

1 TO THE HONORABLE SENATE:

2 The Committee on Agriculture to which was referred House Bill No. 656
3 entitled “An act relating to miscellaneous agricultural subjects” respectfully
4 reports that it has considered the same and recommends that the Senate
5 propose to the House that the bill be amended as follows:

6 First: In Sec. 21, 10 V.S.A. § 4709, in subdivision (f)(1)(C), after
7 “molecular tool” and before the period, by striking out “by the U.S.
8 Department of Agriculture, Animal and Plant Health Inspection Service,
9 Wildlife Services to be a feral swine hybrid based on results of genetic testing
10 conducted at the National Wildlife Research Center”

11 And in subdivision (f)(3), after “Vermont Statutes Annotated.”, by inserting
12 two sentences to read as follows:

13 At the request of the owner of a domestic pig that is outside of its enclosure,
14 the Secretary of Agriculture, Food and Markets may assist the owner in
15 capturing and confining the domestic pig. In providing assistance to the owner
16 of a domestic pig under this subdivision (f)(3), the Secretary of Agriculture,
17 Food and Markets may request support or guidance from the U.S. Department
18 of Agriculture, Animal and Plant Health Inspection Service.

19 And in subdivision (f)(4), in the second sentence, after the words “or
20 destruction of” and before the period, by striking out the words “the feral
21 swine” and inserting in lieu thereof the following: a feral swine as defined
22 under subdivision (f)(1)(A) of this section

1 And in subdivision (f)(7)(B)(v), by striking out the second sentence in its
2 entirety

3 Second: By striking out Sec. 28, effective dates, and its reader assistance
4 heading in their entireties and inserting in lieu thereof the following:

5 * * * Vermont Housing and Conservation Board * * *

6 Sec. 28. 10 V.S.A. § 321 is amended to read:

7 § 321. GENERAL POWERS AND DUTIES

8 (a) The Board shall have all the powers necessary and convenient to carry
9 out and effectuate the purposes and provisions of this chapter, including those
10 general powers provided to a business corporation by Title 11A and those
11 general powers provided to a nonprofit corporation by Title 11B and including,
12 without limitation of the general powers under Titles 11A and 11B, the power
13 to:

14 (1) upon application from an eligible applicant in a form prescribed by
15 the Board, provide funding in the form of grants or loans for eligible activities;

16 (2) enter into cooperative agreements with private organizations or
17 individuals or with any agency or instrumentality of the United States or of this
18 State to carry out the purposes of this chapter;

19 (3) issue rules in accordance with 3 V.S.A. chapter 25 for the purpose of
20 administering the provisions of this chapter; ~~and~~

21 (4) transfer funds to the Department of Housing and Community
22 Development to carry out the purposes of this chapter;

1 (5) make and execute all legal documents necessary or convenient for
2 the exercise of its powers and functions under this chapter, including legal
3 documents that may be made and executed with the State or any of its agencies
4 or instrumentalities, with the United States or any of its agencies or
5 instrumentalities, or with private corporations or individuals;

6 (6) receive and accept grants from any source to be held, used, or
7 applied or awarded to carry out the purposes of this chapter subject to the
8 conditions upon which the grants, aid, or contributions may be made;

9 (7) make and publish rules and regulations respecting its housing
10 programs and such other rules and regulations as are necessary to effectuate its
11 corporate purposes; and

12 (8) do any and all things necessary or convenient to effectuate the
13 purposes and provisions of this chapter and to carry out its purposes and
14 exercise the powers given and granted in this chapter.

15 (b)(1) The Board shall seek out and fund nonprofit organizations and
16 municipalities that can assist any region of the State that has high housing
17 prices, high unemployment, ~~and~~ or low per capita incomes in obtaining grants
18 and loans under this chapter for perpetually affordable housing.

19 (2) The Board shall administer the “HOME” affordable housing
20 program ~~which that~~ that was enacted under Title II of the Cranston-Gonzalez
21 National Affordable Housing Act (Title II, P.L. 101-625, 42 U.S.C. 12701-
22 12839). The State of Vermont, as a participating jurisdiction designated by

1 Department of Housing and Urban Development, shall enter into a written
2 memorandum of understanding with the Board, as subrecipient, authorizing the
3 use of HOME funds for eligible activities in accordance with applicable federal
4 law and regulations. HOME funds shall be used to implement and effectuate
5 the policies and purposes of this chapter related to affordable housing. The
6 memorandum of understanding shall include performance measures and results
7 that the Board will annually report on to the Vermont Department of Housing
8 and Community Development.

9 (c) On behalf of the State of Vermont, the Board shall be the exclusive
10 designated entity to seek and administer federal affordable housing funds
11 available from the Department of Housing and Urban Development under the
12 national Housing Trust Fund ~~which~~ that was enacted under HR 3221, Division
13 A, Title 1, Subtitle B, Section 1131 of the Housing and Economic Reform Act
14 of 2008 (P.L. 110-289) to increase perpetually affordable rental housing and
15 home ownership for low and very low income families. The Board is also
16 authorized to receive and administer federal funds or enter into cooperative
17 agreements for a shared appreciation and/or community land trust
18 demonstration program that increases perpetually affordable homeownership
19 options for lower income Vermonters and promotes such options both within
20 and outside Vermont.

21 (d) On behalf of the State of Vermont, the Board shall seek and administer
22 federal farmland protection and forestland conservation funds to facilitate the

1 acquisition of interests in land to protect and preserve in perpetuity important
2 farmland for future agricultural use and forestland for future forestry use. Such
3 funds shall be used to implement and effectuate the policies and purposes of
4 this chapter. In seeking federal farmland protection and forestland
5 conservation funds under this subsection, the Board shall seek to maximize
6 State participation in the federal Wetlands Reserve Program and ~~such~~ other
7 programs as is appropriate to allow for increased or additional implementation
8 of conservation practices on farmland and forestland protected or preserved
9 under this chapter.

10 (e) The Board shall inform all grant applicants and recipients of funds
11 derived from the annual capital appropriations and State bonding act of the
12 following: “The Vermont Housing and Conservation Trust Fund is funded by
13 the taxpayers of the State of Vermont, at the direction of the General
14 Assembly, through the annual Capital Appropriation and State Bonding Act.”
15 An appropriate placard shall, if feasible, be displayed at the location of the
16 proposed grant activity.

17 Sec. 29. 2017 Acts and Resolves No. 77, Sec. 12 is amended to read:

18 Sec. 12. ~~REPEALS~~ REPEAL

19 ~~(a) 10 V.S.A. chapter 15, subchapter 4 (Rural Economic Development~~
20 ~~Initiative) shall be repealed on July 1, 2021; and~~

21 ~~(b) 6 V.S.A. § 4828(d) (phosphorus removal grant criteria) shall be~~
22 ~~repealed on July 1, 2023.~~

1 **Sec. 30. APPROPRIATIONS; VHCB; COVID-19 CONSULTING**

2 **SERVICES FOR FARM AND FOOD BUSINESSES**

3 In addition to funds appropriated in fiscal year 2021 to the Vermont
4 Housing and Conservation Board (VHCB), \$192,000.00 is appropriated to
5 VHCB from the Coronavirus Relief Fund to provide business, financial, and
6 mental health assistance to farm and food businesses that suffered losses or
7 expenses due to business interruptions caused by the COVID-19 public health
8 emergency. Consulting services shall include information and assistance with
9 accessing federal and State COVID-19 relief funds, access to additional
10 markets, diversification of income streams, access to mental health services,
11 and other assistance farm and food businesses may require to address or
12 recover from business interruption caused by the COVID-19 public health
13 emergency.

14 * * * DFR Report on Milk Pricing * * *

15 **Sec. 31. DEPARTMENT OF FINANCIAL REGULATION; OVERSIGHT**
16 **OF MILK PRICING IN VERMONT; REPORT; TASK FORCE**

17 (a) Findings. The General Assembly finds that:

18 (1) The minimum pay price received by most dairy farmers in Vermont
19 is regulated and established by the Federal Milk Market Order Program based
20 on a complex formula, and under this formula, the regulated minimum price
21 for Vermont dairy farms has been for many years set at an amount below the
22 costs of production.

1 (2) Most dairy farmers in Vermont utilize the two remaining
2 membership-based dairy cooperatives to sell their milk for market prices above
3 the federally-regulated minimum pay prices, and the cooperatives levy fees and
4 other surcharges on their member dairy farmers to cover the marketing costs.

5 (3) Amidst radical market changes and an oversupply of milk, the dairy
6 cooperatives recently have been unable to obtain pay prices for Vermont dairy
7 farmers that are above the federally regulated minimum prices, and, as a result,
8 the charges assessed to their members have often caused the net price that
9 Vermont dairy farmers receive to fall below the regulated minimum prices and
10 to amount to significantly less than the costs of production.

11 (4) Vermont dairy farms have suffered from combined regulatory and
12 market failures, and 60 percent of the State's dairy farms subject to the federal
13 regulatory program have closed since the year 2000.

14 (5) Before Vermont loses another substantial portion of its remaining
15 dairy farming community, the State agency with expertise in financial
16 regulation and rational market pricing should review the milk pricing system
17 for dairy farmers in Vermont to collect and assess data on the long-term
18 sustainability and fairness to the Vermont dairy farming community of the
19 federal milk market order pricing system, current market conditions, and dairy
20 cooperative operation.

21 (b) Report. On or before January 15, 2021, the Commissioner of Financial
22 Regulation shall submit to the Senate Committees on Agriculture and on

1 Economic Development, Housing and General Affairs and the House
2 Committees on Agriculture and Forestry and on Commerce and Economic
3 Development an assessment of the long-term sustainability of Vermont dairy
4 farming under the existing federal milk market order pricing system, current
5 market conditions, and dairy cooperative operation. In developing the
6 assessment, the Commissioner of Financial Regulation shall obtain from the
7 Secretary of Agriculture, Food and Markets an accounting of payments made
8 to milk producers under the federal milk market order. After consultation with
9 the Secretary of Agriculture, Food and Markets, the Commissioner is
10 authorized to utilize the Vermont Milk Commission’s authority under 6 V.S.A.
11 § 2936 to obtain information from milk handlers regarding the prices paid to
12 purchase various forms of milk from Vermont producers; the costs of
13 production, processing, transporting, distributing, and marketing milk; and any
14 other information deemed necessary and relevant by the Commissioner. The
15 Commissioner is also authorized to use the authority established under
16 6 V.S.A. § 2936, and the authority under 8 V.S.A. § 13, to assess the use and
17 impact of payments made to milk producers. The report of the Commissioner
18 of Financial Regulation shall include:
19 (1) an evaluation of the long-term sustainability of dairy farming in
20 Vermont under the current regulatory and market conditions; and

1 (2) recommendations for revising regulated dairy pricing and other
2 market regulation in the State to improve the future viability of Vermont dairy
3 farming.

4 (c) Task force.

5 (1) After receipt of the report required under subsection (b) of this
6 section, the Committee on Committees and the Speaker of the House shall
7 appoint a joint committee of legislators and other experts to be known as the
8 Task Force to Revitalize the Vermont Dairy Industry to develop legislation to
9 implement the recommendations of the Commissioner of Financial Regulation.

10 (2) The Office of Legislative Council shall call the first meeting of the
11 Task Force to occur on or before August 15, 2020.

12 (3) The Task Force shall elect co-chairs from among its members at the
13 first meeting.

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

15 (5) The Task Force shall submit draft legislation to the General
16 Assembly on or before December 15, 2021.

17 (6) The Task Force shall cease to exist on March 1, 2022.

18 (7) For attendance at meetings during adjournment of the General
19 Assembly, a legislative member of the Task Force shall be entitled to per diem
20 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for
21 not more than 10 meetings. These payments shall be made from monies
22 appropriated to the General Assembly.

1 (8) Other members of the Task Force that are not legislative members
2 shall be entitled to both per diem compensation and reimbursement of
3 expenses as permitted under 32 V.S.A. § 1010 for not more than 10 meetings.

4 These payments shall be made from monies appropriated to the General
5 Assembly.

6 * * * Forest Carbon Sequestration * * *

7 Sec. 32. DEPARTMENT OF FORESTS, PARKS, AND RECREATION;

8 TESTIMONY ON FOREST CARBON SEQUESTRATION IN

9 VERMONT

10 On or before January 15, 2021, the Commissioner of Forests, Parks, and
11 Recreation (Commissioner), shall provide written and oral testimony to the
12 Senate Committees on Agriculture and on Natural Resources and Energy and
13 the House Committees on Agriculture and Forestry and on Natural Resources,
14 Fish, and Wildlife regarding the status of forest sequestration projects and
15 programs in the State. The testimony shall address:

16 (1) a summary of the education and outreach conducted by the
17 Commissioner and other relevant parties for the public regarding forest
18 sequestration, including information provided or available to the public
19 regarding requirements for selling forest carbon credits, descriptions of the
20 different markets and registries for carbon credits, procedures for establishing a
21 forest carbon sequestration project on private land, and information describing
22 the compatibility between forest carbon credits and State programs;

1 (2) the status of action by the Commissioner or other State entity in
2 enrolling State land in a carbon market, and if State land has been enrolled in a
3 carbon market, the basis and terms of the enrollment agreement;

4 (3) a summary of the efforts by the Commissioner to establish a
5 partnership between the Agency of Natural Resources and one or more
6 experienced private organizations to establish a statewide team to minimize the
7 costs and maximize the benefits of enrolling public and private land into a
8 carbon market; and

9 (4) a summary of the viability and health of carbon markets nationally
10 and in the State and the economic feasibility and benefits to private and public
11 landowners or entering carbon markets.

* * * Effective Dates * * *

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13 Sec. 33. EFFECTIVE DATES

14 (a) This section, Sec. 17 (local food), Sec. 24 (payment for ecosystem
15 services and Soil Health Working Group), Sec. 25 (2020 hemp growing
16 season), Sec. 29 (repeal of REDI sunset), and Sec. 31 (DFR milk pricing
17 report; task force) shall take effect on passage.

18 (b) The remaining sections shall take effect on July 1, 2020.

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1 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE