

1 Introduced by Committee on Agriculture

2 Date:

3 Subject: Agriculture; appropriations; organic dairy farms; financial assistance

4 Statement of purpose of bill as introduced: This bill proposes to establish an

5 organic dairy farm assistance program to provide financial assistance to

6 organic dairy farms in the State that are facing economic difficulties due to

7 rising costs of production and stagnant milk prices.

8 An act relating to providing financial assistance to organic dairy farms

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. ORGANIC DAIRY FARM ASSISTANCE PROGRAM

11 (a) Findings. The General Assembly finds that:

12 (1) Organic dairy farms in the State are facing significant economic  
13 difficulties.

14 (2) The cost of production for organic dairy farmers has skyrocketed as  
15 feed costs have risen exponentially due to inflation and global economic  
16 instability.

17 (3) Additionally, the pay prices that organic dairy farmers receive for  
18 their milk have remained unchanged as inflation puts downward pressure on  
19 consumers' spending power.

1           (4) Because of these factors, 18 organic dairy farms closed in calendar  
2           year 2022, and another 30 organic dairy farms are at risk of closing prior to the  
3           summer of 2023.

4           (5) To prevent further closure of organic dairy farms and to support an  
5           important part of the State’s agricultural economy and culture, the General  
6           Assembly should provide financial assistance to organic dairy farms to  
7           alleviate their current financial conditions while allowing for potential long-  
8           term market changes in costs of production and milk prices.

9           (b) Appropriation. In addition to any other funds appropriated to the  
10           Agency of Agriculture, Food and Markets in fiscal year 2024, \$6,900,000.00 is  
11           appropriated to the Agency for the purpose of establishing an organic dairy  
12           farm assistance program consistent with the requirements of this section.

13           (c) Eligibility. An organic dairy farm is eligible for assistance under this  
14           section if:

15           (1) the farm is currently operating as a dairy farm producing milk, either  
16           organic or conventional;

17           (2) the farm shipped organic milk through the end of calendar year 2022  
18           and provides documentation to the Agency of Agriculture, Food and Markets  
19           of the amount of milk shipped per hundredweight;

20           (3) the farm is in good standing with the Agency of Agriculture, Food  
21           and Markets; and

1           (4) the farm submits an application for assistance to the Agency of  
2           Agriculture, Food and Markets not later than ?.

3           (d) Assistance. The Agency of Agriculture, Food and Markets shall award  
4           eligible organic dairy farms financial assistance in the form of a grant in the  
5           amount of \$5.00 per hundredweight of milk shipped by the organic dairy farm  
6           in calendar year 2022.

7           Sec. 2. EFFECTIVE DATE

8           This act shall take effect on passage.