

STATE OF VERMONT

EQUITY IMPACT ASSESSMENT TOOL

The State of Vermont is committed to advancing equity for all those who live, work, play, and learn in Vermont. Through data-informed program design and careful consideration of compounded historical inequity, agencies across the state can craft budgetary and programmatic proposals that align with the State's values and meet individual and shared goals.

Instructions: Complete this form as thoroughly as possible and submit with any supporting documentation to your reviewer/approver. For questions regarding this form, contact Racial Equity Director Xusana Davis or Policy and Legislative Affairs Director Kendal Smith.

At a minimum you must answer the bolded questions: 1-8, 12, 14-15, 17, 21 -22, 24-25

PROPOSAL BACKGROUND

- 1. Briefly describe the proposal. Include background information regarding the problem the proposal is intended to address.**

The unformalized 'Vermont brand' of quality and integrity in food and farm products has also proven very powerful during the pandemic with challenged national supply chains and emergency feeding programs. This one-time allocation will be utilized to launch a strategic branding initiative that supports the promotion of the 'Vermont brand', builds on our existing product and state reputation of quality, and increases the value of Vermont products in the marketplace.

The Vermont Agriculture and Food Strategic Brand Initiative should be created with a small staff and Board and tasked with convening focus-groups and collecting opinions, stories and content assets that will be distilled and disseminated for community input and comment. Once final, the "ingredients" of the Vermont Agriculture and Food Brand should be codified, finalized, and made available through a marketing resource hub to state agencies, organizations, and companies to use to promote their products and services within and outside the state using the brand.

- 2. Is the proposal related to COVID-19 response or recovery?**
 - a. If so, is there federal or other COVID-19-related funding that may support the proposal?**

The many months of COVID-19 response and recovery demonstrate the need and demand for branding assistance. Businesses have been forced to shift markets and change the way they engage with their customers – including by exploring more digital marketing and e-commerce options. Consumers are turning to reliable local and regional sources and logistics to provide their homes and families with year-round food.

Additional support to amplify and promote these efforts will be critical in helping our agricultural and food businesses recovery and survive this pandemic as well as thrive in the shifting domestic and international marketplace.

- 3. What are the intended outcomes of the proposal?**

\$100,000 for the Vermont Agriculture and Food Strategic Brand Initiative will result in a branding assessment to develop a 'Vermont brand', support the promotion of Vermont agriculture and food

products, and engage broad and inclusive marketing promotion and programming activities for all agriculture and food-based businesses in Vermont.

4. What are the consequences of not implementing this proposal?

AAFM will continue to rely upon industry specific funding and competitive federal marketing grants to promote the Vermont brand and market the diversity of our agricultural and food products. The scope, scan, and capacity of those efforts will be limited and won't include the foundation of a strategic brand plan developed with professional input from a consultant.

5. Are there fiscal implications of this bill for the Agency/Department? If yes, please describe.

The \$100,000 proposal is an added request of General Funds to AAFM and the Agriculture Development Division. Currently, a one-time appropriation of \$100,000 is proposed in the Governor's FY23 budget.

6. Is the policy evidence-informed?

Yes, the VT Agriculture and Food Systems Strategic Plan: 2020 outlined the following priority recommendation as critical to the future of our state's food system and agricultural economy. This recommendation, and others, were outlined in a Marketing Brief included in the plan.

Priority Recommendation #16: Fund coordinated marketing efforts, such as a statewide marketing campaign for local agricultural products, marketing support in emerging metropolitan markets,... and/or marketing materials for specific products or associations.

Over the past 18 months, AAFM has delivered sector-specific services that have proven successful and we would like to expand these offerings. Influencer efforts to promote Vermont products on social media outside of VT and the New England market; developing the holiday marketing campaign in collaboration with ACCD; co-hosting digital marketing and e-commerce trainings and technical assistance; and funding consumer preference and sector-specific distribution assessments.

STRATEGIC PLAN, METRICS, GOALS, INDICATORS

7. Does this proposal advance a strategic goal and/or key performance indicator of your Agency/Department, or State Government, as defined here: <https://strategicplan.vermont.gov/>. If yes, which?

Grow Vermont Economy

By FY2021, expand Vermont's agriculture economy in key areas such as gross sales (local, domestic and international), profitability of dairy and total acreage in agricultural production.

By FY2021, substantially increase promotion of agriculture and related industry as viable occupations.

By 2021, increase the total agriculture workforce as a means of expanding the workforce, diversifying the state's population and increasing taxable income.

8. Are the desired outcomes specific and measurable?

Yes, we currently capture annual data on Trade Show Assistance Grants about the increase in sales, number of new contacts, new impressions, and prospective sales that these marketing opportunities offer businesses. The Brand Assessment funds would meet similar and additional metrics.

9. Do you have sufficient population-level data to understand whether the proposal would address or create any racial disparities?
a. If not, what data would be needed?

We are not aware of any available data that would assist in addressing racial disparities. The Farm to Plate network established a task force group within the network to move the racial equity efforts and strategic priorities forward. The strategic plan identified the lack of data in this area and what progress the network would look like to achieve over the next 10 years.

10. If implemented, can you collect disaggregated demographic data, track it, and evaluate it to assess equity impacts?

Statewide food system data will be tracked about issues of racial disparity – data collection and dissemination is a critical role of the Farm to Plate Program and priority for the network. What data will be collected, mechanism for collection is still to be determined if this new marketing program were to be established.

11. Are there staff trained to analyze the data related to the proposal?

Existing Ag Development Division staff at AAFM conduct data analysis for all granting programs and additional skills have been contracted for, when needed.

Inter-Agency or Multi-Sectoral Collaboration

12. Which other agencies (SOV or non-SOV) may have an interest in this proposal or its outcomes?

Marketing collaboration currently exists with the Agency of Commerce and Community Development and specifically VT Department of Tourism and Marketing. They would be interested and engaged in the branding assessment, brand development, and impact and outcomes tracking.

13. Does the proposal encourage or prioritize contractors led by members of marginalized groups? This may include but is not limited to vendors designated as Minority- or Women-Owned Business Enterprises or Disadvantaged Business Enterprises.

Consultant bids from socially disadvantaged contractors will be encouraged.

STAKEHOLDERS AND IMPACTED POPULATIONS

- 14. Describe the proposal's target population. Include demographic information such as race, ethnicity, sexual orientation, gender identity or expression, age, etc.**

The target population of our marketing efforts is all Vermont food, farm, and agricultural businesses and the various partners within our state's food system (farmers, land managers, food businesses, processors, supply chain partners, funders, policy makers, etc.). There is some farmer demographic data available in Vermont but we recognize that this is incomplete and not a comprehensive assessment on the Vermont food system's target population.

- 15. How was this target population selected?**

This is a broad targeted population with the intent to offer marketing support and assistance to businesses of various size, stage of development, and servicing market channel. The impact intent is to be equitable to all populations and engage with partners that can also share the impact and opportunities with their expansive networks.

16. Did you meaningfully consult with community members in developing this proposal?
 - a. If so, how?
 - b. If so, did those community members include persons of color?

The concept and support for engaging a 'Vermont Brand' assessment initiative was developed, discussed, and prioritized as a recommendation in the Future of Agriculture Commission report to the Governor (presented on 11/15/21 and approved for public release in 1/22). The recommendation in the Commission Report outlines this recommendation for immediate implementation:

Initiate a Vermont Agriculture and Food Strategic Brand Initiative to engage consumers, buyers, farmers, producers, restaurateurs, and others to actively support products grown and made in Vermont, followed by ongoing funding to support marketing assistance and coordination. (See Strategy #17.) Rationale: The first step in establishing this agriculture and food marketing initiative is extremely low-cost and low risk. The potential long-term upsides of a strengthened and more unified Vermont brand are enormous.

17. What geographic areas of the state will be most impacted by the proposal?

a. Is there a larger-than-average population of Vermonters of color in those areas?

AAFM's Vermont Agriculture and Food Strategic Brand Initiative is envisioned to be an equitably accessible, statewide effort that reaches all counties and is inclusive of all size, stage of development, and scaled businesses. The expectation is that participation is representative of the state's food system. There is some farmer demographic data available in Vermont but we recognize that this is incomplete and not a comprehensive assessment on the Vermont food system's target population.

18. How will the proposal incorporate cultural concerns of specific groups? (i.e. use of traditional healing practices, use of culturally appropriate diagnostic assessment tools, etc)?

19. Will public written materials generated through this proposal be translated?

- a. If so, in which languages?
- b. If not, why?

Translation of materials has not been a current practice within our marketing efforts but is being discussed and considered as part of VAAFM's Inclusion, Diversity, Equity, and Accountability (IDEA) efforts and priorities.

20. Does the proposal involve a social marketing strategy for the target population? Describe.

The AAFM heavily promotes and communicates about various program or funding opportunities via various social media platforms. Our website, Facebook, Instagram, weekly e-newsletters, and monthly digital and printed publications promote our programmatic offerings and aim to reach all populations. The distribution list for these various social marketing strategies expands and diversifies annually.

BENEFITS AND BURDENS

ADVANCING EQUITABLE IMPACTS

21. Does the proposal seek to reduce disparities for marginalized or underserved groups? If so, how?

AAFM marketing efforts aim to support all businesses with the necessary resources and connections to access new customers, new markets, and available technologies to promote their products and business. The Vermont Agriculture and Food Strategic Brand Initiative will develop a 'Vermont Brand' available to all businesses.

22. What are the anticipated positive outcomes for the target population?

Impacts will likely include increase in gross agriculture and food businesses sales, job growth, new product innovation, additional market access, and expanded promotion and resonance of the VT brand.

23. Can those positive outcomes be replicated or extended to other groups? If so, which groups may benefit?

24. Does the proposal enhance services to underrepresented or underserved communities?

Establishment of a statewide 'Vermont Brand' will support marketing and promotion efforts for all agriculture and food businesses, including those unable to hire or contract for individualized marketing services. Consequently, underrepresented and underserved communities and individuals will be more supported by the outcomes of this initiative.

MITIGATING ADVERSE IMPACTS

25. Could a disparate racial impact or other unintended consequence result from the proposal?

- a. **If yes, what steps are you taking to mitigate the disparate impact?**
- b. **Beyond the steps describes in part (a) of this question, what additional steps could any entity take to mitigate the disparate impact?**

While disparate racial impacts are unintended consequences of expanded marketing efforts, they could occur. Therefore, ongoing engagement, outreach, and explicit attention to the needs of these marginalized populations is a priority of the program.

Specific mitigating strategies include:

- Collaboration with new partners that represent and work with marginalized and underserved populations
- Adoption of translation services to ensure primary spoken language is not a barrier to participation
- Outreach through new and expanded distribution networks to ensure underserved populations are aware of the marketing opportunities
- Ensure 'Vermont Brand' resources are available and accessible via multiple mediums to all interested producers
- Engagement with the racial equity work of the Farm to Plate Network to ensure efforts and resources are well aligned.

26. Is there a disparate impact for any other marginalized group (including but not limited to groups identified by national origin, religion, sexual orientation, gender identity or expression, age, etc.)?

- a. If yes, what steps are you taking to mitigate the disparate impact?
- b. Beyond the steps describes in part (a) of this question, what additional steps could be taken to mitigate the disparate impact?

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PROPOSAL BACKGROUND

- 1. Briefly describe the proposal. Include background information regarding the problem the proposal is intended to address.**

NOFA-VT has two established food security and farm viability programs that, due to COVID and other unforeseen funding factors, lack sufficient resources to support during the 2022 growing season. Both programs offer increased purchasing of local, fresh fruit and vegetables directly from the farm to low income Vermonters. \$200,000 would be a one-time appropriation that would be awarded to NOFA-VT in support of the record demand in both these programs due to increased food insecurity by vulnerable Vermonters.

- 2. Is the proposal related to COVID-19 response or recovery?**
 - a. If so, is there federal or other COVID-19-related funding that may support the proposal?**

This one-time critical investment is needed to support the established programs (Farm Share and Crop Cash) during a time when demand for food assistance is heightened due to COVID-19. NOFA-VT has experienced record demand for both of these programs since the onset of the COVID-19 crisis, and the related increase in food insecurity. In 2020, the Farm Share program served 86% more people than in 2019, which was the largest year in its history. Similarly, SNAP users spent 20% more at farmers markets in 2020 than in 2019 in spite of the fact that many markets had restricted hours and opened later than usual and at least 7 markets did not open at all for the 2020 season.

Additionally, Vermont farmers and food producers have been hit incredibly hard by the pandemic. 44% of farm and food businesses surveyed in 2020 (n=345) claimed a loss in sales. Two-thirds of respondents made business changes in response to COVID-19, primarily around markets, distribution, and safety practices. Many farm and food businesses feel they may not have financial, staff, infrastructure, or the technical assistance necessary to effectively sustain. Additional local food procurement will support their operations and this program assistance effort will be critical in helping our agricultural and food businesses recovery and survive this pandemic.

- 3. What are the intended outcomes of the proposal?**

This one-time appropriation will provide the critical funding needed to fund the incentive coupons and all program administration and supplies needed for Crop Cash. Anticipate \$90,000 in incentive coupon redemption (i.e. \$90K spend on fresh local fruits and vegetables at VT farmers markets).

Additionally, the support will cover over 650 low income Vermont households to receive subsidized CSA (Community Supported Agriculture) shares (i.e. ~650 Farm Shares purchased for socially disadvantaged families and in turn income for +/- 50 participating CSA farms).

4. What are the consequences of not implementing this proposal?

Overall limited access of high-quality local, and organic food at reduced rates to limited-income Vermonters and the critical market and food sales benefits to participating farmers.

Approximately 650 limited-income families will not receive subsidized CSA shares, will not have access to fresh fruits, vegetables, and other local food products, and approximately 50 farms will lose out on sales of ~650 CSA shares through the Farm Share program. The loss of the Farm Share Program, now in its 28th year, will also lose its momentum and reliability as a critical food access program for both consumers and farms.

The Crop Cash program, in its 11th year, would also be limited in its ability to match 3SquaresVT 9SNAP purchases with \$10 Crop Cash coupons at farmers markets each week. The loss of these coupons would be a loss of ability for SNAP recipients to double their purchases of fruit, vegetables, seeds, and edible plant starts at over 40 participating farmers markets. The loss of sales would also impact the 100's of vendors attending these markets that grow and aim to feed all Vermont families throughout the farmers market season.

5. Are there fiscal implications of this bill for the Agency/Department? If yes, please describe.

The \$200,000 proposal is an added request of General Funds to AAFM and the Agriculture Development Division. Currently, a one-time appropriation of \$200,000 is proposed in the Governor's FY23 budget.

6. Is the policy evidence-informed?

Yes, Crop Cash and Farm Share are established programs that from decades have supported the viability of Vermont farms and ensured vulnerable Vermonters have access and the resources to consume fresh, local high-quality food. NOFA-VT tracks program participation, annual coupon redemption rates, increased economic activity stimulated by the farm food sales, and increased nutritional value by consumers accessing increased local food.

STRATEGIC PLAN, METRICS, GOALS, INDICATORS

7. Does this proposal advance a strategic goal and/or key performance indicator of your Agency/Department, or State Government, as defined here: <https://strategicplan.vermont.gov/>. If yes, which?

Grow Vermont Economy

By FY2021, expand Vermont's agriculture economy in key areas such as gross sales (local, domestic and international), profitability of dairy and total acreage in agricultural production.

By FY2021, substantially increase promotion of agriculture and related industry as viable occupations.

By 2021, increase the total agriculture workforce as a means of expanding the workforce, diversifying the state's population and increasing taxable income.

Protect the Most Vulnerable

8. Are the desired outcomes specific and measurable?

- a) Number of food assistance programs supported by AAFM funding
- b) Number of subsidized CSA shares and SNAP double-value coupon redemption at Farmers Markets
- c) Number of Vermonters receiving support to access high-quality, fresh, local food through Crop Cash and Farm Share programming

9. Do you have sufficient population-level data to understand whether the proposal would address or create any racial disparities?

- a. If not, what data would be needed?

We are not aware of any available data that would assist in addressing racial disparities. The Farm to Plate network established a task force group within the network to move the racial equity efforts and strategic priorities forward. The strategic plan identified the lack of data in this area and what progress the network would look like to achieve over the next 10 years. Additionally, as the network implements the recommendations of the strategic plan, the BIPOC community will be actively engaged to ensure their needs are heard and considered.

10. If implemented, can you collect disaggregated demographic data, track it, and evaluate it to assess equity impacts?

Data could be tracked by NOFA-VT about issues of racial disparity. What data will be collected, mechanism for collection are still to be determined.

11. Are there staff trained to analyze the data related to the proposal?

Existing Ag Development Division staff at AAFM conduct data analysis for all granting programs and additional skills have been contracted for, when needed. AAFM staff would work with NOFA-VT to capture available data.

Inter-Agency or Multi-Sectoral Collaboration

12. Which other agencies (SOV or non-SOV) may have an interest in this proposal or its outcomes?

The various food security organizations and the SEOC Mass Feeding Group would be interested in the impacts and outcomes of these funds ability to continue established and existing food access and security programs.

13. Does the proposal encourage or prioritize contractors led by members of marginalized groups? This may include but is not limited to vendors designated as Minority- or Women-Owned Business Enterprises or Disadvantaged Business Enterprises.

This proposal is not creating anything new but it is allowing the important work of NOFA-VT's Farm Share and Crop Cash Programs to continue – and ongoing efforts to engage marginalized groups will continue.

STAKEHOLDERS AND IMPACTED POPULATIONS

14. Describe the proposal's target population. Include demographic information such as race, ethnicity, sexual orientation, gender identity or expression, age, etc.

The target population of NOFA-VT's Farm Share and Crop Cash Programs are food insecure Vermonters, those receiving SNAP benefits, and farmers offering subsidized CSA shares and vending fresh fruits and vegetables at participating farmers markets. There is some farmer demographic data available in Vermont but we recognize that this is incomplete and not a comprehensive assessment on the Vermont food system's target population.

15. How was this target population selected?

NOFA-VT established each program with at-risk and food insecure Vermonters as the target population. The intent is to ensure equitable access to local and organic food while also supporting farm viability and market development. This in turns achieves their organizational mission of building an economically viable, ecologically sound, and socially just Vermont agricultural system that benefits all living things.

16. Did you meaningfully consult with community members in developing this proposal?

- a. If so, how?
- b. If so, did those community members include persons of color?

This proposal is not creating anything new or adding additional capacity but it is allowing the important work of NOFA-VT's Farm Share and Crop Cash Programs to continue.

17. What geographic areas of the state will be most impacted by the proposal?

a. Is there a larger-than-average population of Vermonters of color in those areas?

NOFA-VT's Farm Share and Crop Cash Program are a statewide effort that reaches all counties (with participating farmers markets) and is inclusive of all size, stage of development, and scaled farms (that participate in the CSA program or vend at markets). The expectation is that participation is representative of the state's food system. There is some farmer demographic data available in Vermont but we recognize that this is incomplete and not a comprehensive assessment on the Vermont food system's target population.

18. How will the proposal incorporate cultural concerns of specific groups? (i.e. use of traditional healing practices, use of culturally appropriate diagnostic assessment tools, etc)?

19. Will public written materials generated through this proposal be translated?

- a. If so, in which languages?
- b. If not, why?

Translation of materials has not been a current practice within the program but could be considered.

20. Does the proposal involve a social marketing strategy for the target population? Describe.

NOFA-VT's Farm Share and Crop Cash Programs are promoted to all Vermonters and to the various players within our state's food system (consumers, farmers, land managers, food businesses, processors, supply chain partners, funders, policy makers, etc.). Various social media platforms are utilized, including websites, Facebook, newsletters, and targeted distribution lists.

BENEFITS AND BURDENS

ADVANCING EQUITABLE IMPACTS

21. Does the proposal seek to reduce disparities for marginalized or underserved groups? If so, how?

NOFA-VT established each program with at-risk and food insecure Vermonters as the target population. The intent is to ensure equitable access to local and organic food while also supporting farm viability and market development. This in turns achieves their organizational mission of building an economically viable, ecologically sound, and socially just Vermont agricultural system that benefits all living things.

22. What are the anticipated positive outcomes for the target population?

The target population of the Crop Cash and Farm Share programs are vulnerable Vermonters lacking access and resources for fresh, local high-quality food and Vermont farms producing that food.

-Anticipate over \$90,000 spent on fresh local fruits and vegetables at VT farmers markets.

-Over 650 low income/socially disadvantaged Vermont households will receive CSA (Community Supported Agriculture) shares

-Additional CSA share sales and income to +/- 50 participating CSA Vermont farms

23. Can those positive outcomes be replicated or extended to other groups? If so, which groups may benefit?

24. Does the proposal enhance services to underrepresented or underserved communities?

Yes, NOFA-VT established each program with at-risk and food insecure Vermonters as the target population. The intent is to ensure equitable access to local and organic food while also supporting farm viability and market development. This in turns achieves their organizational mission of building an economically viable, ecologically sound, and socially just Vermont agricultural system that benefits all living things.

MITIGATING ADVERSE IMPACTS

25. Could a disparate racial impact or other unintended consequence result from the proposal?

- a. **If yes, what steps are you taking to mitigate the disparate impact?**
- b. **Beyond the steps describes in part (a) of this question, what additional steps could any entity take to mitigate the disparate impact?**

While disparate racial impacts are unintended consequences of the work of the NOFA-VT Food Access Program, they could occur. Therefore, ongoing engagement, outreach, and explicit attention to the needs of these marginalized populations is a priority of the programs. Active public engagement and ongoing priority objective setting are strategies to be inclusive, equitable, and aware.

26. Is there a disparate impact for any other marginalized group (including but not limited to groups identified by national origin, religion, sexual orientation, gender identity or expression, age, etc.)?

- a. **If yes, what steps are you taking to mitigate the disparate impact?**

b. Beyond the steps describes in part (a) of this question, what additional steps could be taken to mitigate the disparate impact?

While disparate impacts to all marginalized groups are unintended consequences of the work of the NOFA-VT Food Access Program, they could occur. Therefore, ongoing engagement, outreach, and explicit attention to the needs of these marginalized populations is a priority of the programs. Active public engagement and ongoing priority objective setting are strategies to be inclusive, equitable, and aware.

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PROPOSAL BACKGROUND

- 1. Briefly describe the proposal. Include background information regarding the problem the proposal is intended to address.**

This proposal would support the development and implementation of two new lines of testing at the Vermont Agriculture and Environmental Laboratory: 1) per- and poly-fluoroalkyl substances (PFAS) testing in water and 2) compliance and safety testing in industrial hemp and hemp products.

1. Per- and Poly-fluoroalkyl substances (PFAS) are a class of synthetic chemicals that have been used in industry and many common consumer products since the 1950s. They have since become ubiquitous in the environment and have made their way into VT drinking water sources. Some PFAS could pose serious health risks to both humans and animals, including increased risk of cancer and infertility.

In 2019, Act 21 (S.49), which relates to the regulation of PFAS in drinking and surface waters, was signed by Governor Scott. The act provided a comprehensive framework to identify PFAS contamination in Vermont and to issue new rules to govern acceptable PFAS levels in drinking water. On March 17, 2020, a revised Vermont Water Supply Rule was adopted to establish a Maximum Contaminant Level for PFAS as well as routine public drinking water monitoring frequencies for PFAS. This monitoring has been coordinated by the Vermont Agency of Natural Resources' Department of Environmental Conservation (DEC). However, there are no labs in Vermont that are qualified or certified to provide PFAS testing, so the testing is being completed by private, contract laboratories throughout the US. At going rate of \$350-500 each, outsourcing several hundred samples represents hundreds of thousands of VT General Funds and Special Funds going out of State in support of this initiative.

This presents the State of Vermont an opportunity; to protect Vermonters from the health risks associated with PFAS exposure by developing the methods to analyze samples for PFAS in Vermont and at an affordable rate, keeping these funds in Vermont to support our local economies. This proposal supports the development of these methods at the Vermont Agriculture and Environmental Laboratory (VAEL), which has the equipment and facilities to provide this testing, but is limited in our capacity (personnel) to bring it to fruition.

2. The Vermont Hemp Rule requires hemp producers and processors to have their product/crop tested for potency and safety by a certified laboratory. Currently there are no labs in Vermont that can meet this need. VAEL has the equipment and facility to provide this testing, but is limited in our capacity to bring it to fruition due to staffing restrictions.

The hiring of one skilled chemist would meet the staffing needs to develop and implement these two new and highly valuable testing initiatives.

3. **Is the proposal related to COVID-19 response or recovery?**

a. **If so, is there federal or other COVID-19-related funding that may support the proposal?**

No, this proposal is not related to COVID-19 response or recovery

4. **What are the intended outcomes of the proposal?**

- VAEL will provide PFAS and Hemp testing at an affordable rate, allowing monitoring projects to expand to include more samples or to be completed at a lower overall cost, thereby protecting more Vermonters from PFAS exposure and supporting Vermont Hemp Producers/Processors and allowing them to comply with the VT Hemp Rule.
- This proposal will support Vermont's economy by keeping funds to support PFAS monitoring and hemp testing in-state.
- This proposal will be self-sustaining; it will generate enough revenue to support itself and other state-funded programs
- PFAS and hemp testing will be conducted at an un-biased neutral laboratory with no competing interests.

5. **What are the consequences of not implementing this proposal?**

Not implementing this proposal will result in hundreds of thousands of dollars leaving Vermont, annually. It may also result in limitations in PFAS monitoring efforts due to budgetary restraints and may result in more Vermonters exposed to PFAS. Not implementing this proposal may result in Vermont Hemp Producers/Processors falling out of compliance with the VT Hemp rule and thereby closing their hemp farms.

6. **Are there fiscal implications of this bill for the Agency/Department? If yes, please describe.**

Yes. This proposal will require an investment for personnel required to provide this testing. Once certified to provide the PFAS/Hemp testing, a fee for sample will be charged to re-coop these costs and support ongoing testing capacity. Within 2 years, the initial investment will be recovered, and additional revenue gained will continue to support PFAS/water quality/hemp testing initiatives.

AOT and ANR are participating in PFAS testing and are spending hundreds of thousands of dollars on analytical fees annually. If we could offer this test at a lower cost to these state agencies, this proposal could save those agencies several thousands of dollars for annually, which could in turn be used to expand PFAS testing or direct towards other equity and water quality initiatives

7. **Is the policy evidence-informed?**

Yes, the value of adding PFAS of testing to a state laboratory is evidence-informed. There would be cost savings implications for ANR and AOT (see question 5) and clear public health and environmental justice benefits to minority and low-income communities, which are historically more impacted by PFAS contamination (see question 14, below). PFAS testing in particular is an interagency initiatives, please see question 12, below.

STRATEGIC PLAN, METRICS, GOALS, INDICATORS

8. **Does this proposal advance a strategic goal and/or key performance indicator of your Agency/Department, or State Government, as defined here: <https://strategicplan.vermont.gov/>. If yes, which?**

Making Vermont More Affordable – PFAS analysis costs \$350-\$500 per sample. By offering this test at a not-for-profit State lab, VAEL can offer the same high-quality results as private labs at or near actual cost. This will allow monitoring projects expand to include more samples or to be completed at a lower overall cost to the State.

Grow the Economy – Developing PFAS analysis at VAEL will keep the money used to pay for those samples in Vermont, supporting to VT Economy. Eventually, there would also be the opportunity to open this line of testing up to other States, further supporting and growing our economy. Developing hemp testing capacity at VAEL would directly support the growing Hemp Industry in Vermont.

Protecting the Vulnerable – Developing the capability to perform PFAS testing at VAEL will allow the State to further fight for Clean Water and hold those accountable for exposing the environment and our residents to PFAS contamination. Farmers in Vermont are facing constant struggle, by providing hemp testing, VAEL would directly support this vulnerable community.

9. **Are the desired outcomes specific and measurable?**

Yes – VAEL will be able to quantify the resources (dollars) kept in-state to support PFAS monitoring initiatives and the VT economy. Although VAEL wouldn't be the "owner" of the PFAS data produced in this proposal, our partners with VT DEC/AOT will also be able to identify the communities most impacted by this initiative and quantify their relative contaminant exposure.

VAEL will also be able to quantify the number of farms and fraction of hemp industry supported by our Hemp testing.

9. Do you have sufficient population-level data to understand whether the proposal would address or create any racial disparities?
a. If not, what data would be needed?
10. If implemented, can you collect disaggregated demographic data, track it, and evaluate it to assess equity impacts?
11. Are there staff trained to analyze the data related to the proposal?

Inter-Agency or Multi-Sectoral Collaboration

12. Which other agencies (SOV or non-SOV) may have an interest in this proposal or its outcomes?

The Agency of Natural Resources (Dept of Env. Conservation) and the Agency of Transportation have high levels of interest in this proposal and its outcomes. Together they collect several hundred PFAS samples annually and are very interested in keeping the analysis in

state, at a state-lab, and taking advantage of any potential cost savings associated with this proposal. They have each submitted letters of support to this end. Vermont hemp producers/processors will also be interested in the outcome of this proposal.

13. Does the proposal encourage or prioritize contractors led by members of marginalized groups? This may include but is not limited to vendors designated as Minority- or Women-Owned Business Enterprises or Disadvantaged Business Enterprises.

STAKEHOLDERS AND IMPACTED POPULATIONS

14. Describe the proposal's target population. Include demographic information such as race, ethnicity, sexual orientation, gender identity or expression, age, etc.

For PFAS Testing, our target client/population will be the public drinking water supply systems in communities throughout VT that are required to participate in PFAS monitoring per Act 21 and the subsequent Vermont Water Supply Rule. Higher rates of PFAS exposure have been found in areas surrounding waste spills, airports, and landfills. These communities are historically low income, where funds to support PFAS monitoring are limited. By offering these tests at a lower overall cost, we can support monitoring efforts in these low-income and potentially vulnerable communities. We could also accept samples from the general public, allowing Vermonters on private water supply (wells) to have their water tested for PFAS. Historically the cost of this test and availability of labs to provide the testing has limited this, but by using the additional revenue generated by this proposal to fund grants we could offer this test to private well users at reduced or no cost.

Hemp producers/processors are the target population for hemp testing. All Vermont farmers are vulnerable, this proposal would directly support their hard work and their ability to comply with the VT Hemp Rule.

15. How was this target population selected?

The target population was selected in Act 21 and the subsequent Vermont Water Supply Rule, which identified the public water systems that must be monitored for PFAS contamination and by the Vermont Hemp Rule, which requires all hemp producers/processors have their products tested by a certified lab.

16. Did you meaningfully consult with community members in developing this proposal?

a. If so, how?

Both AOT and ANR (potential users of this test) have been contacted and are in support of this proposal, see question 12.

b. If so, did those community members include persons of color?

No, the program leaders of these specific groups were contacted, which don't happen to be persons of color

17. What geographic areas of the state will be most impacted by the proposal?

PFAS testing will directly impact those communities being served by public drinking water sources. Communities known or suspected to have PFAS contamination issues are targeted by ANR

for additional monitoring activities. Landfills and airports in Bennington and Rutland have known PFAS contamination and will require continued and long-term PFAS monitoring.

Hemp testing will impact the whole state, as these producers/processors are located across Vermont.

a. Is there a larger-than-average population of Vermonters of color in those areas?

No

18. How will the proposal incorporate cultural concerns of specific groups? (i.e. use of traditional healing practices, use of culturally appropriate diagnostic assessment tools, etc)?

19. Will public written materials generated through this proposal be translated?

- a. If so, in which languages?
- b. If not, why?

20. Does the proposal involve a social marketing strategy for the target population? Describe.

Although the social marketing strategy has not been developed, the VT Agency of Agriculture has a stellar communications team and strong presence on social media. This platform per the guidance of this team will be used to communicate our hemp testing capacity, once developed.

BENEFITS AND BURDENS

ADVANCING EQUITABLE IMPACTS

21. Does the proposal seek to reduce disparities for marginalized or underserved groups? If so, how?

It is the goal of this proposal to allow public water facilities to do more PFAS monitoring with limited budget, which would in-turn, provide safer drinking water to those communities most impacted by PFAS contamination.

The recruitment for this position will be shared widely, on as many platforms as possible in the hopes of establishing an applicant pool that is diverse. In addition to using the State of Vermont's Successfactors site, the position advertisement will be shared on professional networks including, but not limited to: the Association for Public Health Laboratories, American Chemical Society, Cannabis Science and Technology, the American Society for Testing and Materials, the National Association for the Professional Development of Black Chemists and Chemical Engineers, Society for the Advancement of Chicanos and Native Americans in Science, and Great Minds in STEM, and the UVM Gund Institute.

22. What are the anticipated positive outcomes for the target population?

By supporting PFAS monitoring programs, this proposal will increase awareness of PFAS contamination issues, thereby stimulating remediation of contamination issues, and protecting public health.

By providing Hemp testing, this proposal will directly support the growth of the Vermont Hemp Industry and protect hemp consumers.

23. Can those positive outcomes be replicated or extended to other groups? If so, which groups may benefit?

24. Does the proposal enhance services to underrepresented or underserved communities?

By offering PFAS testing in house and at a potentially lower rate, this proposal has the potential to impact low-income communities most impacted by PFAS contamination. Ultimately, it will be up to our clients to decide where to focus monitoring efforts, but we hope to offer a low(er)-cost solution to monitoring challenges to help support their mission for protection public and environmental health.

Hemp producers/processors are a new community and have received limited support. By offering hemp testing, VAEL will directly support this new, budding community (no pun intended).

MITIGATING ADVERSE IMPACTS

25. Could a disparate racial impact or other unintended consequence result from the proposal?

There are no labs in VT that provide PFAS testing, but there are private labs in VT that sub-contact this work out to third party labs (out of state). The argument could be made that this proposal would result in additional competition and loss of business for those private labs. Though this is not a marginalized community, private labs support the VT Economy.

There are VT labs that provide hemp testing but they are not certified. If they were to pursue certification, VAEL would be in direct competition with them. The few labs that do exist, however are located in northern Vermont and likely serve a different demographic than VAEL, which is located in Central VT.

a. If yes, what steps are you taking to mitigate the disparate impact?

The fee for service associated with this testing would not significantly undercut the rates being charged by private labs.

b. Beyond the steps describes in part (a) of this question, what additional steps could any entity take to mitigate the disparate impact?

Conversations with these private laboratories could focus on potential opportunities to partner.

26. Is there a disparate impact for any other marginalized group (including but not limited to groups identified by national origin, religion, sexual orientation, gender identity or expression, age, etc.)?

No

a. If yes, what steps are you taking to mitigate the disparate impact?

b. Beyond the steps describes in part (a) of this question, what additional steps could be taken to mitigate the disparate impact?

STATE OF VERMONT

EQUITY IMPACT ASSESSMENT TOOL

The State of Vermont is committed to advancing equity for all those who live, work, play, and learn in Vermont. Through data-informed program design and careful consideration of compounded historical inequity, agencies across the state can craft budgetary and programmatic proposals that align with the State's values and meet individual and shared goals.

Instructions: Complete this form as thoroughly as possible and submit with any supporting documentation to your reviewer/approver. For questions regarding this form, contact Racial Equity Director Xusana Davis or Policy and Legislative Affairs Director Kendal Smith.

At a minimum you must answer the bolded questions: 1-8, 12, 14-15, 17, 21 -22, 24-25

PROPOSAL BACKGROUND

- 1. Briefly describe the proposal. Include background information regarding the problem the proposal is intended to address.**

\$1,000,000 is proposed to be appropriated for the development of an agricultural Payment for Ecosystems Services Program to support the work of the Payment for Ecosystem Services and Soil Health Working Group (PES WG) – as authorized by Act 83 of 2019, amended by Act 129 of 2020 and Act 47 of 2021– to enable Payment for Ecosystem Services Program development to retain facilitation services, contract identified research needs, fund pilot program development, and deliver payments to farmers for quantified ecosystem services.

Ecosystem services are the “ecosystem functions that are useful to humans.” Agricultural landscapes in Vermont can be managed to enhance ecosystem services such as nutrient cycling, climate regulation, biodiversity, and cultural identity. Compensating farmers for providing these additional benefits to society beyond food production via a payment for ecosystem services (PES) program would financially recognize farmers' contributions to meeting pressing environmental goals such as the Lake Champlain Basin Total Maximum Daily Load plan, greenhouse gas emissions reductions, and flood resilience, and also enhance the viability of farms committed to environmental stewardship. However, creating a viable PES program to make transformative change will require policy and regulatory changes and new sources of capital, as well as technological, programmatic, and market developments that do not currently exist.

- 2. Is the proposal related to COVID-19 response or recovery?**
 - a. If so, is there federal or other COVID-19-related funding that may support the proposal?**

Not directly. The PES & Soil Health Working Group was established before the COVID-19 Pandemic. However, the establishment of this program and resultant payments to farmers for the delivery of ecosystem services may help obviate some of the negative economic impacts of the COVID-19 pandemic on Vermont farmers while enhancing Vermont's natural resources and environment.

- 3. What are the intended outcomes of the proposal?**

This one time appropriation will enable the PES WG to retain facilitation services, contract identified research needs, fund pilot program development, and deliver payments to farmers for quantified ecosystem services that are delivered through the enhancement of soil health.

4. What are the consequences of not implementing this proposal?

Failure to provide this funding to develop and implement recommendations of the PES WG will halt the important work of the farming community which has been underway since the passage of Act 64 of 2015 to build a farm environmental program which provides recognition and compensation for farms that are exceptional environmental stewards. Whereas the Agency and farmers have been working on developing a regenerative farming and payment for ecosystem services for several years, failure to fund the final development and implementation of this program would adversely impact the future environmental outcomes of the state by failing to provide recognition and compensation for ecosystem services that are currently provided – and can be improved and stewarded – by Vermont’s farms.

5. Are there fiscal implications of this bill for the Agency/Department? If yes, please describe.

The \$1,000,000 proposal is an added request of General Funds to AAFM. Currently, a one-time appropriation of \$1,000,000 is proposed in the Governor’s FY23 budget.

6. Is the policy evidence-informed?

Yes. Vermont Clean Water Initiative SFY 2021 Performance Report provides evidence how agricultural clean water implementation efforts have resulted in farmers and the agricultural sector delivering more than 96% of all reported phosphorus reductions since SFY2016 and delivering these reductions as the most cost-effective sector. Funding this work can enable the State of Vermont to realize the most cost-effective Water Quality benefits while enhancing farm viability and building climate resilience on farms.

Leveraging the clean water work farmers have been engaged in through the quantification and compensation of famers for enhanced ecosystem stewardship is supported by assessment conducted by the U.S. Department of Agriculture Natural Resources Conservation Service. [USDA NRCS “Conservation Practice Physical Effects on Soil, Water, Air, Plants, Animals, Energy, People; National Summary Tool FY2021.” Technical Resources.

https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/technical/econ/tools/?cid=nrcs143_009740] which demonstrates the positive directionality of ecosystem services that are derived from farmer management which support climate action goals of Vermont and watershed resilience.

STRATEGIC PLAN, METRICS, GOALS, INDICATORS

7. Does this proposal advance a strategic goal and/or key performance indicator of your Agency/Department, or State Government, as defined here: <https://strategicplan.vermont.gov/>. If yes, which?

Grow Vermont Economy: Vermont farms that are able to participate in a Payment for Ecosystem Services Program advanced by the PES WG will enable these farms to achieve greater viability while delivering cost-effective ecosystem services to the State of Vermont.

This proposal also advances Priority Strategy 27 of the 2021-2030 Vermont Agriculture and Food System Strategic Plan put forth by Farm to Plate in conjunction with AAFM.

8. Are the desired outcomes specific and measurable?

Yes. The PES WG will implement a program which will pay for performance outcomes on farms that deliver an additional benefit above ordinary farming practices. These outcomes will be spatially explicit and able to provide measurable benefits to both the state's water quality and climate goals.

9. Do you have sufficient population-level data to understand whether the proposal would address or create any racial disparities?
a. If not, what data would be needed?

We are not aware of any available data that would assist in addressing racial disparities.

10. If implemented, can you collect disaggregated demographic data, track it, and evaluate it to assess equity impacts?

Not sure if this data can be collected.

11. Are there staff trained to analyze the data related to the proposal?

No.

Inter-Agency or Multi-Sectoral Collaboration

12. Which other agencies (SOV or non-SOV) may have an interest in this proposal or its outcomes?

The Agency of Natural Resources Department of Environmental Conservation is a member of the PES WG and they have a mutual interest in seeing farms deliver positive environmental benefit to the state of Vermont.

The following organizations are named to the PES WG and have an interest in this proposal being funded.

(1) the Secretary of Agriculture, Food and Markets or designee; (2) the Secretary of Natural Resources or designee; (3) a representative of the Vermont Housing and Conservation Board; (4) a member of the former Dairy Water Collaborative; (5) two persons representing farmer's watershed alliances in the State; (6) a representative of the Natural Resources Conservation Council; (7) a representative of the Gund Institute for Environment of the University of Vermont; (8) a representative of the University of Vermont (UVM) Extension; (9) two members of the Agricultural Water Quality Partnership; (10) a representative of small-scale, diversified farming; (11) a member of the Vermont Healthy Soils Coalition; (12) a person engaged in farming other than dairy farming; (13) a representative of an environmental organization with a statewide membership that has technical expertise or fundraising experience; (14) an agricultural economist from a university or other relevant organization within the State; (15) an ecosystem services specialist from UVM Extension; and (16) a soil scientist.

13. Does the proposal encourage or prioritize contractors led by members of marginalized groups? This may include but is not limited to vendors designated as Minority- or Women-Owned Business Enterprises or Disadvantaged Business Enterprises.

STAKEHOLDERS AND IMPACTED POPULATIONS

-
- 14. Describe the proposal's target population. Include demographic information such as race, ethnicity, sexual orientation, gender identity or expression, age, etc.**

The target population of the PES WG forthcoming program are those farming operations that meet the minimum threshold criteria to be considered a “farm” by the Required Agricultural Practices.

15. How was this target population selected?

The House and Senate Committee’s on agriculture through Act 83 of 2019, Act 129 of 2020, and Act 47 of 2021 have directed the formation of the PES WG to: 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.

17. What geographic areas of the state will be most impacted by the proposal?

Farms statewide that meet the minimum threshold criteria will be eligible to apply for the program proposed by the PES WG. Farming in Vermont as quantified by total acres harvested is most concentrated in three counties: Franklin, Addison, and Orleans County. Farming is present in all counties in Vermont.

a. Is there a larger-than-average population of Vermonters of color in those areas?

The 2017 USDA NASS Ag Census Table 45: Selected Operation and Producer Characteristics (https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_2_County_Level/Vermont/st50_2_0045_0045.pdf) provides producer reported information on race. Based on this census information, 98.7% of 12,309 producers report being “White”. Those producers that identify as “White” is exceeded in both Addison and Franklin counties where producers report a 99.6% and 98.8% rate respectively. In Orleans County 98.1% of producers report being white.

18. How will the proposal incorporate cultural concerns of specific groups? (i.e. use of traditional healing practices, use of culturally appropriate diagnostic assessment tools, etc)?

19. Will public written materials generated through this proposal be translated?

- a. If so, in which languages?
- b. If not, why?

20. Does the proposal involve a social marketing strategy for the target population? Describe.

BENEFITS AND BURDENS

ADVANCING EQUITABLE IMPACTS

21. Does the proposal seek to reduce disparities for marginalized or underserved groups? If so, how?

A PES Program can help provide an additional source of revenue for a farm which will provide economic benefit for the farm while delivering desired ecosystem services to the state of Vermont. Where the intent of the program is to provide a public marketplace for the delivery of public ecosystem services, both administrator and farmer stand to benefit from a transaction that will deliver net ecosystem benefit to the state of Vermont.

22. What are the anticipated positive outcomes for the target population?

Valuation and financial remuneration to farmers for the delivery of quantified and verified ecosystem services can improve farm incomes and sustainability. Further, social recognition for the enhanced delivery

of ecosystem services is possible where non-farmers are made aware of the cost-effective and effective strides farmers are taking to further steward and enhance Vermont's natural resources. The implementation of soil health practices can improve farmer resilience while delivering climate change mitigation benefit to the state of Vermont.

23. Can those positive outcomes be replicated or extended to other groups? If so, which groups may benefit?

24. Does the proposal enhance services to underrepresented or underserved communities?

This proposal will value and compensate the ecosystem benefit of farmers managing agricultural cropland to a high degree of stewardship.

MITIGATING ADVERSE IMPACTS

25. Could a disparate racial impact or other unintended consequence result from the proposal?

The PES program is designed to serve existing ongoing farming operations and to be available for all farms in the state which meet the minimum threshold criteria of the RAPs.

a. **If yes, what steps are you taking to mitigate the disparate impact?**

b. **Beyond the steps describes in part (a) of this question, what additional steps could any entity take to mitigate the disparate impact?**

26. Is there a disparate impact for any other marginalized group (including but not limited to groups identified by national origin, religion, sexual orientation, gender identity or expression, age, etc.)?

No known impacts.

a. If yes, what steps are you taking to mitigate the disparate impact?

b. Beyond the steps describes in part (a) of this question, what additional steps could be taken to mitigate the disparate impact?

Minority- or Women-Owned Business Enterprise (M/WBE): Businesses that are at least 51% owned and substantially managed by people of color and/or people identifying as women

Disadvantaged Business Enterprise (DBE): As defined by the U.S. Department of Transportation, DBEs are “for-profit small business concerns where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged[...].”

Marginalized population/group: communities or groups that have historically experienced systemic barriers to access, resources and infrastructure investments. It may include communities of color, women, sexual orientation, transgender individuals who identify along the gender spectrum, immigrants and refugees, people with disabilities and others who have received limited access to benefits, services, investments and resources from public/private institutions, including the State of Vermont.

Equity: The condition that would be achieved when a person’s race or other demographic group membership is no longer predictive of that person’s life outcome.