

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Agriculture, Food Resiliency, and Forestry to which was
3 referred Senate Bill No. 60 entitled “An act relating to establishing the Farm
4 Security Special Fund to provide grants for farm losses due to weather
5 conditions” respectfully reports that it has considered the same and
6 recommends that the House propose to the Senate that the bill be amended by
7 striking out all after the enacting clause and inserting in lieu thereof the
8 following:

9 Sec. 1. FINDINGS

10 The General Assembly finds that:

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

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

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

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

12 * * *14 § 4631. DEFINITIONS

16 (1) “Eligible weather condition” means any of the following weather
17 conditions that are found to be closely correlated with agricultural or forest
18 operation income losses:

21 (C) extreme heat;

1 (D) abnormal freeze conditions;
2 (E) a fire event;
3 (F) hail;
4 (G) drought; or
5 (H) any other severe weather or growing conditions impacting
6 agricultural or forestry operations income, as determined by the Review Board.

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

10 (3) “Farm and Forestry Operations Security Special Fund Review
11 Board” or “Review Board” means the Board established under section 4634 of
12 this title.

13 (4) “Farming” has the same meaning as in section 2.16 of the Required
14 Agricultural Practices.

15 (5) “Forestry operation” has the same meaning as in 10 V.S.A. § 2602.
16 § 4632. FARM AND FORESTRY OPERATIONS SECURITY SPECIAL
17 FUND

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

1 (1) funds transferred 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 AND FORESTRY OPERATIONS SECURITY SPECIAL
12 FUND; PAYMENTS

13 (a) The Secretary, after consultation with the Review Board, shall award
14 payments from the Farm and Forestry Operations Security Special Fund to
15 farms and forestry operations that have incurred financial losses or expenses
16 due to an eligible weather condition.

17 (1) Payments from the Fund shall be in an amount that reimburses a
18 farm or forestry operation for up to 50 percent of the unreimbursed, uninsured,
19 or otherwise uncovered losses due to eligible weather conditions, up to a
20 maximum award of five percent of the undesignated and unreserved funds in

1 the Farm and Forestry Operations Security Special Fund per qualified
2 applicant farm or forestry operation.

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

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

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

12 (A) wages or compensation;

13 (B) replacement of lost income from destroyed crops, impacted
14 livestock, or timber;

15 (C) debt payments or other ongoing expenses;

16 (D) costs of replanting;

17 (E) livestock feed replacement costs;

18 (F) infrastructure or equipment repair and replacement;

19 (G) repair of farm roads, roads necessary to access farms, or logging
20 roads; or

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

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

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

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

7 (3) an estimate of losses; and

8 (4) a year-end report of farm income and expenses.

9 (c) The Secretary shall accept applications and award payments on a
10 quarterly basis, [during which one quarter of the annual appropriation shall be
11 available for award.] The Fund may close the application process upon award
12 of all appropriated funds for the relevant quarter. Any funds unexpended in
13 one quarter shall be available for awards in the next quarter.

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

19 (e) All administratively complete applications shall be evaluated by the
20 Review Board. Within 15 days following receipt of an administratively
21 complete application, the Review Board by majority vote shall recommend to

1 the Secretary whether to issue a grant to the applicant. If the Review Board
2 recommends an award under this section, the Secretary shall issue the award
3 within 15 days following the date of the Review Board's recommendation.

4 § 4634. FARM AND FORESTRY OPERATIONS SECURITY SPECIAL
5 FUND REVIEW BOARD

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

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

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

12 (2) the State Chief Recovery Officer or designee;

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

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

20 (5) two forestry operators who have received relief funding, appointed
21 by the Secretary of Agriculture, Food and Markets.

1 (c) Member terms: conflict.

2 (1) The members designated in subdivision (b)(3) of this section shall be
3 appointed to initial terms of two years. Thereafter, each appointed member
4 shall serve a term of three years or until the member's earlier resignation or
5 removal. The members designated in subdivision (b)(4) of this section shall be
6 appointed to initial terms of one year. The members designated in subdivision
7 (b)(5) of this section shall be appointed to initial terms of two years.
8 Thereafter, each appointed member shall serve a term of three years or until
9 the member's earlier resignation or removal. A vacancy shall be filled by the
10 appointing authority for the remainder of the unexpired term. An appointed
11 member shall not serve more than three consecutive three-year terms.

12 (2) If a Board member has a [declared] conflict of interest regarding
13 review of any application for a payment under this section, the Secretary of
14 Agriculture, Food and Markets [may/shall] appoint an alternate member to
15 review an application and recommend whether payment should be awarded.

16 (d) Powers.

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

20 (2) The Board annually shall report to the House Committee on
21 Agriculture, Food Resiliency, and Forestry and the Senate Committee on

1 Agriculture the total documented Vermont farm and forestry operations
2 financial losses from eligible weather conditions averaged over the previous
3 three calendar years.

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

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

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

19 (g) Compensation. Private sector members shall be entitled to per diem
20 compensation authorized under 32 V.S.A. § 1010(b) for each day spent in the
21 performance of their duties, and each member shall be reimbursed from the

1 Fund for the member's actual and necessary expenses incurred in carrying out
2 the member's duties.

3 Sec. 3. EFFECTIVE DATE

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

5 and that after passage the title of the bill be amended to read: "An act
6 relating to establishing the Farm and Forestry Operations Security Special
7 Fund to provide grants for farm losses due to weather conditions"

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11
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13 (Committee vote: _____)

14 _____

15 Representative _____

16 FOR THE COMMITTEE