



FORESTS, PARKS & RECREATION  
**VERMONT**



AGENCY OF NATURAL RESOURCES

# VERMONT FOREST ECONOMY LOSSES FROM 2023 AND 2024 FLOODS & S. 60

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House Committee on Agriculture, Food Resiliency, and Forestry – 4/3/2025



WELCOME

# KEY BACKGROUND INFORMATION



- VT Forest Products Sector experienced large financial losses from 2023 and 2024 floods
- Surveys show a conservative estimate of \$2.8 million for 2023 and \$5 million for 2024 from flood-related damages and losses
- FPR supports including Forestry Operations in this bill
- Definition of Forestry Operations cited in H. 229 (10 V.S.A. § 2602) is an older definition; a newer and more comprehensive definition is in 12 V.S.A. § 5756



# 2023 FLOOD DAMAGE SURVEY RESULTS



- Conservative estimate of losses experienced from 2023 floods: \$2.8M (90 respondents)
- Only a snapshot of economic loss as impacts were extended beyond the storm event
- The average county-level economic loss resulting from the flood event is \$204,571.
- Highest total losses: Windsor (\$662,000), Caledonia (\$502,000); Windham (\$412,000)
- Most reports of flood-related damage: Windsor (17); Orange (13); Caledonia (12)
- Logging contractors are most impacted category w/ losses of more than \$1.8 million
- Average loss is \$46,125 with several companies reporting losses over \$100,000
- 97% of the reported losses from logging contractors are from economic damage
- The primary type of damage is business interruption (83% of reported losses)
- Only 20% of logging contractors reported applying for any type of assistance

# 2023 FLOOD DAMAGE SURVEY RESULTS



## SUMMARY DATA TABLES

### Business Category Losses

<b>Business Category</b>	<b><i>n</i></b>	<b>%</b>
Forest landowner	22	24%
Consulting forester	12	13%
Logging contractor	40	44%
Forest trucker	8	9%
Sawmill	4	4%
Wood energy producer	3	3%
Secondary wood products	1	1%
<b>TOTAL</b>	<b>90</b>	

<b>Business Category</b>	<b>Minimum Losses (USD)</b>		
	<b>Physical</b>	<b>Economic</b>	<b>Total</b>
Forest landowner	\$55,000.00	\$229,000.00	\$284,000.00
Consulting forester	\$11,000.00	\$132,000.00	\$143,000.00
Logging contractor	\$57,000.00	\$1,788,000.00	\$1,845,000.00
Forest trucker	\$0.00	\$171,000.00	\$171,000.00
Sawmill	\$0.00	\$300,000.00	\$300,000.00
Wood energy producer	\$20,000.00	\$51,000.00	\$71,000.00
Secondary wood products	\$25,000.00	\$25,000.00	\$50,000.00
<b>TOTAL</b>	<b>\$168,000.00</b>	<b>\$2,696,000.00</b>	<b>\$2,864,000.00</b>

# 2023 FLOOD DAMAGE SURVEY RESULTS



County	n	%
Addison	2	2%
Bennington	2	2%
Caledonia	12	14%
Chittenden	5	6%
Essex	0	0%
Franklin	4	5%
Grand Isle	1	1%
Lamoille	5	6%
Orange	13	15%
Orleans	3	3%
Rutland	7	8%
Washington	10	12%
Windham	9	10%
Windsor	17	20%
<b>TOTAL</b>	<b>90</b>	

County	Minimum Losses (USD)		
	Physical	Economic	Total
Addison	\$0.00	\$25,000.00	\$25,000.00
Bennington	\$1,000.00	\$10,000.00	\$11,000.00
Caledonia	\$51,000.00	\$451,000.00	\$502,000.00
Chittenden	\$0.00	\$135,000.00	\$135,000.00
Essex	\$0.00	\$0.00	\$0.00
Franklin	\$0.00	\$86,000.00	\$86,000.00
Grand Isle	\$0.00	\$0.00	\$0.00
Lamoille	\$11,000.00	\$12,000.00	\$23,000.00
Orange	\$11,000.00	\$385,000.00	\$396,000.00
Orleans	\$10,000.00	\$125,000.00	\$135,000.00
Rutland	\$1,000.00	\$141,000.00	\$142,000.00
Washington	\$37,000.00	\$298,000.00	\$335,000.00
Windham	\$1,000.00	\$411,000.00	\$412,000.00
Windsor	\$45,000.00	\$617,000.00	\$662,000.00
<b>TOTAL</b>	<b>\$168,000.00</b>	<b>\$2,696,000.00</b>	<b>\$2,864,000.00</b>



# 2024 FLOOD DAMAGE SURVEY RESULTS

- Conservative estimate of economic losses experienced from 2023 floods: \$5M (250 respondents but only 110 suffered significant losses)
- Only a snapshot of economic loss as impacts were extended beyond the storm event
- The average county-level economic loss resulting from the flood event is \$357,000
- Counties w/ highest losses: Essex (\$1,938,450), Orleans (\$1,426,000); Caledonia (\$778,077)
- Counties w/ most reports of flood damage: Caledonia (36); Orleans (13); Chittenden (12)



# 2024 FLOOD DAMAGE SURVEY RESULTS



- Property owners suffered the greatest losses, with physical damage to roads, culverts, and/or bridges constituting the most frequently cited type of loss.
- Increased expenses associated with rehabilitation, repair or replacement of measures to comply with Vermont's AMPs were also cited as a source of the losses from 2024 floods.
- Sawmills also suffered significant losses, largely due to business interruption, damaged or destroyed inventory, and increased expenses associated with paying employees to perform work outside of their normal duties
- Due to survey limitations, these numbers do not fully encompass impacts of July '24 floods
- Only two of the 100 respondents reported that they had insurance that covers some of physical and economic damages that they experienced.

# FPR THOUGHTS ON ADDITIONS TO S.60



- § 4632. FARM SECURITY SPECIAL FUND
  - (a)(3) funds from federal government aid for State support of farmers and forestry operations suffering income loss due to weather conditions.
- § 4633. FARM SECURITY SPECIAL FUND; GRANTS
  - (a)(4)(D) costs of replanting and regeneration;
- § 4634. FARM AND FORESTRY OPERATIONS SECURITY SPECIAL FUND REVIEW BOARD
  - (b) Organization of Board. The Board shall be composed of:
    - (?) The Commissioner of Forests, Parks and Recreation or designee
    - (5) two forestry operators who have received relief funding, appointed by the ~~Secretary of Agriculture, Food and Markets.~~ Commissioner of Forests, Parks and Recreation





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