

House Proposal of Amendment

S. 301

An act relating to miscellaneous agricultural subjects

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Agricultural Water Quality * * *

Sec. 1. 6 V.S.A. § 4831 is amended to read:

§ 4831. VERMONT SEEDING AND FILTER STRIP PROGRAM

(a) The Secretary of Agriculture, Food and Markets is authorized to develop a Vermont Critical Source Area Seeding and Filter Strip Program in addition to the federal Conservation Reserve Enhancement Program in order to compensate farmers for establishing and maintaining harvestable perennial vegetative grassed waterways and filter strips on agricultural cropland perpendicular and adjacent to the surface waters of the State, including ditches. Eligible acreage ~~would include~~ includes annually tilled cropland or a portion of cropland currently cropped as hay ~~that will not be rotated into an annual crop for a 10-year period of time~~. Acreage that is currently managed as hay shall have a prior history of rotation as corn or other annual commodity crop.

(b) Incentive payments from the Agency of Agriculture, Food and Markets shall be made at the outset of a ~~10-year~~ grant agreement to establish or maintain the acreage as harvestable grassed waterway or filter strip.

(c) The Secretary of Agriculture, Food and Markets may establish by procedure financial and technical criteria for the implementation and operation of the Vermont Critical Source Area Seeding and Filter Strip Program.

(d) Land enrolled in the Vermont agricultural buffer program shall be considered to be in “active use” as that term is defined in 32 V.S.A. § 3752(15).

* * * Agricultural Warehouses * * *

Sec. 2. 6 V.S.A. chapter 67 is amended to read:

CHAPTER 67. PUBLIC WAREHOUSES THAT STORE FARM PRODUCTS

§ 891. LICENSE

Excepting frozen food locker plants, any person, as defined in 9A V.S.A. §§ 1-201 and 7-102, who stores ~~milk, cream, butter, cheese, eggs, meat, poultry, and fruit~~ eggs, as that term is defined in chapter 27 of this title, or produce, as that term is defined in section 851 of this title, for hire in quantities of 1,000 pounds or more ~~of any commodity~~ shall first be licensed by the

Secretary of Agriculture, Food and Markets. Each separate place of business shall be licensed.

§ 892. REQUIREMENTS

Before licensing ~~such places~~ a place of business under this chapter, the Secretary of Agriculture, Food and Markets shall ~~satisfy himself or herself be satisfied~~ as to the condition of the building, sanitation, refrigeration, and the general safety of the stored goods under the rules and requirements that ~~he or she~~ the Secretary may deem proper.

§ 893. APPLICATION FORMS; FEE

The Secretary of Agriculture, Food and Markets shall furnish necessary application forms. The annual license date shall be ~~April 1~~ January 1. The annual license fee shall be \$125.00.

Sec. 3. 6 V.S.A. § 2672(5) is amended to read:

(5) “Milk handler” or “handler” is a person, firm, unincorporated association, or corporation engaged in the business of buying, selling, assembling, packaging, storing, or processing milk or other dairy products for sale within the State of Vermont or outside the State. “Milk handler” or “handler” does not mean a milk producer.

Sec. 4. 6 V.S.A. § 2721 is amended to read:

§ 2721. HANDLERS’ LICENSES

(a) The Secretary may classify and issue licenses to milk handlers to carry on dairy product handling businesses, including the purchase, distribution, storage, or sale of milk or milk products, processing or manufacturing of milk or milk products, including the pasteurization of frozen dessert mixes, transport of milk and milk products, bargaining and collecting for the sale of milk and milk products, and dealing in or brokering milk or milk products.

(b) A milk handler shall not transact business in the State unless the milk handler secures and holds a handler’s license from the Secretary. The license shall terminate September 1 each year and shall be procured by August 15 of each year. The Secretary shall furnish all forms for applications, licenses, and bonds. At the time the application is delivered to the Secretary, the milk handler shall pay a license application fee of \$50.00 for an initial application and a license fee based on the following table. For a renewal application, only the fee in the table applies. Out-of-state firms shall use the company’s highest total pounds of milk or dairy products bought, sold, packaged, assembled, transported, stored, or processed per production day.

Pounds of milk or dairy products bought, sold,	License
packaged, assembled, transported, <u>stored</u> , or	handling

processed per production day:	fee
500 pounds or less	\$ 60.00
Over 500 but less than 10,000 pounds	\$ 200.00
10,000 to 50,000 pounds	\$ 350.00
Over 50,000 but less than 100,000 pounds	\$ 750.00
100,000 to 500,000 pounds	\$1,000.00
Over 500,000 pounds	\$1,500.00
Processor fee per pasteurizer	\$ 75.00

(c) Notwithstanding subsection (b) of this section, the license handling fees only for the transportation of bulk milk shall be capped at \$750.00 per year, and the license handling fees for milk producers who exclusively transport their own bulk milk shall be capped at \$25.00 per year.

Sec. 5. 6 V.S.A. § 3302(36) is amended to read:

(36) “Public warehouseman warehouse operator” means any person who acts as a temporary custodian of meat, meat food product, or poultry product stored in that person’s warehouse for a fee.

Sec. 6. 6 V.S.A. § 3306 is amended to read:

§ 3306. LICENSING

(a) No person shall engage in intrastate commerce in the business of buying, selling, preparing, processing, packing, storing, transporting, or otherwise handling meat, meat food products, or poultry products, unless that person holds a valid license issued under this chapter. Categories of licensure shall include commercial slaughterers; custom slaughterers; commercial processors; custom processors; wholesale distributors; retail vendors; meat and poultry product brokers; renderers; public warehouse operators; animal food manufacturers; handlers of dead, dying, disabled, or diseased animals; and any other category that the Secretary may by rule establish.

* * *

(d) The annual fee for a license for a retail vendor is \$15.00 for vendors without meat processing operations, \$50.00 for vendors with meat processing space of less than 300 square feet or meat display space of less than 20 linear feet, and \$100.00 for vendors with 300 or more square feet of meat processing space or 20 or more linear feet of meat display space. Fees collected under this section shall be deposited in a special fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the Agency to offset the cost of administering chapter 204 of this title. For all other plants, establishments, and related businesses listed under subsection (a) of this section, ~~except for a~~

~~public warehouse licensed under chapter 67 of this title, the annual license fee shall be \$150.00.~~

* * *

* * * Livestock Dealers * * *

Sec. 7. 6 V.S.A. § 761 is amended to read:

§ 761. DEFINITIONS

As used in this chapter:

(1) “Camelids” has the same meaning as in section 1151 of this title.

(2) “Domestic deer” has the same meaning as in section 1151 of this title.

(3) “Equines” has the same meaning as in section 1151 of this title.

(4) “Livestock” means cattle, horses equines, sheep, swine, goats, camelids, fallow deer, red deer, reindeer, and domestic deer, American bison, and any other domestic animal that the Secretary deems livestock for the purposes of this chapter.

~~(2)~~(5) “Livestock dealer” means a person who, on the person’s own account or for commission, goes from place to place buying, selling, or transporting livestock either directly or through online or other remote transaction, or who operates a livestock auction or sales ring, provided that “livestock dealer” shall not mean:

(A) a federal agency, including any department, division, or authority within the agency;

(B) a nonprofit association approved by the Secretary; or

(C) a person who engages in “farming,” as that term is defined in 10 V.S.A. § 6001(22), and who raises, feeds, or manages livestock as part of a farming operation when that person is buying, selling, or transporting livestock for the person’s farm.

~~(3)~~(6) “Packer” means a livestock dealer person who is solely involved in the purchase of livestock for purpose of slaughter at his or her the person’s own slaughter facility.

~~(4)~~(7) “Person” means any individual, partnership, unincorporated association, or corporation.

~~(5)~~(8) “Transporter” means a livestock dealer who limits his or her activity to transporting person who transports livestock for remuneration and who does not buy or sell livestock. A transporter cannot buy or sell livestock and is not required to be bonded.

Sec. 8. 6 V.S.A. § 762(a) is amended to read:

(a) A person shall not carry on the business of a livestock dealer, packer, or transporter without first obtaining a license from the Secretary of Agriculture, Food and Markets. Before the issuance of a each applicable license, a person shall file an application on Agency-provided forms with the Secretary ~~an application for a license on forms provided by the Agency~~. Each application shall be accompanied by a fee of \$175.00 for livestock dealers and packers and \$100.00 for livestock transporters.

* * * Contagious Diseases and Animal Movement * * *

Sec. 9. 6 V.S.A. § 1151 is amended to read:

§ 1151. DEFINITIONS

As used in this part:

(1) “Accredited veterinarian” means a veterinarian approved by the U.S. Department of Agriculture and the State Veterinarian to perform functions specified by cooperative state-federal disease control programs.

(2) “Animal” or “domestic animal” means cattle, sheep, goats, equines, domestic deer, American bison, swine, poultry, ~~pheasant, Chukar partridge, Coturnix quail~~, psittacine birds, domestic ferrets, camelids, ratites (ostriches, rheas, and emus), and water buffalo, and any other animals that the Secretary deems a domestic animal for the purposes of this chapter. ~~The term shall include cultured fish propagated by commercial fish farms. Before determining that an unlisted species is a “domestic animal,” the Secretary shall consult with the Secretary of Natural Resources.~~

* * *

(7) ~~“Deer”~~ “Domestic deer” means any member of the family cervidae except for white-tailed deer and moose.

(8) “Domestic fowl” or “poultry” means all domesticated birds of all ages that ~~may be used~~ are edible as human food, or that produce eggs that ~~may be used~~ are edible as human food, excluding ~~those birds protected~~ wildlife as defined by 10 V.S.A. ~~part 4~~ § 4001.

(9) ~~“Equine animal”~~ means “Equines” mean any member of the family equidae, including horses, ponies, mules, asses, and zebras.

(10) ~~“Fallow deer”~~ means ~~domesticated deer of the genus Dama, species dama.~~

(11) ~~“Red deer”~~ means ~~domesticated deer of the family cervidae, subfamily cervidae, genus Cervus, species elaphus.~~

(12) “Reactor” means an animal that tests positive to any official test required under this chapter.

(11) “Reportable disease” means any disease included in the National List of Reportable Animal Diseases and any disease required by the Secretary by rule to be reportable.

(12) “Secretary” means the Secretary of Agriculture, Food and Markets or designee.

Sec. 10. 6 V.S.A. § 1153 is amended to read:

§ 1153. RULES

(a) The Secretary shall adopt rules necessary for the discovery, control, and eradication of contagious diseases and for the slaughter, disposal, quarantine, vaccination, and transportation of animals found to be diseased or exposed to a contagious disease. The Secretary may also adopt rules requiring the disinfection and sanitation of real estate, buildings, vehicles, containers, and equipment that have been associated with diseased livestock.

(b) The Secretary shall adopt rules establishing fencing and transportation requirements for domestic deer.

(c) The Secretary shall adopt rules necessary for the inventory, registration, tracking, and testing of domestic deer.

Sec. 11. 6 V.S.A. § 1165 is amended to read:

§ 1165. TESTING OF CAPTIVE DEER

(a) Definitions. As used in this section:

(1) “Captive deer operation” means a place where domestic deer are privately or publicly maintained, in an artificial manner, or held for economic or other purposes within a perimeter fence or confined space.

(2) “Chronic wasting disease” or “CWD” means a transmissible spongiform encephalopathy.

(b) Testing. A person operating a captive deer operation under the jurisdiction of the Secretary of Agriculture, Food and Markets shall inform the Secretary when a captive deer in ~~his or her~~ the person’s control dies or is sent to slaughter. The person operating the captive deer operation shall make the carcass of a deceased or slaughtered animal available to the Secretary for testing for CWD.

(c) Cost. The cost of CWD testing required under this section shall be assessed to the person operating the captive deer operation from which the tested captive deer originated.

* * * Pesticides; Mosquito Control; Rodenticides * * *

Sec. 12. 6 V.S.A. § 1083 is amended to read:

§ 1083. DUTIES OF SECRETARY OF AGRICULTURE, FOOD AND
MARKETS; AUTHORITY OF LANDOWNERS TO USE
MOSQUITO CONTROLS

(a) The Secretary of Agriculture, Food and Markets ~~shall~~ may personally or through the Secretary's duly authorized agents:

(1) Survey swamps or other sections within the State suspected of being mosquito or other biting arthropod breeding areas.

(2) Map each section so surveyed, indicate all mosquito or other biting arthropod breeding places and determine methods best adapted for mosquito or other biting arthropod abatement in the areas by drainage, ~~oiling~~ habitat modification, or other means.

(3) Investigate the mosquito or other biting arthropod life history and habits and determine the species present within the areas, and make any other studies ~~he or she~~ the Secretary deems necessary to provide useful information in mosquito or other biting arthropod abatement.

(4) Make the results of the Secretary's surveys, investigations, and studies available to the Department of Health, or relevant selectboard members, or mayors of towns or cities, ~~as the case may be, in which work was done; and shall do so~~ also upon request, shall make those results available to any organizations, ~~public or private~~, or individuals interested in mosquito or other biting arthropod ~~control~~ surveillance work.

(5) Issue or deny permits to any person for the use of larvicides or pupacides for mosquito control in the waters of the State pursuant to procedures adopted under 3 V.S.A. chapter 25. Such procedures shall include provisions regarding an opportunity for public review and comment on permit applications. Persons applying for a permit shall apply on a form provided by the Agency. ~~The Secretary shall seek the advice of the Agricultural Innovation Board when designating acceptable control products and methods for their use and when adopting or amending procedures for implementing this subsection.~~ Before issuing a permit under this subsection, the Secretary shall find, after consultation with the Secretary of the Agency of Natural Resources, that there is acceptable risk to the nontarget environment and that there is negligible risk to public health.

(6) Notwithstanding the provisions of subdivision (5) of this subsection, when the Commissioner of Health has determined that available information suggests that an imminent risk to public health exists as a result of a potential outbreak of West Nile Virus or other serious illness for which mosquitoes are

vectors, the Secretary of Agriculture, Food and Markets may issue permits for the use of larvicides or pupacides for mosquito control without prior public notice or comment.

(b) Notwithstanding any provisions of law to the contrary, a landowner may use ~~biological larvicides or pupacides on his or her own land~~ a properly registered mosquito control pesticide for mosquito control on the landowner's land without obtaining a permit, provided that the ~~biological larvicide or pupacide is designated~~ Secretary designates it as an acceptable control product for this purpose ~~by the Secretary~~ and the landowner complies with all requirements on the label of the product.

Sec. 13. 6 V.S.A. § 1084 is amended to read:

§ 1084. ~~ENGINEERS OR TECHNICIANS EMPLOYEES; EQUIPMENT;~~
ENTRY ON LANDS

The Secretary may employ one or more trained ~~mosquito control engineers or technicians~~ persons to carry out provisions of section 1083 of this title and procure such equipment as is necessary. The Secretary ~~and his or her~~ or duly authorized agents of the Secretary may enter upon any lands in the State making the aforementioned surveys, investigations, and studies.

Sec. 14. 6 V.S.A. § 1085 is amended to read:

§ 1085. MOSQUITO CONTROL GRANT PROGRAM

(a) A Mosquito Control District formed pursuant to 24 V.S.A. chapter 121 may apply, in a manner prescribed by the Secretary, in writing to the Secretary of Agriculture, Food and Markets for a State assistance grant for mosquito control activities.

(b) After submission of an application under subsection (a) of this section, the Secretary of Agriculture, Food and Markets may award a grant of 75 percent or less of the project costs for the purchase and application of larvicide and the costs associated with required larval survey activities within a Mosquito Control District. The Mosquito Control District may provide 25 percent of the project costs through in-kind larvicide services or the purchase of capital equipment used for larval management activities. At the Secretary's discretion, costs associated with capital equipment that may be required for larval ~~control~~ management programs within a Mosquito Control District may be eligible for grant awards up to 75 percent of the total equipment costs.

* * *

(e) Larvicide application funded in part under this section shall occur only after the Secretary of Agriculture, Food and Markets approves treatment as warranted within a Mosquito Control District. The approval of the Secretary

shall be based upon a biological assessment of mosquito larvae and pupae populations by a ~~technician~~ person trained and approved by the Agency of Agriculture, Food and Markets.

* * *

Sec. 15. 6 V.S.A. § 911 is amended to read:

§ 911. DEFINITIONS

As used in this chapter:

* * *

(4) “Secretary” means the Secretary of Agriculture, Food and Markets.

(5) “Economic poison” means:

(A) any substance produced, distributed, or used for preventing, destroying, or repelling any insects, rodents, nematodes, fungi, weeds, or other forms of plant or animal life or viruses, except viruses on or in living humans or other animals, that the Secretary shall declare to be a pest; or

(B) any substance produced, distributed, or used as a plant regulator, defoliant, or desiccant.

* * *

(18) “Rodenticide” means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating rodents or any other vertebrate animal that the Secretary shall declare to be a pest.

* * *

(29) “Second-generation anticoagulant rodenticide” means any rodenticide containing any one of the following active ingredients: brodifacoum, bromadiolone, difenacoum, or difethialone.

Sec. 16. 6 V.S.A. § 918(g) is added to read:

(g) The Secretary shall register as a restricted use pesticide any second-generation anticoagulant rodenticide that is distributed, sold, sold into, or offered for sale within the State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State.

* * * Vermont Agricultural Credit Program * * *

Sec. 17. 10 V.S.A. § 374a is amended to read:

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM

(a) There is created the Vermont Agricultural Credit Program, which will provide an alternative source of sound and constructive credit to farmers and forest products businesses who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms; or, in the alternative, the granting of the loan shall serve as a substantial inducement for the establishment or expansion of an eligible project within the State. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:

(1) to encourage diversification, cooperative farming, and the development of innovative farming techniques for farming and forest products businesses;

* * *

Sec. 18. 10 V.S.A. § 374b is amended to read:

§ 374b. DEFINITIONS

As used in this chapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment that is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural or forest products that have been primarily at least partially produced in this State, and working capital reasonably required to operate an agricultural facility.

* * *

(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings, farm worker housing, or farmer housing that can be made fixtures to the real estate, to promote soil and water conservation and protection or provide housing, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

* * *

(8) “Farm operation” ~~shall mean~~ means the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. “Farm operation” also means the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land. “Farm

operation” also ~~shall mean~~ means the operation of an agritourism business on a farm subject to regulation under the Required Agricultural Practices. “Farm operation” also means a business that provides specialty services to farmers, such as foresters, farriers, hoof trimmers, or large animal veterinarians operating or proposing to operate mobile units.

(9) “Forest products business” means a ~~Vermont~~ an enterprise that is ~~primarily~~ engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing forest products at least partially derived from Vermont forests.

* * *

(15) ~~“Resident” means a person who is or will be domiciled in this State as evidenced by an intent to maintain a principal dwelling place in the State indefinitely and to return there if temporarily absent, coupled with an act or acts consistent with that intent, including the filing of a Vermont income tax return within 18 months of the application for a loan under this chapter. In the case of a limited liability company, partnership, corporation, or other business entity, resident means a business entity formed under the laws of Vermont, the majority of which is owned and operated by Vermont residents who are natural persons. [Repealed.]~~

Sec. 19. 10 V.S.A. § 374h is amended to read:

§ 374h. LOAN ELIGIBILITY STANDARDS

A farmer, forest products business, or a limited liability company, partnership, corporation, or other business entity ~~the majority with a minimum 20 percent~~ ownership of which is vested in one or more farmers, forest products businesses, or a nonprofit corporation, shall be eligible to apply for a farm ownership or operating loan that shall be intended to expand the agricultural economy or forest economy of the State, provided the applicant is:

(1) ~~a resident of this State and will help to expand the agricultural economy of the State;~~

(2) ~~an owner, prospective purchaser, or lessee of agricultural land in the State or of depreciable machinery, equipment, or livestock to be used in the State;~~

(3)(2) ~~a person of sufficient education, training, or experience in the operation and management of an agricultural facility or farm operation~~ or forest products business of the type for which the applicant requests the loan;

(4)(3) ~~an operator or proposed operator of an agricultural facility, farm operation, or forest products business for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation;~~

~~(5)~~(4) a creditworthy person under such standards as the corporation may establish;

~~(6)~~(5) able to provide and maintain adequate security for the loan by a mortgage on real property or a security agreement and perfected financing statement on personal property;

~~(7)~~(6) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, agricultural facility, or forest products business;

~~(8)~~(7) able to demonstrate that the applicant has made adequate provision for insurance protection of the mortgaged or secured property while the loan is outstanding;

~~(9)~~(8) a person who possesses the legal capacity to incur loan obligations;

~~(10)~~(9) in compliance with such other reasonable eligibility standards as the corporation may establish;

~~(11)~~(10) able to demonstrate that the project plans comply with all regulations of the municipality where it is to be located and of the State of Vermont;

~~(12)~~(11) able to demonstrate that the making of the loan will be of public use and benefit;

~~(13)~~(12) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property or by a security agreement on personal property; and

~~(14)~~(13) there will be sufficient projected cash flow to service a reasonable level of debt, including the loan or loans, being considered by the corporation.

* * * Sale of Dogs and Cats by Pet Shops * * *

Sec. 20. 20 V.S.A. chapter 194, subchapter 4 is added to read:

Subchapter 4. Prohibiting Sale by Pet Shop

§ 3931. SALE OF DOGS, CATS, AND WOLF-HYBRIDS BY PET SHOP;

PROHIBITED

(a) Except as provided in subsection (b) of this section, a pet shop shall not offer a dog, cat, or wolf-hybrid for sale.

(b) The prohibition under subsection (a) of this section shall not apply to a pet shop that lawfully offered animals for sale prior to July 1, 2024, provided that the pet shop complies with all of the following:

(1) the pet shop maintains a valid license under section 3906 of this title;

(2) the pet shop remains in the same ownership as existed on July 1, 2024; and

(3) the pet shop keeps for sale or offers for sale in any calendar year no greater a number of dogs, cats, or wolf-hybrids than it kept for sale or offered for sale in calendar year 2023.

(c) In order to qualify for the exception under subsection (b) of this section, a pet shop shall provide to the Secretary of Agriculture, Food and Markets, in a form and manner prescribed by the Department, documentation of the ownership of the pet shop on July 1, 2024 as well as the number of animals offered for sale in 2023 and annually thereafter.

(d) Notwithstanding the prohibition on the sale of dogs, cats, and wolf hybrids under subsection (a) of this section, a pet shop may provide space to an animal shelter or a rescue organization offering dogs, cats, or wolf-hybrids to the public for adoption for an adoption fee, provided that the pet shop:

(1) does not have any ownership interest in the dogs, cats, or wolf-hybrids offered for adoption; and

(2) does not receive any fee for providing space or for the adoption of any of the dogs, cats, or wolf-hybrids.

(e) A person who violates subsection (a) of this section shall be assessed a civil penalty of not more than \$1,000.00 and shall be subject to the suspension or revocation of the person's pet shop license. Each instance of a person offering an animal for sale in violation of this section constitutes a separate violation.

* * * Effective Date * * *

Sec. 21. EFFECTIVE DATE

This act shall take effect on July 1, 2024.