#### TO THE HONORABLE SENATE

The Committee on Agriculture to which was referred House Bill No. H. 903, entitled "An act relating to regenerative farming"

respectfully reports that it has considered the same and recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

### Sec. 1. FINDINGS

#### The General Assembly finds that:

(1) Farmers in Vermont face significant economic pressures as the costs of production often exceed prices paid for milk or other products.

(2) Many farmers have adopted regenerative farming practices to benefit from reduced input costs, improved yields, and better resilience to climatic extremes.

(3) Simultaneously with market conditions, farmers are facing regulatory pressures to improve management of agricultural waste and satisfy standards for the sale of food products.

(4) Some Vermont farmers may benefit economically from adopting regenerative farming practices.

(5) Regenerative agriculture describes farming and grazing practices that, among other benefits, reverse climate change by rebuilding organic matter in soil and restoring degraded soil biodiversity, resulting in carbon drawdown, improved retention of water in the soil, and improved water quality.

(6) Regenerative agriculture regenerates soil and revitalizes soil health, which may be essential to preserve farming in Vermont as the U.S. Department of Agriculture's Natural Resource Conservation Service (NRCS) calculated that Vermont farmland loses on average 1.5 to 1.8 tons of soil per acre per year due to erosion by water.

(7) Through the Required Agricultural Practices, adopted under 6 V.S.A. § 4810, all farms in Vermont must adopt practices that improve soil health and water quality, including required cover cropping on floodplain fields and reducing erosion rates through the adoption of soil conservation management techniques.

(8) The Vermont Agricultural Water Quality Partnership (VAWQP) is dedicated to collaborating with and supporting agricultural producers in their efforts to improve water quality and improve soil health. The VAWQP is composed of the agencies and organizations that signed the Lake Champlain Memorandum of Understanding (MOU) in January 2012. The MOU partners currently include the U.S. Department of Agriculture's Natural Resources Conservation Service, the U.S. Department of Agriculture's Farm Service Agency, the Vermont Association of Conservation Districts, the U.S. Fish and Wildlife Service, the University of Vermont Extension, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Vermont Housing and Conservation Board, and the Lake Champlain Basin Program.  $\mathcal{A}$ 

(9) The State of Vermont should establish a voluntary program to assist farmers to adopt regenerative farming practices and certify those farmers who have achieved a level of implementation that: contributes to generating or building soils and soil fertility and health; increases water percolation; increases water retention; increases the amount of clean water running off farms; increases biodiversity and ecosystem health and resiliency; and sequesters carbon in soils.

Sec. 2. 6 V.S.A. chapter 215, subchapter 7A is added to read:

Subchapter 7A. Regenerative Farming

<u>§ 4961. PURPOSE</u>

The purposes of this subchapter are to:

(1) enhance the economic viability of farms in Vermont;

(2) improve the health and productivity of the soils of Vermont;

(3) encourage farmers to implement regenerative farming practices:

(4) reduce the amount of agricultural waste entering the waters of Vermont;

(5) enhance crop resilience to rainfall fluctuations and mitigate water damage to crops, land, and surrounding infrastructure;

(6) promote cost-effective farming practices;

(7) reinvigorate the rural economy; and

(8) help the next generation of Vermont farmers learn regenerative farming practices so that farming remains integral to the economy, landscape, and culture of Vermont.

#### § 4962. DEFINITIONS

As used in this subchapter:

(1) "Certified Vermont Environmental Steward" means an owner or operator of a farm who has achieved the thresholds for the Vermont Environmental Stewardship Program to be certified as a farm that improves soil health and contributes to improving water quality.

(2) "Regenerative farming" means a series of cropland management

practices that:

(A) contributes to generating or building soils and soil fertility and health;

(B) increases water percolation, increases water retention, and increases the amount of clean water running off farms;

(C) increases biodiversity and ecosystem health and resiliency; and

(D) sequesters carbon in agricultural soils.

## § 4963. REGENERATIVE FARMING; VERMONT ENVIRONMENTAL STEWARDSHIP PROGRAM

(a) Establishment of program. There is created within the Agency of Agriculture, Food and Markets the Vermont Environmental Stewardship Program (VESP) to provide technical and financial assistance to Vermont farmers seeking to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

(b) Program standards; application. The Secretary of Agriculture, Food and Markets shall establish by procedure standards for certification as a Certified Environmental Steward. Application for certification shall be made in the manner required by the Secretary of Agriculture, Food and Markets.

(c) Program services. The VESP shall provide the following services to farmers voluntarily seeking to transition to achieve certification as a Certified Vermont Environmental Steward:

(1) information and education regarding the requirements for certification, including the method, timeline, and process of certification;

(2) technical assistance in completing any required application for certification;

(3) technical assistance in developing plans and implementing practices to achieve certification from the VESP; and

(4) technical assistance in complying with the requirements of the VESP after a farm is certified.

(d) Financial assistance; eligibility. An owner or operator of a farm participating in the VESP shall be eligible for financial assistance from existing Agency of Agriculture, Food and Markets financial assistance programs for costs incurred in implementing any of the practices required for certification as a Certified Environmental Steward.

(e) Revocation of certification. The Secretary may, after due notice and hearing, revoke a certification issued under this section when the owner or operator of a certified farm fails to comply with the standards for certification 3

established under subsection (b) of this section.

(f) Administrative penalty; falsely advertising. The Secretary may assess an administrative penalty of up to \$1,000.00 against the owner or operator of a farm who knowingly advertises as a Certified Environmental Steward when not certified by the Secretary.

# Sec. 3. FUNDING VERMONT ENVIRONMENTAL STEWARDSHIP PROGRAM

The Agency of Agriculture, Food and Markets shall use funds available to the Agency and eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers participating in the Vermont Environmental Stewardship Program to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

(Committee vote: 5-0-0)

Tancis X. Brooken

Senator Brooks FOR THE COMMITTEE