

S.160

An act relating to agricultural development.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. STRATEGIC PLAN TO STABILIZE AND REVITALIZE THE
VERMONT AGRICULTURAL INDUSTRY

(a) On or before January 15, 2020, the Vermont Farm-to-Plate Investment Program, after consultation with the Secretary of Agriculture, Food and Markets and industry stakeholders, shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report that shall serve as the basis for an update to the Farm-to-Plate Strategic Plan. After additional industry stakeholder engagement, the report shall be used to develop a prioritized strategic plan for the stabilization, diversification, and revitalization of the agricultural and food industry in Vermont by August 31, 2020.

(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 growth;

(2) recommend State investment in research and development by universities or other qualified organizations to establish new markets, products, or ingredients; and

(3) recommend methods for improving the marketing of Vermont agricultural products.

(c) The strategic plan required under subsection (a) of this section shall outline prioritized next steps and opportunities to assist in stabilizing, diversifying, and revitalizing Vermont's food system. The plan may include recommendations related to:

(1) technical assistance resources and capital availability to farmers to assist in the diversification of agricultural products produced on a farm;

(2) alternatives or methods for encouraging, maintaining, or increasing the amount of land in agricultural production and the number and diversity of people participating in the growing, harvesting, and processing of food in the State;

(3) resources for financing research and development by universities and businesses that promote innovative methods for managing and commoditizing manure to mitigate the environmental concerns raised by current manure management techniques;

(4) techniques, strategies, or systems for improving the ecological footprint and environmental sustainability of farming in the State;

(5) the potential to increase the amount of Vermont agricultural products that are purchased by school nutrition programs and other publicly funded institutions in the State;

(6) approaches for improving transparency in the agricultural industry so that the public is educated and aware of the need for and effect of certain dairy practices;

(7) approaches for improving agricultural and food literacy among Vermonters, including increased understanding of where their food comes from, how food is produced, and enhanced opportunities to learn about and participate in the growing and processing of crops for food and fiber; and

(8) the level of State, private, and philanthropic investment needed over the next 10 years in order to stabilize, diversify, and revitalize the Vermont food system.

(d) The Secretary of Agriculture, Food and Markets in partnership with the Vermont Farm-to-Plate Investment Program shall hold at least four public hearings combined with other stakeholder engagement sessions around the State to receive public input on priorities for stabilizing and revitalizing the agricultural industries in Vermont. The public input that the Secretary receives shall be included in the strategic plan required under subsection (c) of this section.

(e) The Vermont Farm-to-Plate Investment Program and the Secretary of Agriculture, Food and Markets shall not implement the requirements of this section unless and until appropriations to implement the program are approved by the General Assembly for fiscal year 2020.

* * * Local Food Purchasing Working Group * * *

Sec. 2. LOCAL FOOD PURCHASING WORKING GROUP

(a)(1) The Secretary of Agriculture, Food and Markets shall convene a Local Food Purchasing Working Group to develop a plan to assist schools in the State in increasing the purchase of local foods. The working group shall be composed of:

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

(B) the Secretary of Education or designee;

(C) a representative of Vermont FEED to be appointed by the organization;

(D) a representative of the Northeast Organic Farming Association Vermont, appointed by the association;

(E) two representatives of the School Nutrition Association Vermont, appointed by the Secretary of Agriculture, Food and Markets; and

(F) two school nutrition directors, appointed by the Secretary of Agriculture, Food and Markets.

(2) The Secretary of Agriculture, Food and Markets shall invite additional stakeholders, such as farmers, food distributors, school administrators, and other interested parties to provide input in the development of a recommended local food purchasing plan.

(b) On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall submit to the House Committee on Agriculture and Forestry and the Senate Committee on Agriculture a recommended local foods purchasing plan for schools. The plan shall include:

(1)(A) A proposed “per plate” incentive for local food purchasing for Vermont K–12 school meals and a timeline for implementation of the incentive. This proposal shall include:

(i) a proposed incentive amount per plate;

(ii) an analysis of why the proposed incentive amount will be effective for schools to increase school purchasing of local food; and

(iii) an estimate of the percentage increase in local food purchasing from implementation of the proposed incentive.

(B) In order to develop the per plate incentive proposal, the Working Group shall field test the per plate incentive with several school districts or supervisory unions during the 2019–2020 school year and shall collect data from the field test to contribute to the recommended plan required under this subsection.

(2) A proposal to support and assist schools in increasing local food purchasing. The proposal may include:

(A) additional procurement training for school personnel to purchase local foods;

(B) proposed work with the Agency of Education Child Nutrition Programs to determine how to collect and manage the data needed to track local food purchasing in schools;

(C) research and development of a tracking system or modification of current data collection systems; and

(D) a methodology for helping schools to know what is available and how to purchase and track it.

(c) The Secretary of Agriculture, Food and Markets shall not implement the requirements of this section unless and until the General Assembly approves appropriations in fiscal year 2020 to complete the “field testing” with schools required under subdivision (b)(2)(B) of this section.

* * * Dairy Marketing Assessment * * *

Sec. 3. DAIRY MARKETING ASSESSMENT; REPORT

On or before January 15, 2020, the Secretary of Agriculture, Food and Markets shall report to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry regarding the development of a dairy marketing assessment for the purpose of increasing the consumption of

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

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

(2) summarize how the State could facilitate messaging and marketing based on dairy products with additional benefits resulting in high value resonance with consumers, including health, nutrition, social, and environmental benefits; 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.

* * * Soil Conservation * * *

Sec. 4. 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) the Commissioner of Forests, Parks and Recreation or designee
- (4) a representative of the Vermont Housing and Conservation Board;
- (5) a member of the former Dairy Water Collaborative;
- (6) a representative of the Farmer's Watershed Alliance;
- (7) a representative from the Champlain Valley Farmer Coalition;
- (8) a representative from the Connecticut River Watershed Farmers

Alliance;

- (9) a representative of the Natural Resources Conservation Council;
- (10) a representative of the Gund Institute for Environment of the

University of Vermont;

- (11) a representative of the University of Vermont (UVM) Extension;
- (12) at least two members of the Agricultural Water Quality Partnership;
- (13) a representative of small-scale, diversified farming; and
- (14) 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 an interim report to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry regarding the progress of the Working Group. On or before January 15, 2021, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a final 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. 5. 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 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 Clean Water ~~State-sponsored~~ Affinity Card Program.

* * * On-Farm Slaughter * * *

Sec. 6. 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. 7. 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 or 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 or individuals does not assist in the slaughter of the livestock.

(7) No 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 no 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 or 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 or 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.

* * * Animal Welfare; Traceability * * *

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

§ 1152. ADMINISTRATION; INSPECTION; TESTING; RECORDS

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

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

(c) The Secretary may conduct any inspections, investigations, tests, diagnoses, or other reasonable steps necessary to discover and eliminate contagious diseases existing in domestic animals in this State. The Secretary shall investigate any reports of diseased animals, provided there are adequate resources. In carrying out the provisions of this part, the Secretary or his or her authorized agent may enter any real estate, premises, buildings, enclosures, or

areas where animals may be found for the purpose of making reasonable inspections and tests. A livestock owner or the person in possession of the animal to be inspected, upon request of the Secretary, shall restrain the animal and make it available for inspection and testing.

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

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

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

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

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

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

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

§ 1470. RECORDS

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

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

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

(2) the Secretary may withhold or redact a record to the extent needed to avoid disclosing directly or indirectly the identity of individual persons, 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 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 in the State.

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

Sec. 11. 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. 12. 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. 13. 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. 14. 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. 15. 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.

Sec. 16. 3 V.S.A. § 2822(j) is amended to read:

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the Agency of Natural Resources.

* * *

(26) For individual conditional use determinations, for individual wetland permits, for general conditional use determinations issued under 10 V.S.A. § 1272, or for wetland authorizations issued under a general permit, an administrative processing fee assessed under subdivision (2) of this subsection and an application fee of:

(A) \$0.75 per square foot of proposed impact to Class I or II wetlands.

(B) \$0.25 per square foot of proposed impact to Class I or II wetland buffers.

* * *

(H) Maximum fee, for the construction of any water quality improvement project in any Class II wetland or buffer, \$200.00 per

application. As used in this subdivision, “water quality improvement project” means projects specifically designed and implemented to reduce pollutant loading in accordance with the requirements of a Total Maximum Daily Load Implementation Plan or Water Quality Remediation Plan, or pursuant to a plan for reducing pollutant loading to a waterbody. These projects include:

(i) the retrofit of impervious surfaces in existence as of January 1, 2019 for the purpose of addressing stormwater runoff;

(ii) the replacement of stream-crossing structures necessary to improve aquatic organism passage, stream flow, or flood capacity;

(iii) construction of the following conservation practices on farms, when constructed and maintained in accordance with Natural Resources Conservation Service Conservation Practice Standards for Vermont and the Agency of Agriculture, Food and Markets’ Required Agricultural Practices:

(I) construction of animal trails and walkways;

(II) construction of access roads;

(III) designation and construction of a heavy-use protection area;

(IV) construction of artificial wetlands; and

(V) the relocation of structures, when necessary, to allow for the management and treatment of agricultural waste, as defined in the Required Agricultural Practices Rule.

(I) Maximum fee for the construction of a permanent structure used for farming, \$5,000.00, provided that the maximum fee for a waste storage facility or bunker silo shall be \$200.00 when constructed and maintained in accordance with Natural Resources Conservation Service Conservation Practice Standards for Vermont and the Agency of Agriculture, Food and Markets' Required Agricultural Practices.

Sec. 17. WETLAND SCIENTIST LICENSURE REQUIREMENTS

The Agency of Natural Resources shall commence a study of potential approaches to licensing and certifying qualified wetlands scientists, including developing a set of standard qualifications required for all professional wetland scientists. On or before January 1, 2024, the Agency shall submit a report to the Legislature summarizing its findings and providing recommendations for the development of a professional certification program for wetland scientists.

* * * Advanced Wood Boilers * * *

Sec. 18. 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, ~~2024~~ 2023.

(b) Sec. 26a of this act (transfer from CEDF) shall be repealed on July 1, ~~2024~~ 2023.

Sec. 18a. 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.

* * * Composting; Food Residuals * * *

Sec. 19. 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 the 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.

* * *

* * * Pesticide Regulation * * *

Sec. 20. 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.

* * * Dairy Sanitation Rules * * *

Sec. 21. 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.

* * *

* * * Environmental Stewardship Program * * *

Sec. 22. 6 V.S.A. chapter 215, subchapter 7A is added to read:

Subchapter 7A. Regenerative Farming

§ 4961. PURPOSE

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 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. 23. FUNDING VERMONT ENVIRONMENTAL STEWARDSHIP
PROGRAM

In addition to the existing capital and noncapital financial assistance that may be available to a farmer from the Agency of Agriculture, Food and Markets, the Agency of Agriculture, Food and Markets separately may use funds available to the Agency and eligible for use for water quality programs or projects to provide noncapital financial incentives to Vermont farmers participating in the Vermont Environmental Stewardship Program to implement regenerative farming practices to achieve certification as a Certified Vermont Environmental Steward.

* * * Conservation Reserve Enhancement Program * * *

Sec. 24. 6 V.S.A. § 4829 is added to read:

§ 4829. CONSERVATION RESERVE ENHANCEMENT PROGRAM

(a) The Conservation Reserve Enhancement Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont

with State or federal financial assistance for the implementation of alternative nutrient reduction practices that improve soil quality, improve nutrient retention, and reduce agricultural waste discharges. The Agency of Agriculture, Food and Markets may approve one or more of the following practices for participation in the Program:

(1) riparian forest buffers;

(2) grassed waterways;

(3) grassed filter strips; or

(4) other practices approved by the Secretary and administered through a memorandum of understanding with the Commodity Credit Corporation.

(b) Grant agreements entered into under this section shall at a minimum have a term of 15 years in duration and can include permanent easements.

(c)(1) The Agency of Agriculture, Food and Markets shall use capital funding available to the Agency and eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers to complete practices approved by the Agency for participation in the Program under subdivisions (a)(1)–(3) of this section.

(2) The Agency shall use noncapital funds eligible for use for water quality programs or projects to provide financial assistance to Vermont farmers to complete practices approved by the Agency for participation in the Program under subdivision (a)(4) of this section.

* * * Agriculture Environmental Management Program * * *

Sec. 25. 6 V.S.A. § 4830 is added to read:

§ 4830. AGRICULTURAL ENVIRONMENTAL MANAGEMENT
PROGRAM

(a) The Agricultural Environmental Management Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont with State financial assistance to alternatively manage their farmstead, cropland, and pasture in a manner that will address identified water quality concerns that, traditionally, would have been wholly or partially addressed through federal, State, and landowner investments in BMP infrastructure or in agronomic practices, or both. The Agency of Agriculture, Food and Markets may approve one or more of the following practices for participation in the Program:

(1) conservation easements;

(2) land acquisition;

(3) farm structure decommissioning;

(4) site reclamation; or

(5) issue a grant as an in-lieu payment not to exceed \$200,000.00 as an alternative to the best management practice program implementation to otherwise address the same conservation issues for an equivalent or longer term.

(b) 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, provided that the Agency may use capital funds to provide financial assistance for practices approved under subdivisions (a)(1)–(4) of this section if the practice is:

(1) performed in conjunction with a term agreement of not less than 15 years in duration or a permanent easement protecting the investment;

(2) abating a water quality resource concern on a farm; and

(3) the Agency may use capital funds to provide financial assistance for a practice approved under subdivision (a)(5) of this section only upon the approval of the State Treasurer.

* * * Pumpout Tank * * *

Sec. 26. 10 V.S.A. § 1979(b) is amended to read:

(b)(1) The Secretary shall approve the use of sewage holding and pumpout tanks for existing or proposed buildings or structures that are owned by a charitable, religious, or nonprofit organization when he or she determines that:

(A) the plan for construction and operation of the holding tank will not result in a public health hazard or environmental damage;

(B) a designer demonstrates that an economically feasible means of meeting current standards is significantly more costly than the construction and

operation of sewage holding and pumpout tanks, based on a projected 20-year life of the project; and

(C) the design flows do not exceed 600 gallons per day or the existing or proposed building or structure shall not be used to host events on more than 28 days in any calendar year.

(2) Before constructing a holding tank permitted under this subsection, the applicant shall post a bond or other financial surety sufficient to finance maintenance of the holding tank for the life of the system, which shall be at least 20 years.

(3)(A) A permit issued under this subsection shall run with the land for the duration of the permit and shall apply to all subsequent owners of the property being served by the holding tank regardless of whether the owner is a charitable, religious, or nonprofit organization.

(B) All permit conditions, including the financial surety requirement of subdivision (2) of this subsection (b), shall apply to a subsequent owner.

(C) A subsequent owner shall not increase the design flows of the holding and pumpout tank system without approval from the Secretary.

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

(a) This section and Secs. 15 (repeal of sunset on maximum wetland fee), 16 (wetlands permit fees), and 17 (wetlands scientist licensing) shall take effect on passage.

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