harmful bacteria that can cause illness particularly  
20 in children, elders, and persons with weakened immune systems and in  
21 pregnant women can cause illness, miscarriage, or fetal death, or death of a

1 newborn.” shall be displayed prominently on the farm in a place where it can  
2 be easily seen by customers. The lettering shall be at least one inch in height  
3 and shall be clearly readable.

4 (e) ~~Producers~~ A producer selling 87.5 or fewer gallons (350 quarts) of  
5 unpasteurized milk per week shall meet the requirements of subsections (a)  
6 through (d) of this section and shall sell unpasteurized milk only from the farm  
7 on which it was produced. A producer selling 87.5 or fewer gallons of  
8 unpasteurized milk may choose to meet the requirements of subsection (f) of  
9 this section, in which case the producer may deliver in accordance with section  
10 2778 of this title.

11 (f) ~~Producers~~ A producer selling ~~6~~ more than 87.5 gallons to ~~280~~ 350  
12 gallons (more than 350 to ~~1,120~~ 1,400 quarts) of unpasteurized milk per week  
13 shall meet the requirements of subsections (a) through (d) of this section as  
14 well as the following standards:

15 \* \* \*

16 (3) Testing.

17 (A) A producer shall have unpasteurized milk tested twice per month  
18 by a U.S. Food and Drug Administration accredited laboratory using  
19 accredited lab approved testing containers. Milk shall be tested for the  
20 following and the results shall be below these limits:

21 (i) total bacterial (aerobic) count: 15,000 cfu/ml (cattle and goats);

1 (ii) total coliform count: 10 cfu/ml (cattle and goats);

2 (iii) somatic cell count: 225,000/ml (cattle); 500,000/ml (goats).

3 (B) The producer shall ~~assure~~ ensure that all test results are  
4 forwarded to the Agency, by the laboratory, upon completion of testing or  
5 within five days of receipt of the results by the producer.

6 \* \* \*

7 (D) The Secretary shall issue a warning to a producer when a  
8 monthly test exceeds the limits required under subdivision (3)(A) of this  
9 subsection (f). The producer shall retest unpasteurized milk from the farm no  
10 later than one week from the date of receipt of the test results indicating that  
11 unpasteurized milk exceeded the limits required under subdivision (3)(A) of  
12 this subsection.

13 (E) If a retest of unpasteurized milk under subdivision (3)(D) of this  
14 subsection (f) exceeds the limits required under subdivision (3)(A) of this  
15 subsection, the Secretary shall suspend the authority of the producer under this  
16 chapter to sell unpasteurized milk until the producer submits test results  
17 indicating that unpasteurized milk from the farm is below the limits required  
18 under subdivision (3)(A) of this subsection.

19 (F) If a retest required under subdivision (3)(D) of this subsection (f)  
20 exceeds the limits required under subdivision (3)(A) of this subsection, the  
21 producer shall warn customers that unpasteurized milk from the farm exceeds

1 one or more of the limits required under subdivision (3)(A) of this subsection  
2 until the producer submits test results indicating that unpasteurized milk from  
3 the farm is below the limits required under subdivision (3)(A) of this  
4 subsection. The producer may provide the warning by posting the test results  
5 on a sign that is located in a prominent manner and that is clearly visible to  
6 consumers at the point of delivery or by directly notifying customers.

7 \* \* \*

8 (6) ~~Prearranged~~ Off-farm delivery. ~~Prearranged~~ The delivery of  
9 unpasteurized milk is permitted and shall be in compliance with section 2778  
10 of this title.

11 (g) The sale of more than ~~280~~ 350 gallons (~~4,120~~ 1,400 quarts) of  
12 unpasteurized milk in any one week is prohibited.

13 § 2778. DELIVERY OF UNPASTEURIZED (RAW) MILK

14 (a) Delivery of unpasteurized milk off the farm is permitted only within the  
15 State of Vermont and only of milk produced by ~~those producers~~ a producer  
16 meeting the requirements of subsection 2777(f) of this chapter.

17 (b) Delivery shall conform to the following requirements:

18 (1) Delivery shall be to ~~customers who have~~ a customer who has:

19 ~~(A) visited the farm as required under subdivision 2777(d)(4) of this~~  
20 ~~title; and~~

1           ~~(B)~~ purchased milk in advance either by a one-time payment or  
2 through a subscription. Milk is purchased in advance of delivery when  
3 payment is provided prior to delivery at the customer’s home or prior to  
4 commencement of the farmers’ market where the customer receives delivery.

5           (2) ~~Delivery shall be~~ A producer may deliver directly to the customer:

6           (A) at the customer’s home or into a refrigerated unit at the  
7 customer’s home if such unit is capable of maintaining the unpasteurized milk  
8 at 40 degrees Fahrenheit or lower until obtained by the customer;

9           (B) at a farmers’ market, as that term is defined in section 5001 of  
10 this title, where the producer is a vendor;

11           (3) During delivery, unpasteurized milk shall be protected from  
12 exposure to direct sunlight.

13           (4) During delivery, unpasteurized milk shall be kept at 40 degrees  
14 Fahrenheit or lower at all times.

15           (c) A producer may contract with another individual to deliver the  
16 unpasteurized milk in accordance with this section. The producer shall be  
17 jointly and severally liable for the delivery of the unpasteurized milk in  
18 accordance with this section.

19           (d) Prior to delivery at a farmers’ market under this section, a producer  
20 shall submit to the Agency of Agriculture, Food and Markets, ~~on a form~~

1 ~~provided by the Agency,~~ written or electronic notice of intent to deliver  
2 unpasteurized milk at a farmers' market. The notice shall:

3 (1) include the producer's name and proof of registration;

4 (2) identify the farmers' market or markets where the producer will  
5 deliver milk; and

6 (3) specify the day or days of the week on which delivery will be made  
7 at a farmers' market.

8 (e) A producer delivering unpasteurized milk at a farmers' market under  
9 this section shall display the registration required under subdivision 2777(f)(4)  
10 of this title and the sign required under subdivision 2777(d)(6) on the farmers'  
11 market stall or stand in a prominent manner that is clearly visible to  
12 consumers.

13 \* \* \* Effective Dates \* \* \*

14 Sec. 30. EFFECTIVE DATES

15 (a) This section and Sec. 29 (unpasteurized milk) shall take effect on  
16 passage.

17 (b) The remainder of the act shall take effect on July 1, 2015.

18 (Committee vote: \_\_\_\_\_)

19 \_\_\_\_\_

20 Senator \_\_\_\_\_

21 FOR THE COMMITTEE