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Agency of Agriculture Food & Markets

TO: Senator Kitchel, Senator Starr, Representative Toll,
 Representative Partridge,

FROM: Anson Tebbetts, Secretary of Agriculture, Food and Markets 

REASON: Report on Act 138 - An act relating to providing financial relief assistance to the agricultural community due to the COVID-19 public health emergency.
 Report on Act 137 - An act relating to COVID-19 funding and assistance for broadband connectivity, housing, and economic relief.
 Report on Act 120 - An act relating to making first quarter fiscal year 2021 appropriations for the support of State government, federal Coronavirus Relief Fund (CRF) appropriations, pay act appropriations, and other fiscal requirements for the first part of the fiscal year.

DATE: August 31, 2020


The Agency of Agriculture, Food and Markets (AAFM) makes this report to the Legislative committees of jurisdiction and the Appropriations committees as require in ACT 138. This report includes information on the distribution of grant funds appropriated to date, the amount of grant funds that remains available for distribution, and its plans for awarding the available funds on or before December 20, 2020 within Act 138, Act 137, and Act 120.

Dairy Producer and Processor Assistance Application

The Vermont COVID Agricultural Assistance Program - Dairy Producer and Processor Program application was built and launched on July 17, 2020 and the table below shows data on the activity within this application.

As of August 31, 2020, 261 applicants have initiated an application – they have accessed the application in the online portal and are entering data for their dairy business. An additional 200 applications have been submitted and received and are in process of review, revision, pending approval, approval, and award by the AAFM. The table below show the data broken out by dairy business size category.

Initiated Dairy Applications	Processor Size	Number initiated
Dairy Processor	100,000 to 500,000/day	1
	Less than 500/day	39
	500 to 10,000 lb/day	27
	10,000 to 50,000 lb / day	11
Sub Total		78
Dairy Producer	Producer Size	
	SFO	59
	LFO	23
	MFO	29
	CSFO	72
Sub Total		183



Total Initiated Dairy Applications		261
Received Dairy Applications	Dairy Processor Size	Number Received
Dairy Processor	Less than 500 lb/day	8
	500 to 10,000 lb/day	4
	10,000 to 50,000 lb/day	4
	Over 500,000 lb/day	2
Sub Total		18
Dairy Producer	Dairy Producer Size	
	SFO	34
	LFO	19
	MFO	45
	CSFO	84
Sub Total		182
Total Received Dairy Applications		200

As of August 31, 2020, 128 applications of the 200 submitted and received applications have been approved for payment with a value of \$4,444,223.61. The table below shows the distribution by size for Dairy Processors and Dairy Producers.

Approved for Payment	Dairy Processor Size	Sum of Award	Number
Dairy Processor	Less Than 500 lb/day	\$69,368.41	3
	500 to 10,000 lb/day	\$60,468.55	3
	10,000 to 50,000 lb/day	\$113,025.09	3
	50,000 to 100,000 lb/day	\$60,000	1
Sub Total		\$302,862.05	10
	Dairy Producer Size	Sum of Award	Number
Dairy Producer	SFO	\$113,415.52	14
	LFO	\$1,400,000.00	14
	MFO	\$1,828,566.66	35
	CSFO	\$799,379.38	55
Sub Total		\$4,141,361.56	118
Total Approved for Payment Dairy Applications		\$4,444,223.61	128

The total amount available for the Dairy Processors is \$3,800,000 and as of August 31, 2020, \$302,862.05 has been approved which is 7.97% of the total appropriation available.

The total amount available for Dairy Producers is \$21,200,000 and as of August 31, 2020, \$4,141,361.56 has been approved which is 19.53% of the total appropriation available.

Outreach to dairy producers and processors is on-going to encourage all eligible to apply by September 30, 2020. To further assist dairy producer and processor applicants, four Application Tips Sessions are scheduled between August 31 and September 3. These sessions will address solutions for technical

challenges and commonly occurring application struggles for dairy applicants. AAFM will share successful tips on submitting a complete and successful application and hear from dairy businesses about their specific application submission experience.

Dairy Processor Application Tip Series

- Session 1: Monday August 31st, 2020; 3-4 pm (7 participants)
- Section 2: Tuesday September 1st, 2020; 12 noon-1 pm

Dairy Producer Application Tip Series

- Session 1: Wednesday September 2nd, 2020; 2-3 pm
- Session 2: Thursday September 3rd, 2020; 12 noon-1 pm

The Legislation allows for a second application if the dairy processor or dairy producer has not reached the capped amount of payment on the award from the first application. The software functionality to authorize supplemental applications is being tested the week of August 31 with the goal of being live and available to eligible applicants by September 7, 2020. All eligible applicants that have applied and been awarded funding will be notified of their ability to apply again, what steps are required and that the deadline is September 30, 2020. Of the approved applications, the majority of the SFO, CSFO and a portion of the MFO would be able to apply again since the cap was not reached on their first application. For the dairy processors, the majority of the less than 500 lb/day, 500 to 10,000 lb/day and a portion of the 10,000 to 50,000 lb/day would be able to apply again since the cap was not reached on their first application.

Agricultural Fairs Assistance Application

Vermont COVID-19 Agriculture Assistance Program Agriculture Fairs Application was open from July 31 through August 20, 2020. Applicants demonstrated economic losses and costs incurred after March 1, 2020 and before September 1, 2020 related to the COVID-19 public health emergency. Traditional fair events that fell outside of this time period were also eligible, based on the fair's date of cancellation. All Agricultural Fairs were contacted in advance of the application going live and encouraged to prepare the required documentation for this application. Staff also took 29 calls and responded to 25 emails regarding fair eligibility, assistance with technology, and clarification on eligible expenses.

Twelve applications were received from Agricultural Fairs and deemed eligible by the AAFM review team. The AAFM is finalizing the review of these applications and expenses this week. Once this is completed, the applicants will be notified of the grant amounts awarded, based on an equitable calculation of reported losses and incurred costs across all twelve eligible fairs. Grant payments will be completed via ACH by September 4, 2020.

Agricultural Fairs Application Status	Applications	Total Losses & Expenses Claimed
Submitted & Reviewed	12	\$ 2,366,324

- 1 webinar held on for agricultural fair organizations
- August 7th (16 participants)

Agriculture and Working Lands Assistance Application

The Agriculture and Working Lands Assistance Application launched on Wednesday August 19, 2020. This application includes funding outlined in Act 120 (\$1 million), Act 137 (\$2.5 million), and Act 138 (\$5 million). This combined application has \$8.5 million of CRF available for agriculture businesses

(including farmers, commercial meat processors, commercial slaughterhouses, and farmers markets), value-added food product businesses, forest products businesses, agriculture producer associations, and dairy producers and processors with expenses not eligible for coverage under the Dairy Assistance Application.

As of August 31, 2020, 113 applicants have initiated an application – they have accessed the application in the online portal and are entering data for their agriculture and working lands business. An additional 52 applications have been submitted and received and are in process of review, revision, pending approval, approval, and award by the AAFM. As of August 31, no Agriculture and Working Lands Assistance Applications have been reviewed, approved, or processed for payment. This process is underway and will be a collaboration with Vermont Economic Development Authority (VEDA). We anticipate to finalize the capability in the online system and begin the review process during the week of August 31. The table below show the data broken out by business size category.

Agriculture and Working Lands Application		Numbers
Initiated Applications		
Sub Total	Agriculture and Working Lands Initiated Applications	113
Received Applications		
	Farmer	36
	Farmers Market	3
	Value- Added Food Processor and or Forest Product Business	13
Sub Total		52
Total of Initiated and Received Agriculture and Working Lands Applications		165

Outreach to Agriculture and Working Lands potential applicants is on-going to encourage all eligible to apply by September 30, 2020. Below are activities completed as of August 31, 2020.

1 webinar for agriculture business support organizations

- August 19th hosted 1 hour webinar for Agriculture and Working Lands support organizations and partners (~30 participants)

3 webinars for agriculture and working lands businesses

- August 21st, August 24th, and August 25th hosted 1 hour webinars on the Agriculture and Working Lands Application Assistance for prospective applicants (~50 participants)

Trainings hosted with VEDA Review Team

- Week of August 24th
- Including development of Agriculture and Working Lands Application Review guide and Reviewer check list

VCAAP Education and Outreach Efforts

Extensive education and outreach activities have and are occurring for the three Vermont COVID-19 Agriculture Assistance Program Applications – dairy producers and processors, agricultural fairs, and agriculture and working lands. The listing below shows this activity which is on-going.

Nearly 700 direct emails and phone calls between AAFM staff and producers/processors/service providers with questions about the VT COVID-19 Agriculture Assistance Program (VCAAP) applications occurred during the period August 1-31, 2020.

This direct correspondence addressed the following:

- Questions from prospective applicants about eligibility
- Specific questions related to individual prospective applicants
- When additional CRF grant funds will be available to other agricultural businesses
- Frequently asked questions from business advisors working directly with eligible businesses
- Access to webinars, FAQs, subject matter expert contacts regarding the various applicants.

The following educational materials were developed, shared, and posted regarding the VCAAP:

- Agriculture and Working Lands Assistance Application launch on August 19, 2020
- Press release announcing the launch of Agriculture and Working Lands Assistance Application
- Developed Agriculture and Working Lands Assistance Application social media messaging and website content
- Updates to the Vermont COVID-19 Agriculture Assistance Program (VCAAP) website
- Weekly promotion of VCAAP applications through weekly Agriculture Development Division newsletter
- Multiple E-blasts of critical application updates to email addresses of over 5,500 agriculture and working lands businesses
- Developed and posted the Agriculture and Working Lands Assistance Application Guide
- Press release announcing the launch of the Dairy Assistance Application
- Maintain and update Frequently Asked Questions and chat box for all related VCAAP questions
- Closure of the Agricultural Fairs Application on August 20, 2020.