

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

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Prepared by: Nolan Langweil

S.351 – An act relating to providing financial relief assistance to the agricultural community due to the COVID-19 public health emergency

As passed by the Senate Committee on Agriculture

The bill proposes to establish assistance programs for agricultural producers and processors suffering business interruptions, losses, or expenses due to the COVID-19 public health emergency.

Dairy Farmer Assistance Program

Appropriation = \$22,800,000

Sec. 1 establishes a *Dairy Farmer Assistance Program* within the Agency of Agriculture, Food and Markets (AAFM) to assist milk producers and dairy processors that have suffered economic harm in Vermont caused by the COVID-19 public health emergency. In order to qualify, they must be currently producing milk or dairy products, in good standing (as defined in the bill) and demonstrate economic harm that occurred or accrued between March 1 and December 1, 2020. The following are the maximum grant amounts:

Dairy Farm / Milk Producers		Dairy Processors	
Farm Size	Maximum Grant Amounts	Pounds of Milk Per Day	Maximum Grant Amounts
Small Farms	Up to \$14,500	Less than 500	Up to \$30,000
Certified Small Farms	Up to \$29,000	500 to 9,999	Up to \$40,000
Medium Farms	Up to \$55,000	10,000 to 49,999	Up to \$50,000
Large Farms	Up to \$100,000	50,000 or more	Up to \$60,000
AVAILABLE ASSISTANCE	\$19,000,000		\$3,800,000

It is estimated that over 630 dairy farmers and milk producers and over 100 dairy processors will apply for and receive grants through this program. The grants will be available until all the appropriated funds have been expended. Sec. 2 appropriates \$22,800,000 from the Coronavirus Relief Fund, specifying the available assistance amounts listed above.

Agricultural Producer and Processor Assistance Program

Appropriation = \$7,000,000

Sec. 3 establishes an *Agricultural Producer and Processor Assistance Program* with AAFM to provide direct relief grant payments for farms, commercial processors, commercial slaughterhouses, and farmers' markets to offset the economic harm incurred due to the COVID-

19 public health emergency. In order to qualify, they must currently be producing milk or dairy products, in good standing (as defined by the bill), and demonstrate economic harm that occurred or accrued between March 1 and December 1, 2020. The grant payments to eligible applicants for demonstrated economic harm are as follows, based on annual gross sales:

Annual Gross Sales	Maximum Grant Amounts
\$10,000 to \$24,999	Up to \$2,500
\$25,000 to \$49,999	Up to \$5,000
\$50,000 to \$99,999	Up to \$10,000
\$100,000 or more	Up to \$20,000
AVAILABLE ASSISTANCE	\$7,000,000

Sec. 5 appropriates \$7,000,000 from the Coronavirus Relief Fund. The grants will be available until all the appropriated funds have been expended. Any funds not expended by November 1, 2020 shall be reallocated to the Dairy Farmer Assistance Program (in Secs. 1 and 3).

Vermont Housing and Conservation Board

Appropriation = \$192,000

Sec. 7 appropriates \$192,000 from the Coronavirus Relief Fund to the Vermont Housing and Conservation Board (VHCB) to provide business, financial, and mental health assistance to farm and food businesses that suffered losses or expenses due to business interruptions caused by the COVID-19 public health emergency.

APPROPRIATIONS SUMMARY

Dairy Farmer Assistance Program	\$22,800,000
Dairy Farm / Milk Producers	\$19,000,000
Dairy Processors	\$3,800,000
Agricultural Producer and Processor Assistance Program	\$7,000,000
Vermont Housing and Conservation Board	\$192,000
TOTAL APPROPRIATIONS	\$29,992,000
<i>(From the Coronavirus Relief Fund)</i>	