

S.351. Differences in Senate Passed Bill and Pending House Proposal of Amendment

Format and Organization

- The House Proposal follows a CRF funding bill format that includes 5 initial sections addressing criteria and conditions for CRF appropriated funds. S.351 was drafted before the template.
- Sections 1-5 of the House Proposal are part of the template and are not in the Senate bill.
 - Sec. 1. Provides that the purpose for the act is to appropriate funds to farming and forest businesses for losses or expenses, or both incurred as a result of the COVID-19.
 - Sec. 2: Statement of consistency with CARES Act criteria.
 - Sec. 3. Reference to potential changes to both CRF criteria and authorized uses of CRF funds and a provision that requires reversion to the CRF on Dec. 20, 2020 for all unexpended funds.
 - Sec. 4. CRF grant conditions, including repayment and enforcement authority.
 - Sec. 5. Recordkeeping and audit requirements for granting agencies and grant recipients.

Total Appropriation

- S.351 as passed the Senate appropriated a total of \$29,992,000 in CRF funds.
- The House Proposal to S.351 would appropriate \$35,192,000 in CRF funds.

Dairy Assistance Program

- S.351 as passed the Senate appropriated \$22,800,000 total for the Dairy Assistance Program. Milk producers would receive \$19m and dairy processors would receive \$3.8m.
- As proposed by the House, the Dairy Assistance Program would be appropriated \$25m, with \$21.2m for milk producers and \$3.8m for dairy processors.
- Due to the differences in total appropriations, there are some differences in the maximum grants:

Milk Producer or Dairy Processor	S.351 As Passed Senate	S.351 House Proposal
Small Farms	\$14,500	\$18,300
Certified Small Farms	\$29,000	\$34,300
Medium Farms	\$55,000	\$56,000
Large Farms	\$100,000	\$100,000.
Dairy processors processing less than 500 pounds of milk per day	\$30,000	\$31,000
Dairy processors processing 500 to 9,999 pounds of milk per day	\$40,000	\$40,000
Dairy processors processing 10,000 to 49,999 pounds of milk per day	\$50,000	\$50,000
Dairy processors processing 50,000 pounds or more of milk per day	\$60,000	\$60,000

Agricultural Producer and Processor Assistance Program

- The Senate passed bill appropriated \$7m to the Program.
- The House proposal would appropriate \$5m to the Program, but would not change the maximum grant amount per tier of eligible applicant.
- The Senate passed bill required the Agency of Agriculture to implement and administer the Program. The House proposal requires the Agency to establish the Program, but directs the Agency to enter a MOU with VEDA to implement and administer the Program.
- The House proposal amended the definition of agricultural producer to clarify that livestock and poultry farmers are eligible under the Program.
- The House proposal renamed the Program the Non-dairy Agricultural Producer and Processor Program because the Agency felt the Senate name was too confusing to the Agency and to farmers.

Report and Reversion

- The Senate passed bill requires the Agency of Agriculture to report monthly regarding the status of the Dairy Assistance Program and the Agricultural Producer and Processor Assistance Program.
- The Senate passed bill also provided that if any CRF funds appropriated to either the Dairy Assistance Program or the Agricultural Producer Program are unexpended on November 1, 2020, the funds revert to the Agency for reallocation to either program.
- The House Proposal retains the monthly report, but requires as part of the September 1 report that the Agency provide an accounting of the funds remaining in the Non-dairy Agricultural Producer and Processor Program.
- If funds remain in the Non-dairy Program as of September 15, 2020, the Agency may reallocate the unexpended funds to the Dairy Assistance Program, but funds from the Dairy Assistance Program cannot be reallocated to the Non-dairy Program.

Forest Economy Stabilization Grant Program

- The House proposal includes a \$5m appropriation to the Agency of Natural Resources to establish a Forest Economy Stabilization Grant Program to provide grants to forest products businesses that suffered economic harm due to COVID-19.
- ANR would establish the Program, but would be directed to enter an MOU with VEDA to implement and administer the Program.
- The maximum grant amount under the Program would be \$100,000. No tiers. Program based on reimbursement of losses and expenses.
- “Forest products business” is defined to mean a Vermont enterprise that is primarily engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing forest or wood products derived from Vermont forests. “Forest products business” includes consulting forestry services and secondary manufacturers of wood products.

Hemp

- The re likely will be a floor amendment to add the hemp provisions in H.656 to the House proposal of amendment to S.351.
- The Senate passed bill did not include provision addressing hemp.