February 20, 2024

To: Rep. Amy Sheldon; Chair

Cc: House Committee on Environment and Energy From: Paul Ralston; Little Village Enterprise, Middlebury

Re: H.128 Accessory On-Farm Business (AOFBs)

There seems to be strong consensus that farms should be allowed to engage in accessory business activity. Farm viability depends on farmers making markets for their produce that can sustain their continued use of the land for farming.

Current statue states that those accessory activities can take place "in new or existing structures," implying that the legislative intent was that accessory use structures should not be considered "development," and are therefore exempt as is "farming" under Act 250.

It is imperative that H.128 clarify the confusion in the current law around by-laws. My suggestion, which I understand is the intent of the law, would be to amend H.128 with the following:

Amendment to 24 V.S.A. § 4412(11):

<u>No regional plan, municipal plan, or municipal bylaw</u> shall have the effect of prohibiting an accessory on-farm business at the same location as a farm.

There also seems to be a growing consensus that collaboration and cooperation between farms is good for the farm economy and is in the public interest of increasing the amount of food produced in Vermont and food available to all residents of Vermont.

The current statue tries to control AOFBs by defining what 'inputs' a farm may use in producing products that come from the AOFB.

This struggle - to define "Qualifying Products" that is, what type of product a farm can produce in its accessory on-farm business and where it comes from, has confounded legislators and those who are called upon to enforce rules. Attempts have been made to define those products with measures of a farm's annual sales or annual product volume. Further parsing of the input sources will inevitably erect artificial barriers to farms and place limits on their ability to innovate, collaborate, and compete in the marketplace.

If we truly want to address food security, we must make it easier for farms to collaborate to sell each other's foods as a complement to their offers, allow farms to process various inputs to make food to feed Vermonters and support our local agri-businesses.

I appreciate your efforts to support local farms and agri-businesses. Please let me know if I can answer any follow-up questions.