

## **H.484. An Act Relating to Miscellaneous Agricultural Subjects**

### **Section by Section Summary**

#### **Sec. 1. 6 V.S.A. chapter 28. Fertilizer, Lime, and Beneficial Substances**

- Sec. 1 amends the current chapter in Title 6 under which fertilizer, lime, plants amendments, soil amendments, and plant biostimulants are regulated by the Agency of Agriculture.
- **§ 361.** Sec. 1 first amends the name of the chapter in the header and in 6 V.S.A. § 361. The chapter title is amended to be the “Fertilizer, Lime, and Beneficial Substances Law.”
- **§ 363(2).** The bill amends the definitions section for the chapter to add a definition of beneficial substances:
  - “Beneficial substance” means any substance or compound, other than primary, secondary, and micro plant nutrients (fertilizers), and excluding pesticides, that can be demonstrated by scientific research to be beneficial to one or more species of plants, soil, or media. Beneficial substances include plant amendments, plant biostimulants, plant inoculants, soil amendments, soil inoculants, and other chemical or biological substances beneficial to plants or their growing environment.
    - The first sentence of this definition is based on the AAPFCO uniform law. The second sentence is State specific to designate those products that will be covered under the term “beneficial substances” in Vermont.
  - Throughout the section and throughout the bill, you will see a conforming change, replacing the words “plant amendment, plant biostimulant, soil amendment” with the term “beneficial substances.” I will refer to this change as the conforming term change.
- **§ 363(15).** Amends the term “plant biostimulant” to conform with the definition from the AAPFCO uniform law, most notably to indicate that “plant biostimulant[s] thereby improves nutrient availability, uptake, or use efficiency; tolerance to abiotic stress; and consequent growth development, quality, or yield.”
- **§ 363(16).** Adds a definition of the term “plant inoculant” to mean a product consisting of microorganisms to be applied to the plant or soil for the purpose of enhancing the availability or uptake of plant nutrients through the root system. [Consistent with uniform law]
- **§ 363(22).** Adds a definition of “soil inoculant” to mean a microbial product that is applied to colonize the soil to benefit the soil chemistry, biology, or structure. [Consistent with uniform law]
- **§ 364.** Amends the section on registration of products to make the conforming term change. All beneficial substances are required to be registered with the Agency and pay a registration fee. The fee is \$85 for most substances, but \$50 per lime product. Registration fees are deposited into a special fund used to pay the costs of administering the program.
  - In **§ 364(c)**, H.484 provides that each beneficial substance brand shall refer to a specific formulation. Different brands may refer to the same specific formulation.
    - Products for which formulations change, such as changes in the “Contains Beneficial Substances” analysis, statement of composition, or anything that implies a different product, must obtain a new registration with a brand that distinguishes it from the previous formulation.

- **§ 365.** Amends the requirements for labels under the chapter to make the conforming term change, but to also specify the labeling requirements for beneficial substances.
  - The label must identify the name, purpose of the product, and statement of composition, including the agent in a product primarily responsible for the intended effects.
  - For products that claim microorganisms, labels also shall include: the expiration date for use; and storage conditions.
  - § 365(d)(4). H.484 also provides that efficacy data may be required to support beneficial substance ingredient claims if the ingredient is not presently defined by the AAPFCO's Official Publication for the particular claim.
- **§ 366.** Under § 366, distributors of fertilizer must pay tonnage fees for agricultural fertilizer and nonagricultural fertilizer distributed in the State.
  - The fees for agricultural fertilizer are deposited into a special fund to administer the program.
  - The tonnage fees for nonagricultural fertilizer are deposited into the agricultural water quality special fund to help pay the Agency's costs under the Clean Water Initiative.
  - H.484 amends § 366 to make the conforming term change, including to clarify that beneficial substances shall not be required to pay tonnage fees.
- **§ 367.** Amends the Agency authority to inspect fertilizer, lime, and beneficial substances to make the conforming term change.
- **§ 368.** Amends the prohibition against misbranding fertilizer, lime, or beneficial substances to make the conforming term change.
- **§ 369.** Amends the prohibition against the sale or distribution of adulterated products to make the conforming term change and to provide that a product shall be adulterated if it includes any deleterious or harmful ingredient in an amount sufficient to render it injurious to beneficial plant life, animals, human, aquatic life, soil or water.
- **§ 370.** Amends the requirement that the Agency annually publish information related to distribution of fertilizers, lime and beneficial substances to make the conforming term change.
- **§ 374.** Amends the prohibition on the distribution of products improperly short of net weight to make the conforming term change.
- **§ 375.** Amends the Agency authority to cancel registration of a product for violation of the chapter to make the conforming term change.
- **§ 376.** Amends the Agency's authority to detain products the Agency reasonably believes to be in violation and to ultimately condemn the products to make the conforming term change.
- **§ 379.** Amends the authority of registered fertilizer, lime, or beneficial substances manufacturers to exchange materials to make the conforming term change.
- **§ 380.** Amends the Agency's administrative penalty authority for violations of the chapter to make the conforming term change, but to also clarify that the following are violations: distribution of an adulterated product; failure to disclose potentially deleterious components on the label of a product; or to failure to report the amount and form of each beneficial substance.

## **Sec. 2. 6 V.S.A. § 918. Pesticides; Disposal**

- Requires that companies that annually register pesticide products in the State pay an additional \$50 per product annual fee to meet the Agency of Agriculture's requirement to pay the costs of a collection program for obsolete and unwanted pesticides.
  - The additional fee shall be collected from registrants until an extended producer responsibility program is implemented that fully funds the collection of obsolete and unwanted pesticides.

## **Sec. 3. Pesticide Disposal Funding Study**

- Section 3 requires the Secretary of Agriculture, Food and Markets, in consultation with the Commissioner of Environmental Conservation, to study options for sustainable funding sources to reimburse solid waste management entities for all costs associated with the collection and disposal of unwanted or obsolete pesticides at municipal hazardous waste collection programs and events.
  - The study shall include consideration of the viability of an extended producer responsibility program for pesticides among other options.
- On or before December 15, 2025, the Secretary of Agriculture shall submit a report to the General Assembly that shall include a recommended funding mechanism to cover all costs associated with collecting unwanted pesticides through municipal collection programs.

## **Sec. 4. Stormwater Permitting; Rutland County Agricultural Society, Inc.**

- Several of the State's agricultural fairs are subject to the three acre stormwater permit necessary for the State's compliance with the TMDLs for Lake Champlain and Lake Memphremagog.
- Most of the fairs are moving toward compliance, but the Rutland County Fair (State Fair) has unique site constraints that prevent it from implementing management measures under the State stormwater management manual.
- ANR visited the Rutland fair grounds, acknowledged the site constraints, and proposed the language in Section 4.
- Under Section 4, the Rutland County Fair will still be required to obtain the three acre permit, but they will not be required to pay a stormwater impact fee or completion of an offset for those reductions or management measures it cannot complete because of the site constraints.

## **Sec. 5. 32 V.S.A. § 3752(1). Use Value Appraisal**

- Currently, under Use Value Appraisal, agricultural land is eligible if it meets certain criteria.
- One of the ways that land is presumed to be used for agricultural purposes is if it has produced an annual gross income from the sale of farm crops in one of two, or three of the five, calendar years preceding of at least \$2,000.00 for parcels of up to 25 acres.
- However, there are farms in the State that do not sell their crops, but instead donate the crops to charitable organizations. Currently, those farms of less than 25 acres would not be presumed to be used for agricultural purposes.
- Sec. 5 amends the definition of "agricultural land" under the Use Value Appraisal statutes to provide that land is presumed to be used for agricultural purposes if it has produced an annual gross income from the sale or equivalent value of donation of farm crops in one of two, or , or three of the five, calendar years preceding of at least \$2,000.00 for parcels of up to 25 acres.

**Sec. 6. 32 V.S.A. § 5811(21). Taxable Income; Deductions**

- Section 6 would provide two additional categories of income that would not be calculated as “taxable income” under Vermont law.
- The first would be the amount of any net farm profit, provided the taxpayer’s net farm profit during the taxable year up to \$10,000.00.
- The second would be adjusted net capital gain income from the sale of real estate that is part of a farming operation, provided the buyer continued using the real estate as part of a farming operation and:
  - is related to the seller by blood, marriage, civil union, or adoption; or
  - the buyer was an employee of the farming operation for a minimum of 10 years prior to the sale.

**Sec. 7. Effective Date.**

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