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S.60

Introduced by Senators Hardy, Heffernan, Major and Plunkett

Referred to Committee on Agriculture

Date: February 11, 2025

Subject: Agriculture; disaster relief; funding

Statement of purpose of bill as introduced: This bill proposes to establish the Farm Security Special Fund to provide financial assistance to farms that experienced qualifying losses due to weather conditions.

An act relating to establishing the Farm Security Special Fund to provide grants for farm losses due to weather conditions

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

~~Sec. 1. FINDINGS~~

The General Assembly finds that:

(1) In 2023 and 2024, Vermont experienced extreme flooding and other climate-fueled disasters that devastated farms and other working lands businesses across the State.

(2) Many existing State and federal programs that are designed to support farms are difficult to access, are administratively burdensome, are not equitably distributed to small- and medium-scale farmers, and currently do not meet the needs of Vermont farmers in a holistic way.

1 ~~(3) In particular, because federal crop insurance programs are not~~
2 designed to serve the needs of smaller scale or more diversified farming
3 operations, many Vermont farmers are not covered by crop insurance.

4 (4) The State should establish a permanent funding support program to:

5 (A) maintain the viability of farms in Vermont in order to ensure
6 food security, climate resilience, rural economic vitality, and environmental
7 health;

8 (B) continuously invest in farms in a way that makes them more
9 resilient to current and future challenges; and

10 (C) provide a source of relief funds permanently available to farmers
11 impacted by climate emergencies and extreme weather.

12 Sec. 2. 6 V.S.A. chapter 207 is amended to read:

13 CHAPTER 207. PROMOTION AND, MARKETING, AND SUPPORT OF
14 VERMONT FARMS, FOODS, AND PRODUCTS

15 * * *

16 Subchapter 4. Farm Security Special Fund

17 § 4631. DEFINITIONS

18 As used in this subchapter:

19 (1) “Eligible weather condition” means any of the following weather
20 conditions that are found to be closely correlated with agricultural income
21 losses.

- 1 (A) high winds;
- 2 (B) excessive moisture, intense precipitation, or flooding;
- 3 (C) extreme heat;
- 4 (D) abnormal freeze conditions;
- 5 (E) widespread fire event;
- 6 (F) hail;
- 7 (G) drought; or
- 8 (H) any other severe weather or growing conditions impacting
- 9 agricultural income, as determined by the Review Board.
- 10 (2) "Farm" means a parcel or parcels of land owned, leased, or managed
- 11 by a person and devoted primarily to farming and that is subject to regulation
- 12 under the Required Agricultural Practices.
- 13 (3) "Farm Security Special Fund Review Board" or "Review Board"
- 14 means the Board established under section 4634 of this title.
- 15 (4) "Farming" has the same meaning as in section 2.16 of the Required
- 16 Agricultural Practices.
- 17 § 4632. FARM SECURITY SPECIAL FUND
- 18 (a) There is established the Farm Security Special Fund to be administered
- 19 by the Secretary of Agriculture, Food and Markets and that shall be managed
- 20 in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist
- 21 of:

- 1 (1) funds appropriated by the General Assembly;
- 2 (2) funds from public and private sources that the Secretary accepts for
- 3 the Fund; and
- 4 (3) funds from federal government aid for State support of farmers
- 5 suffering income loss due to weather conditions.

6 (b) The Secretary of Agriculture, Food and Markets shall ensure language

7 accessibility of the Fund through procurement and provision of interpretation

8 and translation services.

9 (c) All balances in the Fund at the end of any fiscal year shall be carried

10 forward and remain part of the Fund.

11 § 4633. FARM SECURITY SPECIAL FUND; GRANTS

12 (a) The Secretary, after consultation with the Review Board, shall award

13 grants from the Farm Security Special Fund to farms that have incurred

14 financial losses or expenses due to an eligible weather condition.

15 (1) Grants from the fund shall be in an amount that reimburses a farm

16 for up to 50 percent of uninsured or otherwise uncovered losses due to eligible

17 weather conditions, up to a maximum award of \$150,000.00 total per year per

18 qualified applicant farm.

19 (2) The Secretary shall establish criteria for the amount of an award

20 based on the annual net income of the farm in relation to the median net

21 income of all farms in Vermont.

1 ~~(3) The Secretary may verify the occurrence of an eligible weather~~
2 condition claimed under this section through a site visit or through use of
3 available data from the National Oceanic and Atmospheric Administration,
4 from other federal or State certified weather data sources, or from other public
5 or private weather or satellite data or models.

6 (4) Losses reimbursable by a grant under this section include:
7 (A) wages or compensation;
8 (B) replacement of lost income from destroyed crops or impacted
9 livestock;
10 (C) debt payments or other ongoing expenses;
11 (D) costs of replanting;
12 (E) livestock feed replacement costs;
13 (F) infrastructure or equipment repair and replacement;
14 (G) repair of farm roads and roads necessary to access farms; or
15 (H) other losses as determined by the Secretary after consultation
16 with the Review Board.

17 (b) The Secretary shall develop a streamlined application for awards under
18 this section that shall include:

19 (1) a brief description of the damage that occurred;
20 (2) attestation of an eligible weather condition or event;
21 ~~(3) an estimate of losses; and~~

1 ~~(4) a year-end report of farm income and expenses from Schedule F of~~
2 U.S. Internal Revenue Form 1040.

3 (c) An application for an award under this section may be made at any
4 time, and the Fund may only close the application process upon award of all
5 appropriated funds for the relevant fiscal year.

6 (d) Applications for an award under this section shall be processed in the
7 order received, but an application shall not be ready for evaluation until the
8 Secretary determines that the application is administratively complete and
9 includes all documentation required by the Secretary.

10 (e) All administratively complete applications shall be evaluated by the
11 Review Board. Within 10 days of receipt of an administratively complete
12 application, the Review Board by majority vote shall recommend to the
13 Secretary whether to issue a grant to the applicant. If the Review Board
14 recommends an award under this section, the Secretary shall issue the award
15 within two weeks of the date of the Review Board's recommendation.

16 § 4634. FARM SECURITY SPECIAL FUND REVIEW BOARD

17 (a) Creation. There is created the Farm Security Special Fund Review
18 Board, which for administrative purposes shall be attached to the Agency of
19 Agriculture, Food and Markets.

20 ~~(b) Organization of Board. The Board shall be composed of:~~

1 ~~(1) the Secretary of Agriculture, Food and Markets or designee, who~~
2 ~~shall serve as chair;~~

3 ~~(2) the State Chief Recovery Officer or designee;~~

4 ~~(3) representatives of three organizations or entities with experience~~
5 ~~granting relief funds or technical assistance to farmers, appointed by the~~
6 ~~Secretary of Agriculture, Food and Markets; and~~

7 ~~(4) two farmers who have received relief funding, appointed by the~~
8 ~~Secretary of Agriculture, Food and Markets.~~

9 ~~(c) Member terms. The members designated in subdivisions (b)(3) of this~~
10 ~~section shall be appointed to initial terms of two years. Thereafter, each~~
11 ~~appointed member shall serve a term of three years or until the member's~~
12 ~~earlier resignation or removal. The members designated in subdivision (b)(4)~~
13 ~~of this section shall be appointed to initial terms of one year. Thereafter, each~~
14 ~~appointed member shall serve a term of three years or until the member's~~
15 ~~earlier resignation or removal. A vacancy shall be filled by the appointing~~
16 ~~authority for the remainder of the unexpired term. An appointed member shall~~
17 ~~not serve more than three consecutive three-year terms.~~

18 ~~(d) Powers.~~

19 ~~(1) The Review Board shall review applications for assistance under this~~
20 ~~section, assess the accuracy and validity of the applications, and recommend to~~
21 ~~the Secretary applicants who should receive assistance under this section.~~

1 ~~(2) In order to ensure that the Fund is meeting the needs of Vermont's~~
2 agricultural community, the Review Board annually shall review the
3 application process, eligibility criteria, distribution, and accessibility of the
4 Fund. The Review Board annually shall recommend to the House Committee
5 on Agriculture, Food Resiliency and Forestry and the Senate Committee on
6 Agriculture ways to improve the effectiveness of the Fund.

7 (e) Officers; committees. The Board may elect officers, establish one or
8 more committees or subcommittees, and adopt such procedural rules as it shall
9 determine necessary and appropriate to perform its work.

10 (f) Quorum; meetings; voting. A majority of the sitting members shall
11 constitute a quorum, and action taken by the Board may be authorized by a
12 majority of the members present and voting at any regular or special meeting
13 at which a quorum is present. The Board may meet as an advisory body under
14 1 V.S.A. chapter 1, subchapter 2.

15 (g) Compensation. Private sector members shall be entitled to per diem
16 compensation authorized under 32 V.S.A. § 1010(b) for each day spent in the
17 performance of their duties, and each member shall be reimbursed from the
18 Fund for the member's actual and necessary expenses incurred in carrying out
19 the member's duties.

~~Sec. 3. FUNDING INTENT, REPORT ON FUTURE APPROPRIATIONS~~

~~(a) It is the intent of the General Assembly that the Farm Security Special Fund receive an annual appropriation equal to 50 percent of the average documented farm losses from eligible weather conditions, as defined in 6 V.S.A. chapter 207, subchapter 4, averaged over previous years.~~

~~(b) To determine the appropriate funds for deposit to the Farm Security Special Fund, the Secretary of Agriculture, Food and Markets shall recommend to the Farm Security Special Fund Review Board on or before December 15, 2025 an amount to be appropriated to the Farm Security Special Fund based on the farm losses from eligible weather conditions averaged over the previous three calendar years. On or before January 15, 2026, the Farm Security Special Fund Review Board shall submit to the Senate Committees on Agriculture and on Appropriations and the House Committees on Agriculture, Food Resiliency, and Forestry and on Appropriations a recommended appropriation to the Farm Security Special Fund.~~

Sec. 4. EFFECTIVE DATE

~~This act shall take effect on July 1, 2025.~~

Sec. 1. FINDINGS

The General Assembly finds that:

(1) In 2023 and 2024, Vermont experienced extreme flooding and other climate-fueled disasters that devastated farms and other working lands businesses across the State.

(2) Many existing State and federal programs that are designed to support farms are difficult to access, are administratively burdensome, and currently do not meet the needs of Vermont farmers in a holistic way.

(3) In particular, because federal crop insurance programs are not designed to serve the needs of smaller scale or more diversified farming operations, many Vermont farmers are not covered by crop insurance.

(4) The State should establish a permanent funding support program to:

(A) maintain the viability of farms in Vermont in order to ensure food security, climate resilience, rural economic vitality, and environmental health;

(B) continuously invest in farms in a way that makes them more resilient to current and future challenges; and

(C) provide a source of relief funds permanently available to farmers impacted by climate emergencies and extreme weather.

Sec. 2. 6 V.S.A. chapter 207 is amended to read:

CHAPTER 207. PROMOTION AND, MARKETING, AND SUPPORT OF
VERMONT FARMS, FOODS, AND PRODUCTS

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Subchapter 4. Farm Security Special Fund

§ 4631. DEFINITIONS

As used in this subchapter:

(1) "Eligible weather condition" means any of the following weather conditions that are found to be closely correlated with agricultural income losses:

(A) high winds;

(B) excessive moisture, intense precipitation, or flooding;

(C) extreme heat;

(D) abnormal freeze conditions;

(E) widespread fire event;

(F) hail;

(G) drought; or

(H) any other severe weather or growing conditions impacting agricultural income, as determined by the Review Board.

(2) "Farm" means a parcel or parcels of land owned, leased, or managed by a person and devoted primarily to farming and that is subject to regulation under the Required Agricultural Practices.

(3) "Farm Security Special Fund Review Board" or "Review Board" means the Board established under section 4634 of this title.

(4) "Farming" has the same meaning as in section 2.16 of the Required Agricultural Practices.

§ 4632. FARM SECURITY SPECIAL FUND

(a) There is established the Farm Security Special Fund to be administered by the Secretary of Agriculture, Food and Markets and that shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist of:

(1) funds ~~appropriated~~ transferred by the General Assembly;

(2) funds from public and private sources that the Secretary accepts for the Fund; and

(3) funds from federal government aid for State support of farmers suffering income loss due to weather conditions.

(b) The Secretary of Agriculture, Food and Markets shall ensure language accessibility of the Fund through procurement and provision of interpretation and translation services.

(c) All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund.

§ 4633. FARM SECURITY SPECIAL FUND; GRANTS

(a) The Secretary, after consultation with the Review Board, shall award grants from the Farm Security Special Fund to farms that have incurred financial losses or expenses due to an eligible weather condition.

(1) Grants from the fund shall be in an amount that reimburses a farm for up to 50 percent of uninsured or otherwise uncovered losses due to eligible weather conditions, up to a maximum award of \$150,000.00 total per year per qualified applicant farm.

(2) The Secretary shall establish criteria for the amount of an award based on the annual net income of the farm in relation to the median net income of all farms in Vermont.

(3) The Secretary may verify the occurrence of an eligible weather condition claimed under this section through a site visit or through use of available data from the National Oceanic and Atmospheric Administration,

from other federal or State certified weather data sources, or from other public or private weather or satellite data or models.

(4) Losses reimbursable by a grant under this section include:

(A) wages or compensation;

(B) replacement of lost income from destroyed crops or impacted livestock;

(C) debt payments or other ongoing expenses;

(D) costs of replanting;

(E) livestock feed replacement costs;

(F) infrastructure or equipment repair and replacement;

(G) repair of farm roads and roads necessary to access farms; or

(H) other losses as determined by the Secretary after consultation with the Review Board.

(b) The Secretary shall develop a streamlined application for awards under this section that shall include:

(1) a brief description of the damage that occurred;

(2) attestation of an eligible weather condition or event;

(3) an estimate of losses; and

(4) a year-end report of farm income and expenses from Schedule F of U.S. Internal Revenue Form 1040.

(c) An application for an award under this section may be made at any time, and the Fund may only close the application process upon award of all appropriated funds for the relevant fiscal year.

(d) Applications for an award under this section shall be processed in the order received, but an application shall not be ready for evaluation until the Secretary determines that the application is administratively complete and includes all documentation required by the Secretary.

(e) All administratively complete applications shall be evaluated by the Review Board. Within 15 days following receipt of an administratively complete application, the Review Board by majority vote shall recommend to the Secretary whether to issue a grant to the applicant. If the Review Board recommends an award under this section, the Secretary shall issue the award within 15 days following the date of the Review Board's recommendation.

§ 4634. FARM SECURITY SPECIAL FUND REVIEW BOARD

(a) Creation. There is created the Farm Security Special Fund Review Board, which for administrative purposes shall be attached to the Agency of Agriculture, Food and Markets.

(b) Organization of Board. The Board shall be composed of:

(1) the Secretary of Agriculture, Food and Markets or designee, who shall serve as chair;

(2) the State Chief Recovery Officer or designee;

(3) representatives of three agricultural organizations who can demonstrate expertise in dealing with all sizes and types of farms in Vermont, whether through granting funds, offering technical assistance or advocacy and have a proven track record of working with farmers, appointed by the Secretary of Agriculture, Food and Markets; and

(4) two farmers who have received relief funding, appointed by the Secretary of Agriculture, Food and Markets.

(c) Member terms. The members designated in subdivision (b)(3) of this section shall be appointed to initial terms of two years. Thereafter, each appointed member shall serve a term of three years or until the member's earlier resignation or removal. The members designated in subdivision (b)(4) of this section shall be appointed to initial terms of one year. Thereafter, each appointed member shall serve a term of three years or until the member's earlier resignation or removal. A vacancy shall be filled by the appointing authority for the remainder of the unexpired term. An appointed member shall not serve more than three consecutive three-year terms.

(d) Powers.

(1) The Review Board shall review applications for assistance under this section, assess the accuracy and validity of the applications, and recommend to the Secretary applicants who should receive assistance under this section.

(2) The Board annually shall report to the House Committee on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Agriculture the total documented Vermont farm financial losses from eligible weather conditions averaged over the previous three calendar years.

(3) In order to ensure that the Fund is meeting the needs of Vermont's agricultural community, the Review Board annually shall review the application process, eligibility criteria, distribution, and accessibility of the Fund. The Review Board annually shall recommend to the House Committee on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Agriculture ways to improve the effectiveness of the Fund.

(e) Officers; committees. The Board may elect officers, establish one or more committees or subcommittees, and adopt such procedural rules as it shall determine necessary and appropriate to perform its work.

(f) Quorum; meetings; voting. A majority of the sitting members shall constitute a quorum, and action taken by the Board may be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present. The Board may meet as an advisory body under 1 V.S.A. chapter 5, subchapter 2.

(g) Compensation. Private sector members shall be entitled to per diem compensation authorized under 32 V.S.A. § 1010(b) for each day spent in the performance of their duties, and each member shall be reimbursed from the Fund for the member's actual and necessary expenses incurred in carrying out the member's duties.

~~Sec. 3. APPROPRIATION~~

~~In addition to other funds appropriated to the Agency of Agriculture, Food and Markets in fiscal year 2026, the sum of \$7,500,000.00 is appropriated to the Agency from the General Fund in fiscal year 2026 for the purpose of implementing the Farm Security Special Fund established under 6 V.S.A. chapter 207, subchapter 4.~~

~~Sec. 4. EFFECTIVE DATE~~

~~This act shall take effect on July 1, 2025.~~

~~Sec. 3. EFFECTIVE DATE~~

~~This act shall take effect on July 1, 2025.~~