

1 S.160

2 Introduced by Committee on Agriculture

3 Date: March 19, 2019

4 Subject: Rural development; agriculture

5 Statement of purpose of bill as introduced: This bill proposes to require the  
6 Secretary of Agriculture, Food and Markets to develop a strategic plan for the  
7 stabilization and revitalization of the dairy industry in Vermont. The bill also  
8 would require the Department of Economic Development to conduct an  
9 analysis of the feasibility of developing a milk processing plant in the State for  
10 the purpose of increasing access of Vermont dairy products to major  
11 metropolitan markets in New England and the Northeast. The bill would  
12 require the Farm and Forest Viability Program of the Vermont Housing and  
13 Conservation Board to convene a working group to recommend financial  
14 incentives designed to encourage farmers in Vermont to implement agricultural  
15 practices that improve soil health productivity, enhance crop resilience, or  
16 reduce agricultural runoff to waters. The bill would require the State Treasurer  
17 to determine whether to establish and sponsor a Clean Water Affinity Card for  
18 the benefit of water quality improvement in the State. The bill would repeal  
19 the sunset of the authority to conduct on-farm slaughter and would clarify who  
20 is a livestock owner for the purposes of on-farm slaughter. The bill would  
21 require commercial slaughterhouses to maintain records and would authorize

1 the Secretary of Agriculture, Food and Markets to access records at a  
2 commercial slaughterhouse. The bill would establish a forest carbon program  
3 to promote the entrance of forestlands into carbon markets. The bill would  
4 also establish an accident prevention and safety training curriculum for logging  
5 contractors. The bill would also authorize a program to provide grants to  
6 persons completing logging safety training or applying for master logger  
7 certification and a separate program to provide financial assistance to value-  
8 added forest product businesses. In addition, the bill would repeal the sunset  
9 of the maximum fee for manure pipeline in wetland.

10 An act relating to agricultural development

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 ~~\*\*\* Strategic Plan \*\*\*~~

13 Sec. 1. STRATEGIC PLAN TO STABILIZE AND REVITALIZE THE

14 VERMONT AGRICULTURAL INDUSTRY

15 (a) On or before January 15, 2020, the Secretary of Agriculture, Food and  
16 Markets shall submit to the Senate Committee on Agriculture and the House  
17 Committee on Agriculture and Forestry a strategic plan for the stabilization,  
18 diversification, and revitalization of the agricultural industry in Vermont. The  
19 strategic plan shall:

- 1 (1) recommend new markets, products, or ingredients for farmers  
2 including recommended State investment in research and development by  
3 universities or other qualified organizations to establish new markets, products,  
4 or ingredients;
- 5 (2) recommend methods, products, or incentives available to farmers to  
6 assist in the diversification of agricultural products produced on the farm;
- 7 (3) recommend methods for improving the marketing of Vermont  
8 agricultural products outside the State, outside the region, and outside the  
9 country;
- 10 (4) recommend alternatives or methods for encouraging maintaining or  
11 increasing the amount of land in agricultural production in the State;
- 12 (5) evaluate whether State programs that fund farming and existing  
13 exemptions in law for farming are the most effective means for supporting the  
14 agricultural industry in Vermont;
- 15 (6) recommend sources of financing for research and development by  
16 universities and businesses of innovative methods for managing and  
17 commoditizing manure to mitigate the environmental concerns raised by  
18 current manure management techniques;
- 19 (7) propose techniques or systems for improving the ecological footprint  
20 and environmental sustainability of farming in the State;

1 ~~(8) after consultation with the Northeast Organic Farming Association~~  
2 and Vermont FEED, provide an assessment of the potential to increase the  
3 amount of Vermont agricultural products that are purchased by school nutrition  
4 programs in the State, including an inventory of agricultural products, such as  
5 beef, eggs, or cheese, where demand from schools would create a viable  
6 market for Vermont farmers; and

7 (9) approaches for improving transparency in the agricultural industry  
8 so that the public is educated and aware of the need for and effect of certain  
9 dairy practices.

10 (b) The Secretary of Agriculture, Food and Markets shall consult with  
11 interested parties in developing the strategic plan required under subsection (a)  
12 of this section and shall hold at least four public hearings around the State to  
13 receive public input on alternatives for stabilizing and revitalizing the  
14 agricultural industry in Vermont.

15 \* \* \* Feasibility Analysis of Dairy Processing Plant \* \* \*

16 Sec. 2. DAIRY PROCESSING PLANT; REPORT

17 On or before January 15, 2020, the Secretary of Agriculture, Food and  
18 Markets shall report to the Senate Committee on Agriculture and the House  
19 Committee on Agriculture and Forestry regarding the development of a dairy  
20 ~~processing plant in the State for the purpose of increasing the access of~~

~~Vermont dairy products to major metropolitan markets in New England and  
the Northeast. The report shall:~~

~~(1) recommend whether the State should facilitate the development of a  
dairy processing plant in the State;~~

~~(2) if the Secretary recommends that the State facilitate development of  
a dairy processing plant under subdivision (1) of this subsection, summarize  
how the State could facilitate development of a dairy processing plant through  
public-private partnerships, joint ventures, or other economic incentives;~~

~~(3) identify existing funding sources or economic incentives that could  
be utilized to fund the development of a dairy processing plant; and~~

~~(4) include any other information that the Secretary deems necessary for  
review of the feasibility of developing a dairy processing plant in Vermont.~~

\* \* \* Soil Conservation Practices \* \* \*

Sec. 3. FINANCIAL INCENTIVES FOR IMPLEMENTATION OF SOIL  
CONSERVATION PRACTICES

~~(a) The Secretary of Agriculture, Food and Markets shall convene a Soil  
Conservation Practice Working Group to recommend financial incentives  
designed to encourage farmers in Vermont to implement agricultural practices  
that exceed the requirements of 6 V.S.A. chapter 215 and that improve soil  
health productivity, enhance crop resilience, and reduce agricultural runoff to  
waters. The Working Group shall:~~

1 ~~(1) identify agricultural standards or practices that farmers can~~  
2 implement that improve soil health productivity, enhance crop resilience, and  
3 reduce agricultural runoff to waters;

4 (2) recommend existing financial incentives available to farmers that  
5 could be modified or amended to incentivize implementation of the  
6 agricultural standards identified under subdivision (1) of this subsection or  
7 incentivize the reclamation or preservation of wetlands;

8 (3) propose new financial incentives, including a source of revenue, for  
9 implementation of the agricultural standards identified under subdivision (1) of  
10 this subsection if existing financial incentives are inadequate or if the goal of  
11 implementation of the agricultural standards would be better served by a new  
12 financial incentive; and

13 (4) recommend legislative changes that may be required to implement  
14 any financial incentive recommended or proposed in the report.

15 (b) The Soil Conservation Practice Working Group shall consist of persons  
16 with knowledge or expertise in agricultural water quality, soil health,  
17 economic development, or agricultural financing, and, at a minimum, the  
18 Working Group shall include:

19 (1) the Secretary of Agriculture, Food and Markets or designee;

20 (2) a representative of the Farm and Forest Viability Program of the

21 Vermont Housing and Conservation Board;

- 1 ~~(2) the Secretary of Natural Resources or designee;~~
- 2 (4) a representative of the Dairy Water Collaborative, appointed by the  
3 Collaborative;
- 4 (5) a representative of at least two Farmer's Watershed Alliances,  
5 appointed by the Alliances;
- 6 (6) a representative of the Natural Resources Conservation Council,  
7 appointed by the Council, and
- 8 (7) at least two members of the Agricultural Water Quality Partnership,  
9 appointed by the Partnership.
- 10 (c) The Secretary of Agriculture, Food and Markets or designee shall be  
11 the chair of the Working Group, and the representative of the Farm and Forest  
12 Viability Program shall be the vice chair.
- 13 (d) On or before January 15, 2020, the Secretary of Agriculture, Food and  
14 Markets shall submit to the Senate Committee on Agriculture and the House  
15 Committee on Agriculture and Forestry the findings and recommendations of  
16 the Soil Conservation Practice Working Group regarding financial incentives  
17 designed to encourage farmers in Vermont to implement agricultural practices  
18 that improve soil health productivity, enhance crop resilience, and reduce  
19 ~~agricultural runoff to waters.~~

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~~to the Clean Water Affinity Card~~

Sec. 4. 32 V.S.A. § 584 is amended to read:

§ 584. VERMONT CLEAN WATER VERMONT STATE-SPONSORED  
AFFINITY CARD PROGRAM

(a) The State Treasurer is hereby authorized to sponsor and participate in an Affinity Card Program for the benefit of water quality improvement in the residents of this State upon his or her determination that such a Program is feasible and may be procured at rates and terms in the best ~~interest~~ interests of the cardholders. ~~In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features which will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card.~~

(b) In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features that will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card. ~~The Treasurer shall consult with other State agencies about potential public purpose projects to be designated for the Program and shall allow cardholders to designate that funds be used either to support sustainable agricultural programs, renewable energy~~

1 ~~rams, State parks and forestland programs, or any combination of these. The~~  
2 ~~net proceeds of the State fees or royalties generated by this program shall be~~  
3 ~~transmitted to the State and shall be deposited in a State-sponsored Affinity~~  
4 ~~Card Fund and subsequently transferred to the designated State programs and~~  
5 ~~purposes as selected by the cardholders. The funds received shall be held by~~  
6 ~~the Treasurer until transferred for the purposes directed by participating State-~~  
7 ~~sponsored affinity cardholders in accordance with the trust fund provisions of~~  
8 ~~section 462 of this title.~~

9 (c) The net proceeds of the State fees or royalties generated by the Vermont  
10 Clean Water Affinity Card Program shall be transmitted to the State and shall  
11 be deposited into the Clean Water Fund under 10 V.S.A. § 1388 to provide  
12 financial incentives to encourage farmers in Vermont to implement agricultural  
13 practices that improve soil health productivity, enhance crop resilience, or  
14 reduce agricultural runoff to waters. All program balances at the end of the  
15 fiscal year shall be carried forward and shall not revert to the General Fund.  
16 Interest earned shall remain in the program.

17 (d) The State shall not assume any liability for lost or stolen credit cards  
18 nor any other legal debt owed to the financial institutions.

19 (e) The State Treasurer is authorized to adopt such rules as may be  
20 necessary to implement the Vermont Clean Water State-sponsored Affinity

21 Card Program.

1 ~~Sec. 5. FUNDING; REPORT ON FUNDING FINANCIAL ASSISTANCE;~~

2 AGRICULTURAL PRACTICES; SOIL HEALTH PRODUCTIVITY

3 Notwithstanding 32 V.S.A. § 584, requiring deposit of proceeds from the  
4 Vermont Clean Water Affinity Card into the Clean Water Fund, in fiscal year  
5 2020 and 2021:

6 (1) one-half of the proceeds from the Vermont Clean Water Affinity  
7 Card that were generated in fiscal year 2020 and 2021 shall be deposited into  
8 the General Fund for use to complete the dairy processing plant feasibility  
9 analysis required under Sec. 2 of this act; and

10 (2) one-half of the proceeds from the Vermont Clean Water Affinity  
11 Card that were generated in fiscal year 2020 and 2021 shall be deposited into  
12 the General Fund for use to complete the report required under Sec. 3 of this  
13 act regarding financial incentives designed to encourage farmers in Vermont to  
14 implement agricultural practices that improve soil health productivity, enhance  
15 crop resilience, or reduce agricultural runoff to waters.

16 \* \* \* On-Farm Slaughter \* \* \*

17 Sec. 6. REPEAL OF SUNSET OF ON-FARM SLAUGHTER AUTHORITY

18 2013 Acts and Resolves No. 83, Sec. 13, as amended by 2016 Acts and  
19 Resolves No. 98, Sec. 2 (sunset of authority to conduct on-farm slaughter) is  
20 repealed.

1 ~~Sec. 7-6 V.S.A. § 3351a is amended to read:~~

2 § 3311A. LIVESTOCK; INSPECTION; LICENSING; PERSONAL  
3 SLAUGHTER; ITINERANT SLAUGHTER

4 (a) As used in this section:

5 (1) "Assist in the slaughter of livestock" means the act of slaughtering  
6 or butchering an animal and shall not mean the farmer's provision of a site on  
7 the farm for slaughter, provision of implements for slaughter, or the service of  
8 disposal of the carcass or offal from slaughter.

9 (2) "Sanitary conditions" means a site on a farm that is:

10 (A) clean and free of contaminants; and

11 (B) located or designed in a way to prevent:

12 (i) the occurrence of water pollution; and

13 (ii) the adulteration of the livestock or the slaughtered meat.

14 (b) The requirement for a license under section 3306 of this title or for  
15 inspection under this chapter shall not apply to the slaughter by an individual  
16 owner of livestock that the individual owner raised for the individual's owner's  
17 exclusive use or for the use of members of his or her household and his or her  
18 nonpaying guests and employees.

19 (c) The requirement for a license under section 3306 of this title or for  
20 inspection under this chapter shall not apply to the slaughter of livestock that

21 ~~occurs in a manner that meets all of the following requirements:~~

1 ~~(1) An individual A person or persons purchases livestock from a farmer~~  
2 ~~that raised the livestock.~~

3 (2) The farmer is registered with the Secretary, on a form provided by  
4 the Secretary, as selling livestock for slaughter under this subsection.

5 (3) The individual or individuals who purchased the livestock performs  
6 the act of slaughtering the livestock, as the owner of the livestock.

7 (4) The act of slaughter occurs, after approval from the farmer who sold  
8 the livestock, on a site on the farm where the livestock was purchased.

9 (5) The slaughter is conducted under sanitary conditions.

10 (6) The farmer who sold the livestock to the individual or individuals  
11 does not assist in the slaughter of the livestock.

12 (7) No more than the following number of livestock per year are  
13 slaughtered under this subsection:

14 (A) 15 swine;

15 (B) five cattle;

16 (C) 40 sheep or goats; or

17 (D) any combination of swine, cattle, sheep, or goats, provided that  
18 no more than 6,000 pounds of the live weight of livestock are slaughtered per  
19 year.

20 (8) The farmer who sold the livestock to the individual or individual

21 ~~maintains a record of each slaughter conducted under this subsection and~~

1 ~~its quarterly to the Secretary, on a form provided by the Secretary, on or before~~  
2 April 15 for the calendar quarter ending March 31, on or before July 15 for the  
3 calendar quarter ending June 30, on or before October 15 for the calendar  
4 quarter ending September 30, and on or before January 15 for the calendar  
5 quarter ending December 31. If a farmer fails to report slaughter activity  
6 conducted under this subsection, the Secretary, in addition to any enforcement  
7 action available under this chapter or chapter 1 of this title, may suspend the  
8 authority of the farmer to sell animals to an individual or individuals for  
9 slaughter under this subsection.

10 (9) The slaughtered livestock may be halved or quartered by the  
11 individual or individuals who purchased the livestock but solely for the  
12 purpose of transport from the farm.

13 (10) The livestock is slaughtered according to a humane method, as that  
14 term is defined in subdivision 3131(6) of this title.

15 (d) The requirement for a license under section 3306 of this title or for  
16 inspection under this chapter shall not apply to an itinerant slaughterer  
17 engaged in the act of itinerant livestock slaughter or itinerant poultry slaughter.

18 (e) An itinerant slaughterer may slaughter livestock owned by a person on  
19 the farm where the livestock was raised under the following conditions:

20 (1) the meat from the slaughter of the livestock is distributed only as  
21 ~~whole or half, halved, or quartered carcasses to the person who owned the~~

1 ~~animal for his or her personal use or for use by members of his or her~~

2 household or nonpaying guests; and

3 (2) the slaughter is conducted under sanitary conditions; and

4 (3) the livestock is slaughtered according to a humane method, as that  
5 term is defined in subdivision 3131(6) of this title.

6 (f) A carcass or offal from slaughter conducted under this section shall be  
7 disposed of according to the requirements under the required agricultural  
8 practices for the management of agricultural waste.

9 \* \* \* Animal Welfare; Traceability \* \* \*

10 Sec. 8. 6 V.S.A. § 1152 is amended to read:

11 § 1152. ADMINISTRATION; INSPECTION; TESTING; RECORDS

12 (a) The Secretary shall be responsible for the administration and  
13 enforcement of the livestock disease control program. The Secretary may  
14 appoint the State Veterinarian to manage the program, and other personnel as  
15 are necessary for the sound administration of the program.

16 (b) The Secretary shall maintain a public record of all permits issued and  
17 of all animals tested by the Agency of Agriculture, Food and Markets under  
18 this chapter for a period of five years.

19 (c) The Secretary may conduct any inspections, investigations, tests,  
20 diagnoses, or other reasonable steps necessary to discover and eliminate  
21 contagious diseases existing in domestic animals in this State. The Secretary  
22 ~~shall investigate any reports of diseased animals, provided there are adequate~~

1 ~~resources. In carrying out the provisions of this part, the Secretary or his or~~  
2 ~~her authorized agent may enter any real estate, premises, buildings, enclosures,~~  
3 ~~or areas where animals may be found for the purpose of making reasonable~~  
4 ~~inspections and tests. A livestock owner or the person in possession of the~~  
5 ~~animal to be inspected, upon request of the Secretary, shall restrain the animal~~  
6 ~~and make it available for inspection and testing.~~

7 (d) The Secretary may contract and cooperate with the U.S. Department of  
8 Agriculture, other federal agencies or states, and accredited veterinarians for  
9 the control and eradication of contagious diseases of animals. The Secretary  
10 shall consult and cooperate, as appropriate, with the Commissioners of Fish  
11 and Wildlife and of Health regarding the control of contagious diseases.

12 (e) If necessary, the Secretary shall set priorities for the use of the funds  
13 available to operate the program established by this chapter.

14 (f) Any commercial slaughterhouse operating in the State shall maintain  
15 and retain for three years records of the number of animals slaughtered at the  
16 facility, the physical address of origination of each animal, the date of  
17 slaughter of each animal, and all official identification numbers of slaughtered  
18 animals. A commercial slaughterhouse shall make the records required under  
19 this subsection available to the Agency upon request.

20 (g) Records produced or acquired by the Secretary under this chapter shall  
21 ~~be available to the public, except that:~~

1 ~~(1) the Secretary may withhold from inspection and copying records~~  
2 ~~that are confidential under federal law; and~~

3 ~~(2) the Secretary may withhold or redact a record to the extent needed~~  
4 ~~to avoid disclosing directly or indirectly the identity of individual persons,~~  
5 ~~households, or businesses.~~

6 Sec. 9. 6 V.S.A. § 1470 is added to read:

7 § 1470. RECORDS

8 (a) A commercial slaughter facility operating in the State shall maintain  
9 and retain for three years records of the number of animals slaughtered at the  
10 facility, the physical address of origination of each animal, the date of  
11 slaughter of each animal, and all official identification numbers of slaughtered  
12 animals. A commercial slaughterhouse shall make the records required under  
13 this subsection available to the Agency upon request.

14 (b) Records produced or acquired by the Secretary under this chapter shall  
15 be available to the public for inspection and copying, except that:

16 (1) the Secretary may withhold from inspection and copying records  
17 that are confidential under federal law; and

18 (2) the Secretary may withhold or redact a record to the extent needed  
19 to avoid disclosing directly or indirectly the identity of individual persons,  
20 households, or businesses.

~~Sec. 10. REPORT ON RADIO FREQUENCY IDENTIFICATION FOR  
LIVESTOCK~~

~~On or before January 15, 2020, the Secretary of Agriculture, Food and  
Markets shall submit to the Senate Committees on Agriculture and on  
Appropriations and the House Committees on Agriculture and Forestry and on  
Appropriations a report regarding the use of radio frequency identification  
(RFID) tags and readers by livestock owners and federally inspected  
commercial slaughter facilities in the State. The report shall include:~~

~~(1) a summary of the current Agency of Agriculture, Food and Markets  
practice of providing metal or plastic animal identification tags to livestock  
owners at no or low cost;~~

~~(2) a summary of any existing or pending federal requirements for the  
use of RFID tags and readers by livestock owners or federally inspected  
commercial slaughter facilities;~~

~~(3) a summary of how RFID tags and readers are used to manage  
livestock or track animals through the slaughter process, including the benefits  
of RFID in comparison to metal or plastic animal identification tags;~~

~~(4) an analysis of whether RFID tags and readers are beneficial for the  
management or slaughter of all livestock, including whether use of RFID tags  
and readers is appropriate for certain livestock types, small farms, or small  
slaughter facilities;~~

1 ~~(5) an estimate of the cost of equipping a farm or a federally inspected~~  
2 commercial slaughter facility with RFID tags and readers; and

3 (6) a recommendation of whether the State should provide financial  
4 assistance to livestock owners or federally inspected commercial slaughter  
5 facilities for the purchase of RFID tags and readers, including eligibility  
6 requirements, cost-share, timing, or other criteria recommended by the  
7 Secretary of Agriculture, Food and Markets for the provision of RFID tags and  
8 readers to livestock owners or federally inspected commercial slaughter  
9 facilities in in the State.

10 Sec. 11. 6 V.S.A. § 4607 is amended to read:

11 § 4607. POWERS AND DUTIES OF THE VERMONT WORKING LANDS  
12 ENTERPRISE BOARD

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

14 (1) optimizing the agricultural and forest use of Vermont lands and other  
15 agricultural resources;

16 (2) expanding existing markets and identifying and developing new  
17 profitable in-state and out-of-state markets for food, fiber, forest products, and  
18 value-added agricultural products, including farm-derived renewable energy  
19 and independent animal welfare certification programs; and

20

1 ~~(d) Definition. As used in this section, “independent animal welfare~~  
2 ~~certification program” means a program offered by a body approved by the~~  
3 ~~Secretary of Agriculture, Food and Markets that uses qualified, third-party, on-~~  
4 ~~farm auditors to routinely assess whether a livestock producer or commercial~~  
5 ~~slaughter facility is 100 percent compliant with specific farm animal welfare~~  
6 ~~standards exceeding industry standards based on industry guidelines, provided~~  
7 ~~that:~~

8 ~~(1) the protocol of the standards are made public;~~

9 ~~(2) the standards include, at a minimum, provisions for humane~~  
10 ~~slaughter, space allowance, environmental enrichment and ability to engage in~~  
11 ~~natural behaviors, pain control and physical alterations, handling, and~~  
12 ~~responsible antibiotic use;~~

13 ~~(3) routine caging, crating, or tethering of animals is prohibited;~~

14 ~~(4) the auditors have no vested or financial interest in audit outcomes;~~

15 ~~and~~

16 ~~(5) the auditors possess a background in animal welfare science or have~~  
17 ~~received equivalent training and are able to recognize, review, and apply~~  
18 ~~established farm animal welfare standards and protocols.~~

19 \* \* \* Carbon Markets; Pilot Program; Assistance \* \* \*

20 Sec. 12. GREEN MOUNTAIN STATE FOREST CARBON PILOT

21 PROJECT

1 (a) Findings and purpose.

2 (1) Vermont's public forestlands provide many benefits to the State  
3 including access to outdoor recreation, increased tourism, and helping keep our  
4 environment healthy.

5 (2) Private owners of forestlands are facing increased pressure to  
6 develop their forestlands and possess limited financial resources to resist this  
7 pressure.

8 (3) Private owners of forestlands are significant in this State as they  
9 own nearly 80 percent of the forestlands in Vermont.

10 (4) The purpose of this section is to create a pilot project to allow the  
11 Department of Forests, Parks and Recreation to demonstrate how parcels of  
12 Vermont's forestlands may enter both compliance and voluntary carbon  
13 markets and produce a report and materials to aid private owners of forestlands  
14 entering both compliance and voluntary carbon markets.

15 (b) The Department of Forests, Parks and Recreation shall establish the  
16 Green Mountain State Forest Carbon Pilot Project that shall:

17 (1) enter at least one parcel of forestland into a voluntary carbon  
18 market;

19 (2) enter at least one parcel of forestland into a compliance carbon  
20 market; and

1 ~~(3) produce a report and any necessary materials that will aid in the~~  
2 education of private owners of Vermont forestlands on the process of entering  
3 their lands into a carbon market.

4 (c) The Department shall have the authority to use available private, State,  
5 and federal funding to implement the pilot project as described in  
6 subsection (b) of this section.

7 (d) On or before January 15, 2021, the Department shall submit a report to  
8 the Senate Committee on Agriculture and the House Committee on Agriculture  
9 and Forestry addressing:

10 (1) the implementation of the pilot project;

11 (2) any materials created to educate private owners of Vermont  
12 forestlands on the process of entering their lands into a carbon market; and

13 (3) any recommendations for further action.

14 Sec. 13. 10 V.S.A. chapter 83, subchapter 9 is added to read:

15 Subchapter 9. Vermont Forests in Carbon Markets

16 § 2685. Green Mountain State Forest Carbon Program

17 (a) Definitions. As used in this subchapter:

18 (1) "Carbon dioxide equivalent" means an amount of a greenhouse gas  
19 that would cause the same amount of warming as a ton of carbon dioxide  
20 emissions.

1 ~~(2) "Carbon market" means a voluntary or compliance market place that~~  
2 ~~trades carbon allowances representing the reduction, avoidance, or~~  
3 ~~sequestration of carbon measured using tons of carbon dioxide equivalent.~~

4 ~~(3) "Contracted entity" or "entity" means the entity that enters into a~~  
5 ~~contract with the Department of Forests, Parks and Recreation to supply the~~  
6 ~~services identified in subsection (c) of this section.~~

7 ~~(4) "Department" means the Department of Forests, Parks and~~  
8 ~~Recreation.~~

9 ~~(5) "High ecological value" means an area that has been designated as a~~  
10 ~~fragile area in the Fragile Areas Registry pursuant to 10 V.S.A. chapter 158.~~

11 ~~(b) Establishment. The Department shall establish the Green Mountain~~  
12 ~~State Forest Carbon Program to support and promote the entrance by owners~~  
13 ~~of tracts of Vermont forestlands into international, national, and regional~~  
14 ~~carbon markets. The Department shall contract with an entity to implement~~  
15 ~~the program and provide services to owners of forestland that will facilitate the~~  
16 ~~entrance of the forested land into a carbon market.~~

17 ~~(c) Services.~~

18 ~~(1) The contracted entity shall provide the following services to owners~~  
19 ~~of forestlands:~~

20 ~~(A) technical assistance to private owners of forestlands on how to~~  
21 ~~gain access to carbon markets;~~

1 (B) technical assistance to private owners of forestlands on  
2 aggregation of multiple small parcels of forested land into parcels that are  
3 economically attractive to carbon marketplaces, including creating forest  
4 management plans; and

5 (C) services related to legal requirements and frameworks to gain  
6 access to carbon marketplaces.

7 (2) When providing services under this subsection, the contracted entity  
8 shall give priority to forestlands that have been previously identified as having  
9 high ecological value.

10 (d) Report. On or before January 15, 2024, the Department of Forests,  
11 Parks and Recreation shall submit to the Senate Committee on Agriculture and  
12 the House Committee on Agriculture and Forestry a report regarding the  
13 activities and progress of the contracted entity. The report shall include:

14 (1) a summary of the contracted entities activities;

15 (2) an evaluation of the effectiveness of the services provided by the  
16 contracted entity to private owners of forestlands;

17 (3) a summary of the contracted entity's progress in aggregating  
18 Vermont's forestlands into marketable parcels for carbon markets;

19 (4) an accounting of how the contracted entity used the funds dispersed  
20 and whether these funds are sufficient to provide the services necessary to  
21 achieve the purpose of the program,

1 ~~(5) recommended changes to the program, including legislative~~  
2 amendments to expand access for private owners of Vermont forestlands to  
3 carbon markets.

4 \* \* \* Logger Safety \* \* \*

5 Sec. 14. 10 V.S.A. §§ 2622b and 2622c are added to read:

6 § 2622b. ACCIDENT PREVENTION AND SAFETY TRAINING FOR  
7 LOGGING CONTRACTORS

8 (a) Training Program. The Commissioner of Forests, Parks and Recreation  
9 shall develop a logging operations accident prevention and safety training  
10 curriculum and supporting materials to assist logging safety instructors in  
11 providing logging safety instruction. In developing the logging operations  
12 accident prevention and safety training curriculum and supporting materials,  
13 the Commissioner shall consult with and seek the approval of the training  
14 curriculum by the Workers' Compensation and Safety Division of the  
15 Department of Labor.

16 (1) The accident prevention and safety training curriculum and  
17 supporting materials shall consist of an accident prevention and safety course  
18 that addresses the following:

19 (A) safe performance of standard logging practices, whether  
20 mechanized or nonmechanized,

1 (B) safe use, operation, and maintenance of tools, machines, and  
2 vehicles typically utilized and operated in the logging industry; and

3 (C) recognition of health and safety hazards associated with logging  
4 practices.

5 (2) The Commissioner shall make the accident prevention and safety  
6 training curriculum and supporting materials available to persons,  
7 organizations, or groups for presentation to individuals being trained in forest  
8 operations and safety.

9 (b) Request for proposal. The Commissioner shall prepare and issue a  
10 request for proposal to develop at least three course curriculums and associated  
11 training materials. The Commissioner may cooperate with any reputable  
12 association, organization, or agency to provide course curriculums and  
13 training required under this subsection.

14 (c) Certificate of completion. The Commissioner, any logging safety  
15 instructor, or a logger safety certification organization shall issue a certificate  
16 of completion to each person who satisfactorily completes a logging operations  
17 accident prevention and safety training program based on the curriculum  
18 developed under this section.

1 ~~§ 2622c. FINANCIAL ASSISTANCE; LOGGER SAFETY; MASTER~~

2 LOGGER CERTIFICATION; COST-SHARE

3 (a) The Commissioner of Forests, Parks and Recreation annually shall  
4 award a grant to the Vermont Logger Education to Advance Professionalism  
5 (LEAP) program for the purpose of providing financial assistance to logging  
6 contractors to reduce the total costs of logger safety training or continuing  
7 education in logger safety. Financial assistance from the LEAP program shall  
8 be in the form of grants. The following costs to a logging contractor enrolled  
9 in the LEAP program shall be eligible for assistance:

10 (1) the costs of safety training, continuing education, or a loss  
11 prevention consultation;

12 (2) the costs of certification under the Master Logger Certification  
13 Program; or

14 (3) the costs of completion of a logging career technical education  
15 program.

16 (b) A grant awarded under this section shall pay up to 50 percent of the  
17 cost of an eligible activity.

18 (c) Of the grant funds awarded annually to the LEAP program under  
19 subsection (a) of this section, the LEAP program annually shall award grants  
20 to pay for the costs of the initial certification of up to 10 logging contractors

1 ~~enrolled in the Master Logger certification program through the Trust to~~

2 Conserve Northeast Forestlands.

3 Sec. 15. 10 V.S.A. § 2702 is added to read:

4 § 2702. VALUE-ADDED FOREST PRODUCTS; FINANCIAL

5 ASSISTANCE

6 The Commissioner shall award grants of up to \$10,000.00 to applicants  
7 engaged in adding value to forest products within the State. A grant awarded  
8 under this section may be used by the applicant to pay for expenses associated  
9 with State and local permit application costs, project consultation costs,  
10 engineering and siting costs, and expert witness analysis and testimony  
11 necessary for permitting.

12 ~~Sec. 16. APPROPRIATION~~

13 In addition to other funds appropriated in fiscal year 2020, \$95,000.00 is  
14 appropriated from the General Fund to the Agency of Natural Resources,  
15 Department of Forests, Parks and Recreation in fiscal year 2020 to be used as  
16 follows:

17 (1) \$15,000.00 for the logging operations accident prevention and safety  
18 training curriculum established under 10 V.S.A. § 2622b;

19 (2) \$30,000.00 for the annual grant to the Vermont LEAP program  
20 under 10 V.S.A. § 2622c to be used as follows.

- 1 ~~(A) \$15,000.00 for financial assistance for master logger~~
- 2 ~~certification; and~~
- 3 ~~(B) \$15,000.00 for all other eligible activities under 10 V.S.A.~~
- 4 ~~§ 2622c; and~~
- 5 ~~(3) \$50,000.00 for the value-added forest products financial assistance~~
- 6 ~~program established under 10 V.S.A. § 2702.~~

*Sec. 16. IMPLEMENTATION OF LOGGER SAFETY AND VALUE-ADDED PRODUCTS PROGRAMS; FUNDING*

*The Commissioner of Forests, Parks and Recreation shall not implement the programs established under 10 V.S.A. §§ 2622b and 2622c (logger safety) and under 10 V.S.A. § 2702 (value-added forest products) unless and until appropriations to implement the programs are approved by the General Assembly for fiscal year 2020.*

7 \* \* \* Wetland \* \* \*

8 Sec. 17. REPEAL OF SUNSET OF FEE FOR PIPELINES IN WETLAND

9 2018 Acts and Resolves No. 194, Sec. 8a (sunset of maximum fee for  
10 manure pipeline in wetland) is repealed.

11 \* \* \* Advanced Wood Boilers \* \* \*

12 ~~Sec. 18. REPEAL OF SUNSET ON SALES TAX EXEMPTION LEOP~~

13 ADVANCED WOOD BOILERS

14 2018 Acts and Resolves No. 194, Sec. 26b(a) (sunset of sales tax exemption  
15 for advanced wood boilers) is repealed.

~~Sec. 19. 2019 Acts and Resolves No. 194, Sec. 26b is amended to read:~~

~~Sec. 26b. REPEALS~~

~~(a) 32 V.S.A. § 9741(52) (sales tax exemption for advanced wood boilers) shall be repealed on July 1, 2021 2023.~~

~~(b) Sec. 26a of this act (transfer from CEDF) shall be repealed on July 1, 2021 2023.~~

\* \* \* Food Residuals on Farms \* \* \*

Sec. 19. CERTIFICATION OF FARMS ACCEPTING FOOD RESIDUALS

(a) Except as provided under subsection (b) of this section, the Secretary of Natural Resources shall not require a farm that accepts food residuals for composting to obtain a solid waste certification under 10 V.S.A. chapter 159 until July 1, 2020, provided that:

(1) the farm is complying with the requirements of 6 V.S.A. chapter 215; and

(2) the farm was accepting food residuals for composting on or before January 1, 2019,

(b) Notwithstanding subsection (a) of this section, the Secretary of Natural Resources may require a farm that accepts food residuals for composting to be certified under 10 V.S.A. chapter 159 prior to July 1, 2020 or may order a farm to cease acceptance of food residuals for composting if the Secretary determines that the acceptance or management of food residuals on a farm presents an undue threat to human health or the environment.

1 ~~\*\*\* Effective Dates \*\*\*~~

2 Sec. 20. EFFECTIVE DATES

3 This act shall take effect on July 1, 2019, except that Sec. 13 (Green  
4 Mountain State Forest Carbon Program) shall take effect July 1, 2021.

*\*\*\* Report on Agricultural Industry \*\*\**

*Sec. 1. REPORT ON STABILIZATION AND REVITALIZATION OF THE  
VERMONT AGRICULTURAL INDUSTRY*

*(a) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets, in consultation with the Vermont Farm-to-Plate Investment Program and industry stakeholders, shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report with recommendations for the stabilization, diversification, and revitalization of the agricultural industry in Vermont.*

*(b) The report required under subsection (a) of this section shall:*

*(1) summarize the current conditions within particular subsectors, product categories, and market channels that comprise the Vermont food system, including the most recent data synthesis, research, reports, and expert documentation of challenges and opportunities for diversification and growth;*

*(2) recommend methods for improving the marketing of Vermont agricultural products;*

*(3) compile technical assistance and capital resources available to farmers to assist in the diversification of agricultural products produced on a farm; and*

*(4) after consultation with the Northeast Organic Farming Association and Vermont FEED, provide an assessment of the potential to increase the amount of Vermont agricultural products that are purchased by school nutrition programs in the State, including an inventory of agricultural products, such as beef, eggs, or cheese, where demand from schools would create a viable market for Vermont farmers.*

*\*\*\* Dairy Marketing Assessment \*\*\**

*Sec. 2. DAIRY MARKETING ASSESSMENT; REPORT*

*(a) On or before August 1, 2019, subject to available grants or other funding, the Secretary of Commerce and Community Development, in consultation with the Secretary of Agriculture, Food and Markets, shall contract with a qualified marketing consultant to conduct a marketing assessment of the viability of increasing the consumption of Vermont dairy products in major metropolitan markets in New England and the Northeast. The assessment shall:*

*(1) conduct market research to identify consumer preferences and upcoming trends around dairy products;*

*(2) assess consumer preferences and market viability of:*

*(A) dairy products that provide added value or co-benefits, including, environmental standards followed, soil health practices employed, or animal welfare practices followed in the production of the product;*

*(B) dairy products that are sold with a label or brand identifying the product as originating in Vermont; and*

*(C) dairy products produced from the separation of whole milk; and*

*(3) identify existing funding sources or economic incentives that could be utilized to fund the development of dairy trend research and marketing campaigns in key identified markets and sectors, including innovation grants or financing under federal or State law.*

*(b) On or before January 15, 2020, the Secretary of Commerce and Community Development shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry the results of the marketing assessment required under subsection (a) of this section.*

*\*\*\* Soil Conservation \*\*\**

*Sec. 3. SOIL CONSERVATION PRACTICE AND PAYMENT FOR ECOSYSTEM SERVICES WORKING GROUP*

*(a) The Secretary of Agriculture, Food and Markets shall convene a Soil Conservation Practice and Payment for Ecosystem Services Working Group to recommend financial incentives designed to encourage farmers in Vermont to implement agricultural practices that exceed the requirements of 6 V.S.A. chapter 215 and that improve soil health, enhance crop resilience, increase carbon storage and stormwater storage capacity, and reduce agricultural runoff to waters. The Working Group shall:*

(1) identify agricultural standards or practices that farmers can implement that improve soil health, enhance crop resilience, increase carbon storage and stormwater storage capacity, and reduce agricultural runoff to waters;

(2) recommend existing financial incentives available to farmers that could be modified or amended to incentivize implementation of the agricultural standards identified under subdivision (1) of this subsection or incentivize the reclamation or preservation of wetlands and floodplains;

(3) propose new financial incentives, including a source of revenue, for implementation of the agricultural standards identified under subdivision (1) of this subsection if existing financial incentives are inadequate or if the goal of implementation of the agricultural standards would be better served by a new financial incentive; and

(4) recommend legislative changes that may be required to implement any financial incentive recommended or proposed in the report.

(b) The Soil Conservation Practice and Payment for Ecosystem Services Working Group shall consist of persons with knowledge or expertise in agricultural water quality, soil health, economic development, or agricultural financing. The Secretary of Agriculture, Food and Markets shall appoint the members that are not ex officio members. The Working Group shall include the following members:

(1) the Secretary of Agriculture, Food and Markets or designee;

(2) the Secretary of Natural Resources or designee;

(3) a representative of the Vermont Housing and Conservation Board;

(4) a member of the former Dairy Water Collaborative;

(5) two persons representing farmer's watershed alliances in the State;

(6) a representative of the Natural Resources Conservation Council;

(7) a representative of the Gund Institute for Environment of the University of Vermont;

(8) a representative of the University of Vermont (UVM) Extension;

(9) two members of the Agricultural Water Quality Partnership;

(10) a representative of small-scale, diversified farming; and

(11) a member of the Vermont Healthy Soils Coalition.

(c) The Secretary of Agriculture, Food and Markets or designee shall be the Chair of the Working Group, and the representative of the Vermont Housing and Conservation Board shall be the Vice Chair.

(d) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report including the findings and recommendations of the Soil Conservation Practice and Payment for Ecosystem Services Working Group regarding financial incentives designed to encourage farmers in Vermont to implement agricultural practices that improve soil health, enhance crop resilience, and reduce agricultural runoff to waters.

*\* \* \* Clean Water Affinity Card \* \* \**

*Sec. 4. 32 V.S.A. § 584 is amended to read:*

*§ 584. VERMONT CLEAN WATER STATE-SPONSORED AFFINITY  
CARD PROGRAM*

*(a) The State Treasurer is hereby authorized to sponsor and participate in an Affinity Card Program for the benefit of ~~the residents of~~ water quality improvement in this State upon his or her determination that such a Program is feasible and may be procured at rates and terms in the best ~~interest~~ interests of the cardholders. ~~In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features which will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card.~~*

*(b) In selecting an affinity card issuer, the Treasurer shall consider the issuer's record of investments in the State and shall take into consideration program features that will enhance the promotion of the State-sponsored affinity card, including consumer-friendly terms, favorable interest rates, annual fees, and other fees for using the card ~~The Treasurer shall consult with other State agencies about potential public purpose projects to be designated for the Program and shall allow cardholders to designate that funds be used either to support sustainable agricultural programs, renewable energy programs, State parks and forestland programs, or any combination of these. The net proceeds of the State fees or royalties generated by this program shall be transmitted to the State and shall be deposited in a State-sponsored Affinity Card Fund and subsequently transferred to the designated State programs and purposes as selected by the cardholders. The funds received shall be held by the Treasurer until transferred for the purposes directed by participating State-~~*

~~sponsored affinity cardholders in accordance with the trust fund provisions of section 462 of this title.~~

~~(c) The net proceeds of the State fees or royalties generated by the Vermont Clean Water Affinity Card Program shall be transmitted to the State and shall be deposited into the Clean Water Fund under 10 V.S.A. § 1388 to provide financial incentives to encourage farmers in Vermont to implement agricultural practices that improve soil health, enhance crop resilience, or reduce agricultural runoff to waters. All program balances at the end of the fiscal year shall be carried forward and shall not revert to the General Fund. Interest earned shall remain in the program.~~

~~(d) The State shall not assume any liability for lost or stolen credit cards nor any other legal debt owed to the financial institutions.~~

~~(e) The State Treasurer is authorized to adopt such rules as may be necessary to implement the Vermont State-sponsored Clean Water Affinity Card Program.~~

~~\*\*\* Slaughter \*\*\*~~

~~Sec. 5. 2013 Acts and Resolves No. 83, Sec. 13, as amended by 2016 Acts and Resolves No. 98, Sec. 2, is amended to read:~~

~~6 V.S.A. § 3311a (livestock slaughter inspection and license exemptions) shall be repealed on July 1, ~~2019~~ 2023.~~

~~Sec. 6. 6 V.S.A. § 3311a is amended to read:~~

~~§ 3311a. LIVESTOCK; INSPECTION; LICENSING; PERSONAL  
SLAUGHTER; ITINERANT SLAUGHTER~~

~~(a) As used in this section:~~

~~(1) “Assist in the slaughter of livestock” means the act of slaughtering or butchering an animal and shall not mean the farmer’s provision of a site on the farm for slaughter, provision of implements for slaughter, or the service of disposal of the carcass or offal from slaughter.~~

~~(2) “Sanitary conditions” means a site on a farm that is:~~

~~(A) clean and free of contaminants; and~~

~~(B) located or designed in a way to prevent:~~

~~(i) the occurrence of water pollution; and~~

~~(ii) the adulteration of the livestock or the slaughtered meat.~~

~~(b) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter by an ~~individual~~~~

*owner of livestock that the ~~individual~~ owner raised for the ~~individual's~~ owner's exclusive use or for the use of members of his or her household and his or her nonpaying guests and employees.*

*(c) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter of livestock that occurs in a manner that meets all of the following requirements:*

*(1) ~~An individual~~ A person or persons purchases livestock from a farmer that raised the livestock.*

*(2) The farmer is registered with the Secretary, on a form provided by the Secretary, as selling livestock for slaughter under this subsection.*

*(3) The ~~individual~~ individuals who purchased the livestock performs the act of slaughtering the livestock, as the owner of the livestock.*

*(4) The act of slaughter occurs, after approval from the farmer who sold the livestock, on a site on the farm where the livestock was purchased.*

*(5) The slaughter is conducted under sanitary conditions.*

*(6) The farmer who sold the livestock to the ~~individual~~ individuals does not assist in the slaughter of the livestock.*

*(7) ~~Not~~ Not more than the following number of livestock per year are slaughtered under this subsection:*

*(A) 15 swine;*

*(B) five cattle;*

*(C) 40 sheep or goats; or*

*(D) any combination of swine, cattle, sheep, or goats, provided that ~~not~~ not more than 6,000 pounds of the live weight of livestock are slaughtered per year.*

*(8) The farmer who sold the livestock to the ~~individual~~ individuals maintains a record of each slaughter conducted under this subsection and reports quarterly to the Secretary, on a form provided by the Secretary, on or before April 15 for the calendar quarter ending March 31, on or before July 15 for the calendar quarter ending June 30, on or before October 15 for the calendar quarter ending September 30, and on or before January 15 for the calendar quarter ending December 31. If a farmer fails to report slaughter activity conducted under this subsection, the Secretary, in addition to any enforcement action available under this chapter or chapter 1 of this title, may suspend the authority of the farmer to sell animals to an ~~individual~~ individuals for slaughter under this subsection.*

(9) The slaughtered livestock may be halved or quartered by the individual or individuals who purchased the livestock but solely for the purpose of transport from the farm.

(10) The livestock is slaughtered according to a humane method, as that term is defined in subdivision 3131(6) of this title.

(d) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to an itinerant slaughterer engaged in the act of itinerant livestock slaughter or itinerant poultry slaughter.

(e) An itinerant slaughterer may slaughter livestock owned by a person on the farm where the livestock was raised under the following conditions:

(1) the meat from the slaughter of the livestock is distributed only as whole ~~or half~~, halved, or quartered carcasses to the person who owned the animal for his or her personal use or for use by members of his or her household or nonpaying guests; ~~and~~

(2) the slaughter is conducted under sanitary conditions; and

(3) the livestock is slaughtered according to a humane method, as that term is defined in subdivision 3131(6) of this title.

(f) A carcass or offal from slaughter conducted under this section shall be disposed of according to the requirements under the required agricultural practices for the management of agricultural waste.

#### Sec. 7. REPORT ON RADIO FREQUENCY IDENTIFICATION FOR LIVESTOCK

On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Agriculture and on Appropriations and the House Committees on Agriculture and Forestry and on Appropriations a report regarding the use of radio frequency identification (RFID) tags and readers by livestock owners and federally inspected commercial slaughter facilities in the State. The Secretary shall consult with the Vermont Grass Farmers Association, the Vermont Sheep and Goat Association, and the Vermont Agricultural Fairs Association in the development of the report. The report shall include:

(1) a summary of the current Agency of Agriculture, Food and Markets practice of providing metal or plastic animal identification tags to livestock owners at no or low cost;

(2) a summary of any existing or pending federal requirements for the use of RFID tags and readers by livestock owners or federally inspected commercial slaughter facilities;

(3) a summary of how RFID tags and readers are used to manage livestock or track animals through the slaughter process, including the benefits of RFID in comparison to metal or plastic animal identification tags;

(4) an analysis of whether RFID tags and readers are beneficial for the management or slaughter of all livestock, including whether use of RFID tags and readers is appropriate for certain livestock types, small farms, or small slaughter facilities;

(5) an estimate of the cost of equipping a farm or a federally inspected commercial slaughter facility with RFID tags and readers; and

(6) a recommendation of whether the State should provide financial assistance to livestock owners or federally inspected commercial slaughter facilities for the purchase of RFID tags and readers, including eligibility requirements, cost-share, timing, or other criteria recommended by the Secretary of Agriculture, Food and Markets for the provision of RFID tags and readers to livestock owners or federally inspected commercial slaughter facilities in the State.

Sec. 8. 6 V.S.A. § 4607(b) is amended to read:

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

\* \* \*

(10) to identify strategic statewide infrastructure and investment priorities considering:

(A) leveraging opportunities;

(B) economic clusters;

(C) return-on-investment analysis;

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

(11) to develop an annual operating budget, and:

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

(B) expend any monies necessary to carry out the purposes of this section; and

(12) to identify growing markets and opportunities for the livestock and poultry sectors, including promoting independent animal welfare certification programs.

*\* \* \* Vermont Forest Carbon Sequestration Working Group \* \* \**

*Sec. 9. VERMONT FOREST CARBON SEQUESTRATION WORKING GROUP; REPORT*

(a) Creation. There is created the Vermont Forest Carbon Sequestration Working Group to study how to create a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

(b) Membership. The Working Group shall be composed of the following members:

(1) two members of the House of Representatives, not from the same political party, appointed by the Speaker of the House;

(2) two members from the Senate, not from the same political party, appointed by the Committee on Committees;

(3) the Secretary of Natural Resources or designee;

(4) four persons with expertise of or experience with the requirements for participating in carbon sequestration markets, two appointed by the Speaker of the House and two appointed by the Committee on Committees; and

(5) a private landowner or a representative of an association or organization representing private landowners, appointed by the Governor.

(c) Powers and duties. The Working Group shall study how to create a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, and shall:

(1) evaluate the current status of carbon sequestration markets, including:

(A) review of available information on the feasibility of enrolling public and private land from Vermont in a carbon sequestration market, including review of existing feasibility analyses specific to the development of forest carbon sequestration projects in New England and Vermont;

(B) examples from forest carbon sequestration project development on public land in other states; and

(C) if available, technical assistance programs developed by other states and organizations to assist private landowners in engaging in carbon sequestration markets;

(2) evaluate the economic and environmental case for encouraging forest carbon sequestration offset projects in Vermont;

(3) analyze how to best market and sell carbon credits from State-owned and privately owned forestland in carbon sequestration markets;

(4) determine how to develop economies of scale in marketing and selling carbon credits in carbon sequestration markets;

(5) evaluate how to utilize financial incentives and existing forest management and certification programs and Vermont's Use Value Appraisal program to maximize the potential value of forestland in carbon sequestration markets while also enhancing conservation and other goals;

(6) review how to structure and regulate a Statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets, including how the program should be governed, whether the program should be governed by a State agency, how forestland will be assessed and enrolled, how parcels and landowners will enter and leave the program, how landowners will be paid, and how requirements and standards concerning forest management will be applied and enforced;

(7) estimate expected revenue from enrolling forestland in carbon markets and how that revenue should be allocated to:

(A) support the governance structure, management, and oversight of the program;

(B) fairly compensate landowners; and

(C) encourage enrollment in the program; and

(8) any other issue the Working Group deems relevant to designing and implementing a statewide program to facilitate the enrollment of Vermont forestlands in carbon sequestration markets.

(d) Assistance. The Working Group shall have the technical and legal assistance of the Agency of Natural Resources. The Working Group shall have the administrative and legislative drafting assistance of the Office of Legislative Council and the fiscal assistance of the Joint Fiscal Office. The Working Group may consult with stakeholders and experts in relevant subject areas, including carbon markets, forest management strategies, and parcel mapping.

(e) Report. On or before January 15, 2020, the Working Group shall submit a written report to the House Committees on Agriculture and Forestry, on Natural Resources, Fish, and Wildlife, and on Energy and Technology and

to the Senate Committees on Agriculture and on Natural Resources and Energy. The report shall include:

(1) specific and detailed findings and proposals concerning the issues set forth in subsection (c);

(2) a proposal for a pilot project to enroll State-owned forestland in a carbon sequestration market; and

(3) any recommendations for legislative or regulatory action.

(f) Meetings.

(1) The Secretary of Natural Resources or designee shall call the first meeting of the Working Group to occur on or before July 15, 2019.

(2) The Secretary of Natural Resources or designee shall be the Chair.

(3) A majority of the membership shall constitute a quorum.

(4) The Working Group shall meet as often as necessary and shall cease to exist on January 31, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Any nonlegislative member of the Working Group who is a State employee shall not be entitled to per diem compensation or reimbursement of expenses. Any member of the Working Group who is not a State employee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the Agency of Natural Resources.

\* \* \* *Logger Safety* \* \* \*

Sec. 10. 10 V.S.A. §§ 2622b and 2622c are added to read:

§ 2622b. ACCIDENT PREVENTION AND SAFETY TRAINING FOR LOGGING CONTRACTORS

(a) Training Program. The Commissioner of Forests, Parks and Recreation shall develop a logging operations accident prevention and safety training curriculum and supporting materials to assist logging safety instructors in providing logging safety instruction. In developing the logging operations accident prevention and safety training curriculum and supporting

materials, the Commissioner shall consult with and seek the approval of the training curriculum by the Workers' Compensation and Safety Division of the Department of Labor.

(1) The accident prevention and safety training curriculum and supporting materials shall consist of an accident prevention and safety course that addresses the following:

(A) safe performance of standard logging practices, whether mechanized or nonmechanized;

(B) safe use, operation, and maintenance of tools, machines, and vehicles typically utilized and operated in the logging industry; and

(C) recognition of health and safety hazards associated with logging practices.

(2) The Commissioner shall make the accident prevention and safety training curriculum and supporting materials available to persons, organizations, or groups for presentation to individuals being trained in forest operations and safety.

(b) Request for proposal. The Commissioner shall prepare and issue a request for proposal to develop at least three course curriculums and associated training materials. The Commissioner may cooperate with any reputable association, organization, or agency to provide course curriculums and training required under this subsection.

(c) Certificate of completion. The Commissioner, any logging safety instructor, or a logger safety certification organization shall issue a certificate of completion to each person who satisfactorily completes a logging operations accident prevention and safety training program based on the curriculum developed under this section.

§ 2622c. FINANCIAL ASSISTANCE; LOGGER SAFETY; MASTER  
LOGGER CERTIFICATION; COST-SHARE

(a) The Commissioner of Forests, Parks and Recreation annually shall award grants to the following entities in order to provide financial assistance to loggers for the purposes of improving logger safety and professionalism:

(1) to the Vermont Logger Education to Advance Professionalism (LEAP) program to provide financial assistance to logging contractors for the costs of logger safety training or continuing education in logger safety; and

(2) to the Trust to Conserve Northeast Forestlands for the purpose of annually paying for up to 50 percent, but not more than \$1,500.00, of the costs

of the initial certification of up to 10 logging contractors enrolled in the Master Logger Certification Program.

(b) The following costs to a logging contractor shall be eligible for assistance under the grants awarded under subsection (a) of this section:

(1) the costs of safety training, continuing education, or a loss prevention consultation;

(2) the costs of certification under the Master Logger Program administered by the Trust to Conserve Northeast Forestlands; or

(3) the costs of completion of a logging career technical education program.

(c) A grant awarded under this section shall pay up to 50 percent of the cost of an eligible activity.

Sec. 11. 10 V.S.A. § 2702 is added to read:

§ 2702. VALUE-ADDED FOREST PRODUCTS; FINANCIAL ASSISTANCE

The Commissioner shall award grants of up to \$10,000.00 to applicants engaged in adding value to forest products within the State. A grant awarded under this section may be used by the applicant to pay for expenses associated with State and local permit application costs, project consultation costs, engineering and siting costs, and expert witness analysis and testimony necessary for permitting.

Sec. 12. IMPLEMENTATION OF LOGGER SAFETY AND VALUE-ADDED PRODUCTS PROGRAMS; FUNDING

The Commissioner of Forests, Parks and Recreation shall not implement the programs established under 10 V.S.A. §§ 2622b and 2622c (logger safety) and under 10 V.S.A. § 2702 (value-added forest products) unless and until appropriations to implement the programs are approved by the General Assembly for fiscal year 2020.

*\* \* \* Wetlands; Environmental Permitting Fees \* \* \**

Sec. 13. REPEAL OF SUNSET OF FEE FOR PIPELINES IN WETLAND

2018 Acts and Resolves No. 194, Sec. 8a (sunset of maximum fee for manure pipeline in wetland) is repealed.

*\* \* \* Advanced Wood Boilers \* \* \**

*Sec. 14. 2018 Acts and Resolves No. 194, Sec. 26b is amended to read:*

*Sec. 26b. REPEALS*

*(a) 32 V.S.A. § 9741(52) (sales tax exemption for advanced wood boilers) shall be repealed on July 1, ~~2021~~ 2023.*

*(b) Sec. 26a of this act (transfer from CEDF) shall be repealed on July 1, ~~2021~~ 2023.*

*Sec. 15. 2018 Acts and Resolves No. 194, Sec. 26a is amended to read:*

*Sec. 26a. TRANSFER FROM CEDF TO GENERAL FUND; TAX EXPENDITURE; ADVANCED WOOD BOILERS*

*(a) Beginning on July 1, 2018, the Clean Energy Development Fund quarterly shall calculate the forgone sales tax on advanced wood fired boilers resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers. Beginning on October 1, 2018, the Clean Energy Development Fund shall notify the Department of Taxes of the amount of sales tax forgone in the preceding calendar quarter resulting from the sales tax exemption under 32 V.S.A. § 9741(52) for advanced wood boilers.*

*(b) In fiscal years 2019 and 2020, the Clean Energy Development Fund shall transfer from the Clean Energy Development Fund to the General Fund the amount of the tax expenditure resulting from the sales tax exemption under 32 V.S.A. § 9741(52) on advanced wood boilers up to a maximum of \$200,000.00 for both fiscal years combined. The Department of Taxes shall deposit ~~64 percent~~ 100 percent of the monies transferred from the Clean Energy Development Fund into the ~~General Fund under 32 V.S.A. § 435 and 36 percent of the monies in the Education Fund under 16 V.S.A. § 4025.~~*

*\* \* \* Dairy Sanitation Rules \* \* \**

*Sec. 16. 6 V.S.A. § 2701 is amended to read:*

*§ 2701. RULES*

*(a) The Secretary, in accordance with 3 V.S.A. chapter 25, shall adopt, and may amend and rescind, dairy sanitation rules relating to dairy products to enforce this chapter, including labeling, weighing, measuring and testing facilities, buildings, equipment, methods, procedures, health of animals, health and capability of personnel, and quality standards. In addition, the uniform regulation for sanitation requirements, as adopted by the National Conference on Interstate Milk Shippers, and published by the U.S. Department of Health and Human Services, Public Health Service, Food and Drug Administration, Grade A Pasteurized Milk Ordinance (PMO), as amended, supplemented, or*

*revised, are adopted as part of this chapter, except as ~~modified or rejected by rule that any exemption to the preventative controls for human food requirements for Grade "A" milk and milk products for a very small business, as defined in the PMO and federal regulations, shall not apply. The Secretary may modify or reject by rule the PMO.~~ When adherence to the PMO is deemed unreasonable by the Agency for non-Grade "A" products, the most current version of the Recommended Requirements of the U.S. Department of Agriculture, Agricultural Marketing Service, Milk for Manufacturing Purposes and its Production and Processing may be used.*

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*\* \* \* Commercial Haulers; Food Residuals \* \* \**

*Sec. 17. 10 V.S.A. § 6607a(g) is amended to read:*

*(g)(1) Except as set forth in subdivisions (2), (3), and (4) of this subsection, a commercial hauler that offers the collection of municipal solid waste:*

*(A) Beginning on July 1, 2015, shall offer to collect mandated recyclables separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.*

*(B) Beginning on July 1, 2020, shall offer to nonresidential customers and apartment buildings with four or more residential units collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title. Commercial haulers shall not be required to offer collection of food residuals if another commercial hauler provides collection services for food residuals in the same area and has sufficient capacity to provide service to all customers.*

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*\* \* \* Seed Review \* \* \**

*Sec. 18. 6 V.S.A. § 642 is amended to read:*

*§ 642. DUTIES AND AUTHORITY OF THE SECRETARY*

*(a) The Secretary shall enforce and carry out the provisions of this subchapter, including:*

*(1) Sampling, inspecting, making analysis of, and testing seeds subject to the provisions of this subchapter that are transported, sold, or offered or exposed for sale within the State for sowing purposes. The Secretary shall notify promptly a person who sells, offers, or exposes seeds for sale and, if appropriate, the person who labels or transports seeds, of any violation and*

*seizure of the seeds, or order to cease sale of the seeds under section 643 of this title.*

*(2) Making or providing for purity and germination tests of seed for farmers and dealers on request and to fix and collect charges for the tests made.*

*(3) Cooperating with the U.S. Department of Agriculture and other agencies in seed law enforcement.*

*(4) Prior to sale, distribution, or use of a new genetically engineered seed in the State and after consultation with a seed review committee convened under subsection (c) of this section, review the traits of the new genetically engineered seed. The Secretary may prohibit, restrict, condition, or limit the sale, distribution, or use of the seed in the State when determined necessary to prevent an adverse effect on agriculture in the State.*

*(b) The Secretary shall establish rules to carry out the provisions of this subchapter, including those governing the methods of sampling, inspecting, analyzing, testing, and examining seeds and reasonable standards for seed.*

*(c)(1) The Secretary shall convene a seed review committee to review the seed traits of a new genetically engineered seed proposed for sale, distribution, or use in the State.*

*(2) A seed review committee convened under this subsection shall be comprised of the Secretary of Agriculture, Food and Markets or designee and the following members appointed by the Secretary:*

*(A) a certified commercial agricultural pesticide applicator;*

*(B) an agronomist or relevant crop specialist from the University of Vermont or Vermont Technical College;*

*(C) a licensed seed dealer; and*

*(D) a member of a farming sector affected by the new genetically engineered seed.*

*(3) A majority of the seed review committee must approve of the sale, distribution, or use of a new genetically engineered seed prior to sale, distribution, or use in the State. In order to ensure the appropriate use or traits of a new genetically engineered seed in the State, a seed review committee may propose to the Secretary limits or conditions on the sale, distribution, or use of a seed or recommend a limited period of time for sale of the seed.*

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

*Sec. 19. EFFECTIVE DATES*

*(a) This section and Sec. 13 (repeal of sunset on maximum wetland fee; manure pipelines) shall take effect on passage.*

*(b) Sec. 17 (commercial haulers; food residuals) shall take effect July 1, 2020.*

*(c) All other sections shall take effect on July 1, 2019.*