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**Act No. 194 (S.276). Economic development; rural economic development; forestry; agriculture**

**An act relating to rural economic development**

This act enacts or amends provisions related to rural economic development, forestry, and agriculture. The act amends the authority of the Rural Economic Development Initiative to focus on grant assistance to small towns and rural areas. The act establishes an Outdoor Recreation Friendly Community Program administered by the Department of Forests, Parks and Recreation (DFPR) and the Agency of Commerce and Community Development (ACCD) to provide incentives for communities to promote outdoor recreation assets.

The act provides that a forest operation requiring an Act 250 permit shall be reviewed as a minor application if it is: a sawmill annually producing 3.5 million board feet or less; or is a forestry operation annually producing 3,500 cords or less of firewood or cordwood or 10,000 tons or less of bole wood, whole tree chips, or wood pellets. The act requires the Commission on Act 250: the Next 50 Years to evaluate Act 250 regulation of trails and the economic impact of Act 250 permits on forestry operations.

The act renames the Farm Viability Program as the Farm and Forest Viability Program and amends the program's authority to address both the agricultural and forest sectors. The act requires the Agency of Agriculture, Food and Markets (AAFM) to adopt by rule a process for certifying nutrient management technical service providers. Beginning on July 1, 2019, a nutrient management technical service provider shall not create a nutrient management plan for a farm unless certified by AAFM.

The act provides that until July 1, 2019, a farmer installing a pipeline in a wetland for manure transport shall pay a \$200.00 permit fee instead of \$0.75 per foot, when the pipeline serves a water quality or conservation practice. On or before January 15, 2019, the act requires the Secretary of Natural Resources to report to the General Assembly regarding whether or how wetlands permit fees should be lowered for activities that serve a water quality benefit or conservation practice.

The act grants AAFM authority needed to enforce the U.S. Food and Drug Administration (FDA) rules for growing, harvesting, packing, and holding of

produce for human consumption. The enforcement authority granted to AAFM includes authority to issue cease and desist orders, administrative orders, and verbal orders to protect public health. The act also provides that livestock are not transported to a slaughter facility until offloaded from a transport conveyance at a facility.

The act provides that motor vehicles used for forestry or harvesting shall not be subject to the purchase and use tax for motor vehicles. The act exempts advanced wood boilers from the sales and use tax. In fiscal years 2019 and 2020, the Clean Energy Development Fund shall transfer to the Department of Taxes revenue forgone from the exemption for advanced wood boilers.

The act requires ACCD to recommend to the General Assembly a program under which parcels in rural areas are designated as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited in the industrial park. The act also requires the Department of Public Service to report to the General Assembly on the effect of electric utility demand charges on the ability of industrial enterprises to locate in rural towns of the State

The act makes several technical amendments to the process for participation of managed forestland in the use value appraisal program (UVA). The act clarifies that a forest management plan shall be filed in the manner and form required by DFPR. The act authorizes wildlife habitat and ecologically significant areas to be enrolled in UVA as part of a forest management or conservation plan. The act also clarifies DFPR's authority to enter forestland enrolled in UVA in order to conduct inspections.

Multiple effective dates, beginning on May 30, 2018