TO THE HOUSE	OF REPRESENTATIVES:
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2	The Committee on Environment to which was referred Senate Bill No. 124
3	entitled "An act relating to miscellaneous agricultural subjects" respectfully
4	reports that it has considered the same and recommends that the House propose
5	to the Senate that the proposal of the Committee on Agriculture, Food
6	Resiliency and Forestry be amended by striking out all after the enacting
7	clause and inserting in lieu thereof the following:
8	* * * Agency of Agriculture, Food, and Markets Regulation of Agricultural
9	Water Quality * * *
10	Sec. 1. 6 V.S.A. § 4810(d) is amended to read:
11	(d) Cooperation and coordination. The Secretary of Agriculture, Food and
12	Markets shall coordinate with the Secretary of Natural Resources in
13	implementing and enforcing programs, plans, and practices developed for
14	reducing and eliminating agricultural nonpoint source pollutants and
15	discharges from concentrated animal feeding operations. On or before July 1,
16	2016, the farms. The Secretary of Agriculture, Food and Markets and the
17	Secretary of Natural Resources shall revise the memorandum of understanding
18	for cooperate with the Secretary of Natural Resources in the implementation of
19	the federal Clean Water Act for Concentrated Animal Feeding Operations
20	(CAFOs). The Secretary of Agriculture, Food and Markets shall implement
21	the State's comprehensive, complimentary nonpoint source program

1	describing. The Secretary of Agriculture, Food, and Markets and the Secretary
2	of Natural Resources shall coordinate regarding program administration; grant
3	negotiation; grant sharing, and how they will coordinate; implementation of
4	the antidegradation policy including to new sources of agricultural nonpoint
5	source pollutants, and watershed planning activities to comply with Pub. L.
6	No. 92-500. The memorandum of understanding shall describe how the
7	agencies will implement the antidegradation implementation policy, including
8	how the agencies will apply the antidegradation implementation policy to new
9	sources of agricultural nonpoint source pollutants. The Secretary of
10	Agriculture, Food and Markets and the Secretary of Natural Resources shall
11	also develop a memorandum of understanding according to the public notice
12	and comment process of 10 V.S.A. § 1259(i) regarding the implementation of
13	the federal Concentrated Animal Feeding Operation Program and the
14	relationship between the requirements of the federal Program and the State
15	agricultural water quality requirements for large, medium, and small farms
16	under this chapter. The memorandum of understanding shall describe Program
17	administration, permit issuance, an appellate process, and enforcement
18	authority and implementation. In accordance with 10 V.S.A. § 1259(i), the
19	Secretary of Natural Resources, in consultation with the U.S. Environmental
20	Protection Agency and the Secretary of Agriculture, Food and Markets, shall
21	issue a document that sets forth the respective roles and responsibilities of the

1	Agency of Natural Resources in implementing the federal Clean Water Act on
2	farms and the Agency of Agriculture, Food and Markets' roles and
3	responsibilities in implementing the State's complementary nonpoint source
4	program on farms. The memorandum of understanding document shall be
5	consistent with and equivalent with the federal National Pollutant Discharge
6	Elimination System permit regulations for discharges from concentrated
7	animal feeding operations CAFOs. The document will replace the
8	memorandum of understanding between the agencies. The allocation of duties
9	under this chapter between the Secretary of Agriculture, Food and Markets and
10	the Secretary of Natural Resources shall be consistent with the Secretary's
11	duties, established under the provisions of 10 V.S.A. § 1258(b), to comply
12	with Pub. L. No. 92-500. The Secretary of Natural Resources shall be the
13	State lead person in applying for federal funds under Pub. L. No. 92-500 but
14	shall consult with the Secretary of Agriculture, Food and Markets during the
15	process. The agricultural nonpoint source program may compete with other
16	programs for competitive watershed projects funded from federal funds. The
17	Secretary of Agriculture, Food and Markets shall be represented in reviewing
18	these projects for funding. Actions by the Secretary of Agriculture, Food and
19	Markets under this chapter concerning agricultural nonpoint source pollution
20	shall be consistent with the water quality standards and water pollution control
21	requirements of 10 V.S.A. chapter 47 and the federal Clean Water Act as

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amended. In addition, the Secretary of Agriculture, Food and Markets shall coordinate with the Secretary of Natural Resources in implementing and enforcing programs, plans, and practices developed for the proper management of composting facilities when those facilities are located on a farm. On or before January 15, 2016, the The Secretary of Agriculture, Food and Markets and the Secretary of Natural Resources shall each develop three separate measures of the performance of the agencies under the memorandum of understanding required by this subsection. Beginning on January 15, 2017 federal Clean Water Act and State nonpoint source regulatory authority, and annually thereafter on or before January 15, the Secretary of Agriculture, Food and Markets and the Secretary of Natural Resources shall submit separate reports to the Senate Committee on Agriculture, the House Committee on Agriculture, Food Resiliency, and Forestry, the Senate Committee on Natural Resources and Energy, and the House Committee on Environment and Energy regarding the success of each agency in meeting the its selected performance measures for the memorandum of understanding. Sec. 2. 6 V.S.A. § 4810a(a)(6) is amended to read: (6)(A) Require a farm to comply with standards established by the Secretary for maintaining a vegetative buffer zone of perennial vegetation between annual croplands and the top of the bank of an adjoining water of the

State. At a minimum the vegetative buffer standards established by the

Secretary shall prohibit the application of manure on the farm within 25 feet of
the top of the bank of an adjoining water of the State or within 10 feet of a
ditch that is not a surface water under State law and that is not a water of the
United States under federal law. The minimum vegetated buffer requirement
required under this subdivision (A) shall not apply to a farm that is determined
by the Secretary of Natural Resources to be a Concentrated Animal Feeding
Operation and is required to obtain a CAFO permit as required under 10
V.S.A. § 1353. A farm determined to be a Concentrated Animal Feeding
Operation that requires a CAFO permit shall instead comply with the setback
and buffer requirements established in the federal CAFO regulations.
(B) Establish standards for site-specific vegetative buffers that
adequately address water quality needs based on consideration of soil type,
slope, crop type, proximity to water, and other relevant factors.
Sec. 3. 6 V.S.A. § 4851 is amended to read:
§ 4851. PERMIT REQUIREMENTS FOR LARGE FARM OPERATIONS
(a) No person shall, without a permit from the Secretary, construct a new
barn, or expand an existing barn, designed to house more than 700 mature
dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal calves, 2,500 swine
weighing over 55 pounds, 10,000 swine weighing less than 55 pounds, 500
horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying hens or broilers
with a liquid manure handling system, 82,000 laying hens without a liquid

manure handling system, 125,000 chickens other than laying hens without a
liquid manure handling system, 5,000 ducks with a liquid manure handling
system, or 30,000 ducks without a liquid manure handling system. No permit
shall be required to replace an existing barn in use for livestock or domestic
fowl production at its existing capacity. The Secretary of Agriculture, Food
and Markets, in consultation with the Secretary of Natural Resources, shall
review any application for a permit under this section with regard to water
quality impacts and, prior to approval of a permit under this subsection, shall
issue a written determination regarding whether the applicant has established
that there will be no unpermitted discharge to waters of the State pursuant to
the federal regulations for concentrated animal feeding operations. If, upon
review of an a large farm application for a permit under this subsection, the
Secretary of Agriculture, Food and Markets determines that the permit
applicant farm may be discharging to waters of the State, the Secretary of
Agriculture, Food and Markets and the Secretary of Natural Resources shall
respond to promptly refer the potential discharge to the Secretary of Natural
Resources for response in accordance with the memorandum of understanding
the federal Clean Water Act regarding concentrated animal feeding operations
under section 4810 of this title. The Secretary of Natural Resources may
require shall direct a large farm to obtain a permit under 10 V.S.A. § 1263
pursuant to if required by federal regulations for concentrated animal feeding

1	operations or by the VPDES CAFO Rules. If the farm is not required to obtain
2	a CAFO permit and is not in violation of federal regulations for Concentrated
3	Animal Feeding Operations, the Secretary of Natural Resources shall promptly
4	notify the Secretary of Agriculture, Food and Markets.
5	(b) A person shall apply for a permit in order to operate a farm that exceeds
6	700 mature dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal calves,
7	2,500 swine weighing over 55 pounds, 10,000 swine weighing less than 55
8	pounds, 500 horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying hens
9	or broilers with a liquid manure handling system, 82,000 laying hens without a
10	liquid manure handling system, 125,000 chickens other than laying hens
11	without a liquid manure handling system, 5,000 ducks with a liquid manure
12	handling system, or 30,000 ducks if the livestock or domestic fowl are in a
13	barn or adjacent barns owned by the same person or if the barns share a
14	common border or have a common waste disposal system without a liquid
15	manure handling system. Two or more individual farms that are under
16	common ownership and that adjoin each other or use a common area or system
17	for the disposal of wastes shall be considered a single animal feeding operation
18	or "farm" when determining whether the combined number of livestock or
19	domestic fowl qualifies the farm as a Large Farm Operation under this section.
20	In order to receive this permit, the person shall demonstrate to the Secretary
21	that the farm has an adequately sized manure management system to

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- accommodate the wastes generated and a nutrient management plan to dispose of wastes in accordance with Required Agricultural Practices adopted under this chapter and current U.S. Department of Agriculture nutrient management standards.
 - (c) The Secretary shall approve, condition, or disapprove the application within 45 business days of following the date of receipt of a complete application for a permit under this section. Failure to act within the 45 business days shall be deemed approval.
 - (d) A person seeking a permit under this section shall apply in writing to the Secretary. The application shall include a description of the proposed barn or expansion of livestock or domestic fowl; a proposed nutrient management plan to accommodate the number of livestock or domestic fowl the barn is designed to house or the farm is intending to expand to; and a description of the manure management system to be used to accommodate agricultural wastes.
 - (e) The Secretary may condition or deny a permit on the basis of odor, noise, traffic, insects, flies, or other pests.
 - (f) Before granting a permit under this section, the Secretary shall make an affirmative finding that the animal wastes generated by the construction or expansion will be stored so as not to generate runoff from a 25-year, 24-hour storm event and shall be disposed of in accordance with the Required

1	Agricultural Practices adopted under this chapter and current U.S. Department
2	of Agriculture nutrient management standards.
3	(g) A farm that is permitted under this section and that withdraws more
4	than 57,600 gallons of groundwater per day averaged over any 30 consecutive-
5	day period shall annually report estimated water use to the Secretary of
6	Agriculture, Food and Markets. The Secretary of Agriculture, Food and
7	Markets shall share information reported under this subsection with the
8	Agency of Natural Resources.
9	(h) The Secretary may inspect a farm permitted under this section at any
10	time, but no not less frequently than once per year.
11	(i) A person required to obtain a permit under this section shall submit an
12	annual operating fee of \$2,500.00 to the Secretary. <u>During any calendar year</u>
13	in which a person has an active Large Concentrated Animal Feeding Operation
14	permit issued by the Agency of Natural Resources pursuant to the federal
15	Clean Water Act and pays the required associated fee, that person shall not be
16	required to pay the \$2,500.00 annual operating fee described in this section.
17	The fees collected under this section shall be deposited in the Agricultural
18	Water Quality Special Fund under section 4803 of this title.

- 1 Sec. 4. 6 V.S.A. § 4858 is amended to read:
- 2 § 4858. MEDIUM FARM OPERATION PERMITS
 - (a) Authorization to operation. No person shall operate a medium farm without authorization from the Secretary pursuant to this section. Under exceptional conditions, specified in subsection (d) of this section, authorization from the Secretary may be required to operate a small farm.
 - (b) Rules; general and individual permits. The Secretary shall establish by rule, pursuant to 3 V.S.A. chapter 25, requirements for a general permit and individual permit to assure that medium and small farms generating animal waste comply with the water quality standards of the State.
 - (1) General and individual permits issued under this section shall be consistent with rules adopted under this section, shall include terms and conditions appropriate to each farm size category and each farm animal type as defined by section 4857 of this title, and shall meet standards at least as stringent as those established by federal regulations for concentrated animal feeding operations. Such standards shall address waste management, waste storage, development of nutrient management plans, carcass disposal, and surface water and groundwater contamination, plus recordkeeping, reporting, and monitoring provisions regarding such matters to ensure that the terms and conditions of the permit are being met. The groundwater contamination rules adopted by the Secretary under this section shall include a process under which

- the Agency shall receive, investigate, and respond to a complaint that a farm
 has contaminated the drinking water or groundwater of a property owner.
 - (2) The rules adopted under this section shall also address permit administration, public notice and hearing, permit enforcement, permit transition, revocation, and appeals consistent with provisions of sections 4859 and 4861 of this title and subchapter 10 of this chapter.
 - (3) Each general permit issued pursuant to this section shall have a term of not more than five years. Prior to the expiration of each general permit, the Secretary shall review the terms and conditions of the general permit and may issue subsequent general permits with the same or different conditions as necessary to carry out the purposes of this subchapter. Each general permit shall include provisions that require public notice of the fact that a medium farm has sought coverage under a general permit adopted pursuant to this section. Each general permit shall provide a process by which interested persons can obtain detailed information about the nature and extent of the activity proposed to receive coverage under the general permit. The Secretary may inspect each farm seeking coverage under the general permit at any time but no not less frequently than once every three years.
 - (c)(1) Medium farm general permit.
 - (1) The owner or operator of a medium farm seeking coverage under a general permit adopted pursuant to this section shall certify to the Secretary

within a period specified in the permit, and in a manner specified by the
Secretary, that the medium farm does comply with permit requirements
regarding an adequately sized and designed manure management system to
accommodate the wastes generated and a nutrient management plan to dispose
of wastes in accordance with Required Agricultural Practices adopted under
this chapter and current U.S. Department of Agriculture nutrient management
standards. Any certification or notice of intent to comply submitted under this
subdivision shall be kept on file at the Agency of Agriculture, Food and
Markets. The Secretary of Agriculture, Food and Markets, in consultation with
the Secretary of Natural Resources, shall review any certification or notice of
intent to comply submitted under this subdivision with regard to the water
quality impacts of the medium farm for which the owner or operator is seeking
coverage, and, for farms that have never been permitted under the prior permit
term, within 18 months of after receiving the certification or notice of intent to
comply, the Secretary of Natural Resources shall verify whether the owner or
operator of the medium farm has established that there will be no unpermitted
discharge to waters of the State pursuant to the federal regulations for
concentrated animal feeding operations. If upon review of a medium farm
granted coverage under the general permit adopted pursuant to this subsection
the Secretary of Agriculture, Food and Markets determines that the permit
applicant medium farm may be discharging to waters of the State, the

Secretary of Agriculture, Food and Markets and shall promptly notify the Secretary of Natural Resources shall respond to the discharge in accordance with the memorandum of understanding the federal Clean Water Act regarding concentrated animal feeding operations under section 4810 of this title. The Secretary of Natural Resources shall direct a medium farm to obtain a permit under 10 V.S.A. § 1263 if required by federal regulations for concentrated animal feeding operations or by the VPDES CAFO Rules. If the farm is not required to obtain a CAFO permit and is not in violation of federal regulations for concentrated animal feeding operations, the Secretary of the Agency of Natural Resources shall promptly notify the Secretary of Agriculture, Food and Markets.

- (2) The owner or operator of a small farm may seek coverage under the medium farm general permit adopted pursuant to this section by certifying to the Secretary, in a manner specified by the Secretary, that the small farm complies with the requirements and conditions of the medium farm general permit.
- (d) Medium and small farms; individual permit. The Secretary may require the owner or operator of a small or medium farm to obtain an individual permit to operate after review of the farm's history of compliance, application of Required Agricultural Practices, the use of an experimental or alternative technology or method to meet a State performance standard, or other factors

set forth by rule. The owner or operator of a small farm may apply to the
Secretary for an individual permit to operate under this section. To receive an
individual permit, an applicant shall in a manner prescribed by rule
demonstrate that the farm has an adequately sized and designed manure
management system to accommodate the wastes generated and a nutrient
management plan to dispose of wastes in accordance with Required
Agricultural Practices adopted under this chapter and current U.S. Department
of Agriculture nutrient management standards, including setback requirements
for waste application. An individual permit shall be valid for no not more than
five years. Any application for an individual permit filed under this subsection
shall be kept on file at the Agency of Agriculture, Food and Markets. The
Secretary of Agriculture, Food and Markets, in consultation with the Agency
of Natural Resources, shall review any application for a permit under this
subsection and, prior to issuance of an individual permit under this subsection,
shall issue a written determination regarding whether the permit applicant has
established that there will be no unpermitted discharge to waters of the State
pursuant to federal regulations for concentrated animal feeding operations. If,
upon review of an application for a permit under this subsection a permit
application, the Secretary of Agriculture, Food and Markets determines that the
permit applicant may be discharging to waters of the State, the Secretary of
Agriculture, Food and Markets and shall promptly refer the farm to the

1	Secretary of Natural Resources shall respond to the discharge for response in
2	accordance with the memorandum of understanding regarding concentrated
3	animal feeding operations under subsection 4810(b) of this title the federal
4	<u>Clean Water Act</u> . The Secretary of Natural Resources <u>may require</u> <u>shall direct</u>
5	a medium or small farm to obtain a permit under 10 V.S.A. § 1263 pursuant to
6	if required by federal regulations for concentrated animal feeding operations or
7	by the VPDES CAFO Rules. Coverage of a medium farm under a general
8	permit adopted pursuant to this section or an individual permit issued to a
9	medium or small farm under this section is rendered void by the issuance of a
10	permit to a farm under 10 V.S.A. § 1263. If the farm is not required to obtain a
11	CAFO permit and is not in violation of federal regulations for concentrated
12	animal feeding operations, the Secretary of the Agency of Natural Resources
13	shall promptly refer the matter to the Secretary of Agriculture, Food and
14	Markets.
15	(e) Operating fee. A person required to obtain a permit or coverage under
16	this section shall submit an annual operating fee of \$1,500.00 to the Secretary.
17	The fees collected under this section shall be deposited in the Agricultural
18	Water Quality Special Fund under section 4803 of this title.
19	Sec. 5. 6 V.S.A. § 4816 is amended to read:
20	§ 4816. SEASONAL APPLICATION OF MANURE

(a) Prohibition on application. A person shall not apply manure to land in
the State between December 15 and April 1 of any calendar year unless
authorized by this section or as authorized under an emergency exemption
granted by the Secretary according to criteria set forth under the Required
Agricultural Practices.

- (b) Extension of prohibition. The Secretary of Agriculture, Food and Markets shall amend the Required Agricultural Practices by rule in order to establish a process under which the Secretary may prohibit the application of manure to land in the State between December 1 and December 15 and between April 1 and April 30 of any calendar year when the Secretary determines that due to weather conditions, soil conditions, or other limitations, application of manure to land would pose a significant potential of discharge or runoff to State waters.
- (c) Seasonal exemption. The Secretary of Agriculture, Food and Markets shall amend the Required Agricultural Practices by rule in order to establish a process under which the Secretary may authorize an exemption to the prohibition on the application of manure to land in the State between December 15 and April 1 of any calendar year or during any period established under subsection (b) of this section when manure is prohibited from application. Any process established for the issuance of an exemption under the Required Agricultural Practices may authorize land application of manure

1	on a weekly, monthly, or seasonal basis or in authorized regions, areas, or
2	fields in the State, provided that any exemption shall:
3	(1) prohibit application of manure:
4	(A) in areas with established channels of concentrated stormwater
5	runoff to surface waters, including ditches and ravines;
6	(B) in nonharvested permanent vegetative buffers;
7	(C) in a nonfarmed wetland, as that term is defined in 10 V.S.A.
8	§ 902(5);
9	(D) within 50 feet of a potable water supply, as that term is defined in
10	10 V.S.A. § 1972(6);
11	(E) to fields exceeding tolerable soil loss; and
12	(F) to saturated soils;
13	(2) establish requirements for the application of manure when frozen or
14	snow-covered soils prevent effective incorporation at the time of application;
15	(3) require manure to be applied according to a nutrient management
16	plan; and
17	(4) establish the maximum tons of manure that may be applied per acre
18	during any one application.
19	Sec. 6. 6 V.S.A. § 4871(b) is amended to read:
20	(b) Required small farm certification. Beginning on July 1, 2017, a person
21	who owns or operates a small farm, as designated by the Secretary consistent

1	with subdivision 4810a(a)(1) of this title, shall, on a form provided by the
2	Secretary, certify compliance with the Required Agricultural Practices. The
3	Secretary of Agriculture, Food and Markets shall establish the requirements
4	and manner of certification of compliance with the Required Agricultural
5	Practices, provided that the Secretary shall require an owner or operator of a
6	any newly eligible or identified small farm to submit an annual a certification
7	of compliance with the Required Agricultural Practices and may require any
8	small farm to regularly certify ongoing compliance with the Required
9	Agricultural Practices.
10	* * * Agency of Natural Resources Regulation of Concentrated Animal
11	Feeding Operations * * *
12	Sec. 7. 10 V.S.A. § 1251 is amended to read:
13	§ 1251. DEFINITIONS
14	Whenever used or referred to in this chapter, unless a different meaning
15	clearly appears from the context:
16	* * *
17	(3) "Discharge" means the placing, depositing, or emission of any
18	wastes or pollutants, directly or indirectly, into an injection well or into the
19	waters of the State.
20	* * *

1	(11) "Secretary" means the Secretary of Natural Resources or his or he
2	authorized representative.
3	(12) "Waste" means effluent, sewage, or any substance or material,
4	liquid, gaseous, solid, or radioactive, including heated liquids, whether or not
5	harmful or deleterious to waters; provided, however, the term "sewage" as
6	used in this chapter shall not include the rinse or process water from a cheese
7	manufacturing process.
8	(13) "Waters" or "waters of the State" includes all rivers, streams,
9	creeks, brooks, reservoirs, ponds, lakes, springs, and all artificial or natural
10	bodies of surface waters, artificial or natural, and waters of the United States,
11	as that term is defined under the federal Clean Water Act, that are contained
12	within, flow through, or border upon the State or any portion of it.
13	* * *
14	(20) "Direct discharge" means the placing, depositing, or emission of
15	any waste or pollutant directly into waters.
16	(21) "Pollutant" means dredged spoil; solid waste; incinerator residue;
17	sewage; garbage; sewage sludge; munitions; chemical wastes; biological
18	materials; radioactive materials; heat; wrecked or discarded equipment; rock;
19	sand; cellar dirt; and industrial, municipal, and agricultural waste discharged
20	into water.
21	Sec. 8. 10 V.S.A. chapter 47, subchapter 3A is added to read:

1	Subchapter 3A. Concentrated Animal Feeding Operations
2	§ 1351. DEFINITIONS
3	As used in this subchapter:
4	(1) "Agricultural waste" means material originating or emanating from a
5	farm or imported onto a farm that contains sediments; minerals, including
6	heavy metals; plant nutrients; pesticides; organic wastes, including livestock
7	waste; animal mortalities; compost; feed, litter, and crop debris; waste oils;
8	pathogenic bacteria and viruses; thermal pollution; silage runoff; process
9	wastewater, untreated milk house waste; and any other farm waste as the term
10	"waste" is defined in subdivision 1251(12) of this chapter.
11	(2)(A) "Animal feeding operation" or "AFO" means a lot or facility,
12	other than an aquatic animal production facility, where the following
13	conditions are met:
14	(i) animals, other than aquatic animals, have been, are, or will be
15	stabled or confined and fed or maintained for a total of 45 days or more in any
16	12-month period; and
17	(ii) crops, vegetation, or forage growth are not sustained in the
18	normal growing season over any portion of the lot or facility.
19	(B) Two or more individual farms qualifying as an AFO that are
20	under common ownership and that adjoin each other or use a common area or
21	system for the disposal of waste shall be considered to be a single AFO if the

1	combined number of livestock or domestic fowl on the combined farm
2	qualifies the combined farm as a large CAFO as defined in subdivision (5) of
3	this section or as a medium CAFO as defined in subdivision (8) of this section.
4	(3) "Concentrated animal feeding operation" or "CAFO" means an AFO
5	that is defined as a large CAFO, a medium CAFO, or a small CAFO.
6	(4) "Land application area" means the area under the control of an AFO
7	or CAFO owner or operator, whether it is owned, rented, or leased, to which
8	manure, litter, or process wastewater may be applied.
9	(5) "Large concentrated animal feeding operation" or "Large CAFO"
10	means an AFO that houses 700 or more mature dairy animals, 1,000 or more
11	cattle or cow or calf pairs, 1,000 or more veal calves, 2,500 or more swine
12	weighing over 55 pounds, 10,000 or more swine weighing 55 pounds or less,
13	500 or more horses, 10,000 or more sheep or lambs, 55,000 or more turkeys,
14	30,000 or more laying hens or broilers with a liquid manure handling system,
15	82,000 or more laying hens without a liquid manure handling system, 125,000
16	or more chickens other than laying hens without a liquid manure handling
17	system, 5,000 or more ducks with a liquid manure handling system, or 30,000
18	or more ducks without a liquid manure handling system.
19	(6) "Large farm operation" or "LFO" has the same meaning as in
20	6 V.S.A. chapter 215.

1	(7) "Manure" means livestock waste in solid or liquid form that may
2	also contain bedding, compost, and raw materials or other materials
3	commingled with manure or set aside for disposal.
4	(8) "Medium concentrated animal feeding operation" or "Medium
5	CAFO" means an AFO that is defined as an AFO by the VPDES CAFO Rules
6	adopted by the Secretary, including:
7	(A) houses 200 to 699 mature dairy animals, 300 to 999 cattle or cow
8	or calf pairs, 300 to 999 veal calves, 750 to 2,499 swine weighing over 55
9	pounds, 3,000 to 9,999 swine weighing 55 pounds or less, 150 to 499 horses,
10	3,000 to 9,999 sheep or lambs, 16,500 to 54,999 turkeys, 9,000 to 29,999
11	laying hens or broilers with a liquid manure handling system, 25,000 to 81,999
12	laying hens without a liquid manure handling system, 37,500 to 124,999
13	chickens other than laying hens without a liquid manure handling system,
14	1,500 to 4,999 ducks with a liquid manure handling system, or 10,000 to
15	29,999 ducks without a liquid manure handling system; and
16	(B) either of the following conditions are met:
17	(i) wastes are discharged into waters through a man-made ditch,
18	flushing system, or other similar man-made device; or
19	(ii) wastes are discharged directly into waters that originate
20	outside of or pass over, across, or through the facility or otherwise come into
21	direct contact with the animals confined in the operation.

1	(9) "Medium farm operation" or "MFO" has the same meaning as
2	medium farm operation in 6 V.S.A chapter 215 and rules adopted under the
3	chapter.
4	(10) "Point source" means any discernible, confined, and discrete
5	conveyance, including any pipe, ditch, channel, tunnel, conduit, well, discrete
6	fissure, container, rolling stock, concentrated animal feeding operation, or
7	vessel or other floating craft from which pollutants are or may be discharged.
8	This term does not include agricultural stormwater discharges and return flows
9	from irrigated agriculture.
10	(11) "Process wastewater" means water directly or indirectly used in the
11	operation of an AFO or CAFO for any or all of the following: spillage or
12	overflow from animal or poultry watering systems; washing, cleaning, or
13	flushing pens, barns, manure pits, or other AFO or CAFO facilities; direct
14	contact swimming, washing, or spray cooling of animals; or dust control.
15	Process wastewater also includes any water that comes into contact with any
16	raw materials, products, or byproducts, including manure, litter, feed, milk,
17	eggs, or bedding.
18	(12) "Production area" means that part of an AFO or CAFO that
19	includes the animal confinement area, the manure storage area, the raw
20	materials storage area, and the waste containment areas. The animal
21	confinement area includes open lots, housed lots, feedlots, confinement houses,

1	stall barns, free stall barns, milkrooms, milking centers, cowyards, barnyards,
2	medication pens, walkers, animal walkways, and stables. The manure storage
3	area includes lagoons, runoff ponds, storage sheds, stockpiles, under house or
4	pit storages, liquid impoundments, static piles, and composting piles. The raw
5	materials storage area includes feed silos, silage bunkers, and bedding
6	materials. The waste containment area includes settling basins, and areas
7	within berms and diversions that separate uncontaminated storm water. Also
8	included in the definition of production area is any egg washing or egg
9	processing facility and any area used in the storage, handling, treatment, or
10	disposal of mortalities.
11	(13) "Secretary" means the Secretary of Natural Resources.
12	(14) "Small animal feeding operation" or "SFO" means an AFO that is
13	not a large CAFO or a medium CAFO.
14	(15) "Small concentrated animal feeding operation" or "small CAFO"
15	means a small AFO designated as a small CAFO by the Secretary upon
16	determining that the AFO is a significant contributor of pollutants to waters of
17	the State and is defined as a CAFO by the regulations adopted under the
18	federal Clean Water Act.
19	(16) "Waters of the United States" shall have the same meaning as
20	defined by the federal Clean Water Act.
21	§ 1352. POWERS OF THE SECRETARY

1	The Secretary has the authority to exercise all of the following:
2	(1) Implement the federal Clean Water Act to administer a Vermont
3	pollutant discharge elimination system (VPDES) CAFO program that is at
4	least as stringent as the federal Clean Water Act and enabling rules.
5	(2) Make, adopt, revise, and amend rules as necessary to administer a
6	VPDES CAFO program that is at least as stringent as the federal Clean Water
7	Act and enabling rules.
8	(3) Make, adopt, revise, and amend procedures, guidelines, inspection
9	checklists, and other documents as necessary for the administration of the
10	CAFO VPDES program.
11	(4) Designate any AFO that meets the definition of a CAFO under the
12	federal Clean Water Act regulations or under the VPDES CAFO Rule, in the
13	Secretary's sole discretion.
14	(5) Require any AFO to obtain a CAFO permit under this chapter upon a
15	determination that the AFO is discharging to waters of the State.
16	(6) Designate any small AFO as a CAFO if after an on-site inspection,
17	the Secretary determines that the small AFO is discharging into water and is a
18	significant contributor of pollutants to waters of the State. The Secretary shall
19	consider the following factors:
20	(A) the size of the AFO and the amount of wastes reaching waters;
21	(B) the location of the AFO relative to waters;

1	(C) the means of conveyance of animal wastes and process waste
2	waters into waters;
3	(D) the slope, vegetation, rainfall, and other factors affecting the
4	likelihood or frequency of discharge of animal wastes manure and process
5	waste waters into waters; and
6	(E) other relevant factors.
7	(7) Access private or public property to inspect AFOs and CAFOs, take
8	photos and samples, and review and copy AFO and CAFO land management
9	records, including nutrient management plans, as may be necessary to carry out
10	the provisions of this subchapter.
11	(8) Solicit and receive federal funds to implement the CAFO program.
12	(9) Cooperate fully with the federal government or other agencies in the
13	operation of any joint federal-state programs concerning the regulation of
14	agricultural pollution.
15	(10) Appoint assistants or contract with persons with applicable
16	expertise, subject to applicable laws and State policies, to perform or assist in
17	the performance of the duties and functions of the Secretary under this chapter.
18	§ 1353. CAFO PERMIT REQUIREMENTS AND EXEMPTIONS
19	(a) The discharge of manure, litter, or process wastewater to waters of the
20	State from a permitted CAFO as a result of the application of that manure,
21	litter, or process wastewater by the CAFO to land areas under its control is a

1	discharge from that CAFO subject to VPDES permit requirements, except
2	where it is an agricultural stormwater discharge as provided under the federal
3	Clean Water Act. For purposes of this subsection, where the manure, litter, or
4	process wastewater has been applied in accordance with the federal regulations
5	under the Clean Water Act, a precipitation-related discharge of manure, litter,
6	or process wastewater from land areas under the control of a CAFO is an
7	agricultural stormwater discharge. For unpermitted Large CAFOs, a
8	precipitation-related discharge of manure, litter, or process wastewater from
9	land areas under the control of the CAFO shall be considered an exempt
10	agricultural stormwater discharge only where the manure, litter, or process
11	wastewater has been land applied in accordance with site-specific nutrient
12	management practices that ensure appropriate agricultural utilization of the
13	nutrients in the manure, litter, or process wastewater, as determined by the
14	Secretary.
15	(b) All MFOs and LFOs shall maintain documentation of a nutrient
16	management plan and practices on site or at a nearby office and make the
17	documentation readily available to the Secretary upon request.
18	(c) The presumption in 6 V.S.A. § 4810(b) that farms in compliance with
19	the Agency of Agriculture, Food and Markets' Required Agricultural Practices
20	Rule are not discharging is not applicable to any AFO determined by the
21	Secretary's decision to be a CAFO.

1	Sec. 9. COMMUNITY STAKEHOLDER GROUP ON AGRICULTURAL
2	WATER QUALITY
3	(a) On or before December 1, 2025, the Secretary of Natural Resources, in
4	coordination with the Secretary of Agriculture, Food and Markets, shall engage
5	key stakeholder regarding the implementation and transition to a Concentrated
6	Animal Feeding Operation (CAFO) program that conforms with the Clean
7	Water Act. The process also shall include public notice and informational
8	hearings to provide updates on the CAFO program and gather broad public
9	input. The stakeholder engagement process shall include opportunities for the
10	following stakeholders to provide input: the agricultural community, including
11	livestock farmers; farm groups; agricultural consultants; and the environmental
12	community, including watershed groups and water quality experts. The
13	Secretary shall solicit input from stakeholders on:
14	(1) the establishment of a CAFO permitting program administered by
15	the Secretary of Natural Resources that ensures compliance with the Clean
16	Water Act's requirement that no farm discharges in violation of the Clean
17	Water Act's CAFO permit requirements;
18	(2) how to align the CAFO program most effectively with water quality
19	programs administered by the Secretary of Agriculture, Food, and Markets;
20	(3) how to best create regulatory clarity for agricultural producers for
21	the long term that is consistent with the Clean Water Act, whether within a

1	two-agency regulatory system or through a full transfer of regulatory authority
2	to the Agency of Natural Resources;
3	(4) the resources, technical assistance, and regulatory structure
4	necessary to create a path to compliance for agricultural producers that
5	maintain CAFOs, AFOs, and other farms; and
6	(5) feedback on implementing regulatory structures similar to other
7	states, including the New York State Department of Environmental Protection
8	CAFO Program.
9	(b) On or before February 15, 2026, the Secretary of Natural Resources
10	shall file a report with the House Committees on Agriculture, Food Resiliency,
11	and Forestry and on Environment and the Senate Committees on Agriculture
12	and on Natural Resources and Energy. The report shall:
13	(1) summarize the stakeholder process, including public comments
14	received;
15	(2) summarize public input received during rulemaking;
16	(3) assess whether the regulatory structure for administering agricultural
17	water quality requirements in the State is sufficient to ensure that water
18	pollution is controlled consistent with the Clean Water Act or whether sole
19	regulation by the Agency of Natural Resources over water quality on farms,
20	should be implemented; and

1	(4) recommend any statutory amendment or other changes related to
2	implementation of the CAFO program and agricultural water quality regulation
3	more generally.
4	(c) The Secretary of Natural Resources shall as part of the report required
5	under this section propose a plan for inspection of animal feeding operations
6	(AFOs) potentially subject to the requirements for a CAFO permit under 10
7	V.S.A. chapter 47, subchapter 3A. The plan shall include:
8	(1) a proposal of which AFOs should be subject to inspection, including
9	whether all large farm operations and medium farm operations must be
10	inspected to determine if a CAFO permit is required;
11	(2) a proposed schedule of inspection of those AFOs subject to
12	inspection, including the frequency of inspection or events or thresholds that
13	would require inspection;
14	(3) an estimate of the staffing or other resources that would be required
15	to implement the proposed inspection plan.
16	Sec. 10. 10 V.S.A. § 1259 is amended to read:
17	§ 1259. PROHIBITIONS
18	(a) No person shall discharge any waste, substance, or material into waters
19	of the State, nor shall any person discharge any waste, substance, or material
20	into an injection well or discharge into a publicly owned treatment works any
21	waste that interferes with, passes through without treatment, or is otherwise

incompatible with those works or would have a substantial adverse effect on those works or on water quality, without first obtaining a permit for that discharge from the Secretary. This subsection shall not prohibit the proper application of fertilizer to fields and crops, nor reduce or affect the authority or policy declared in Joint House Resolution 7 of the 1971 Session of the General Assembly.

* * *

- (f) The provisions of subsections (c), (d), and (e) of this section shall not regulate Provided that the introduction of wastes are from sources that do not discharge pollutants from a point source into waters of the State, and comply with the federal Clean Water Act and federal CAFO regulation, the following activities shall not require a VPDES permit under section 1263 of this title:
- (1) required agricultural practices, as adopted by rule by the Secretary of Agriculture, Food and Markets; or
- (2) accepted silvicultural practices, as defined by the Commissioner of Forests, Parks and Recreation, including practices which that are in compliance with the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation; nor shall these provisions regulate discharges from concentrated animal feeding operations that require a permit under section

1 1263 of this title; nor shall those provisions prohibit stormwater runoff or the
 2 discharge of nonpolluting wastes, as defined by the Secretary.

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(i) The Secretary of Natural Resources, to the extent compatible shall regulate AFOs in accordance with federal requirements, shall delegate to and the VPDES CAFO Rules and the Secretary of Agriculture, Food and Markets shall implement the State agricultural non-point nonpoint source pollution control program planning, implementation, and regulation. A memorandum of understanding shall be adopted for this purpose, which shall address implementation grants, the distribution of federal program assistance, and the development of land use performance standards. Prior to executing the memorandum, the Secretary of State shall arrange for two formal publications of information relating to the proposed memorandum. The information shall consist of a summary of the proposal; the name, telephone number, and address of a person able to answer questions and receive comments on the proposal; and the deadline for receiving comments. Publication shall be subject to the provisions of 3 V.S.A. § 839(d), (e), and (g), relating to the publication of administrative rules This concurrent authority ensures comprehensive water quality protection and implements equivalent State nonpoint source pollution controls on farms not covered by the Clean Water Act. The Agencies shall cooperate and share information to enable effective and consistent regulation

1	and enforcement. Not later than September 1, 2025, the Agency of Natural
2	Resources in consultation with the U.S. Environmental Protection Agency and
3	the Agency of Agriculture, Food and Markets, shall issue a document that sets
4	forth the respective roles and responsibilities of the Agency of Natural
5	Resources in implementing the Clean Water Act on farms and responsibilities
6	of the Agency of Agriculture, Food and Markets in implementing the State's
7	complementary nonpoint source program on farms. The document shall
8	replace the existing memorandum of understanding between the agencies. The
9	Secretary shall post the draft document and information regarding the
10	document on the Agency's website, shall issue public notice by press release
11	and social media, shall submit the draft documents to the Senate Committees
12	on Agriculture and on Natural Resources and Energy and the House
13	Committees on Agriculture, Food Resiliency, and Forestry and on
14	Environment, and shall allow for public comment. The proposed
15	memorandum of understanding document shall be available for 30 days after
16	the final date of publication for public review and comment prior to being
17	executed by the Secretary of Natural Resources and the Secretary of
18	Agriculture, Food and Markets. The Secretary of Natural Resources and in
19	consultation with the Secretary of Agriculture, Food and Markets annually
20	shall review the memorandum of understanding the document every five years
21	to ensure compliance with the requirements of the Clean Water Act and the

provisions of section 1258 of this title. If the memorandum document is
substantially revised, it first shall be noticed in the same manner that applies to
the initial memorandum. Actions by the Secretary of Agriculture, Food and
Markets under this section shall be consistent with the water quality standards
and water pollution control requirements of chapter 47 of this title and the
federal Clean Water Act as amended.

7 ***

- Sec. 11. 10 V.S.A. § 1263 is amended to read:
- 9 § 1263. DISCHARGE PERMITS
 - (a) Any person who intends to discharge waste into the waters of the State or who intends to discharge into an injection well or who intends to discharge into any publicly owned treatment works any waste that interferes with, passes through without treatment, or is otherwise incompatible with that works or would have a substantial adverse effect on that works or on water quality, or is required to apply for a CAFO permit, shall make application to the Secretary for a discharge permit. Application shall be made on a form prescribed by the Secretary. An applicant shall pay an application fee in accordance with 3 V.S.A. § 2822.
 - (b) When an application is filed under this section, the Secretary shall proceed in accordance with chapter 170 of this title. The Secretary may require any applicant to submit any additional information that the Secretary

<u>SS</u>

2 <u>determination. The Secretary</u> may <u>take appropriate steps to secure compliance</u>,

refuse to grant a permit, or permission to discharge under the terms of a

4 general permit, until the information is furnished and evaluated.

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(g) Notwithstanding any other provision of law, any Any person who owns or operates a concentrated animal feeding operation that requires a permit under the federal National Pollutant Discharge Elimination System permit regulations or the VPDES CAFO Rules shall submit an application to the Secretary for a discharge permit and pay the required fees specified in 3 V.S.A. § 2822. On or before July 1, 2007, the Secretary of Natural Resources shall adopt rules implementing the federal National Pollutant Discharge Elimination System permit regulations for discharges from concentrated animal feeding operations. Until such regulations are adopted, the substantive permitting standards and criteria used by the Secretary to evaluate applications and issue or deny discharge permits for concentrated animal feeding operations shall be those specified by federal regulations. The Secretary may issue an individual or general permit for these types of discharges in accordance with the procedural requirements of subsection (b) of this section and other State law. For the purposes of this subsection, "concentrated animal feeding operation" means a farm that meets the definition contained in the federal regulations Not

1	later than December 15, 2025, the Secretary shall amend and issue the CAFO
2	General Permit and Notice of Intent. Not later than July 1, 2026, the Secretary
3	shall issue a CAFO application and an individual CAFO permit. The Secretary
4	may request any additional information from a farm as necessary to process a
5	permit and administer the CAFO program. The Secretary may direct a farm to
6	apply for an individual or general permit in accordance with the procedural
7	requirements of subsection (b) of this section.
8	(h) A large CAFO shall not be required to have a CAFO permit unless one
9	of the following conditions are met:
10	(1) wastes are discharged into waters via a point source;
11	(2) wastes are discharged directly into waters that originate outside or
12	pass over, across, or through the facility or otherwise come into direct contact
13	with the animals confined in the operation; or
14	(3) a precipitation-related discharge of manure, litter, or process
15	wastewater from land areas under the control of a LFO has occurred that was
16	not in accordance with site-specific nutrient management practices that ensure
17	appropriate agricultural utilization of the nutrients in the manure, litter, or
18	process wastewater, as determined by the Secretary.
19	(i) The Secretary shall require nutrient management plans for all CAFOs
20	and shall include the plans in the permits for public comment in accordance
21	with the process set forth in chapter 170 of this title. The Secretary may

1	amend a permit in accordance with chapter 170 of this title or revoke a permit
2	in accordance with 3 V.S.A. § 814.
3	(j) Once a CAFO is covered under a CAFO permit, the farm shall be
4	covered for the five year duration of the permit. A farm covered by a CAFO
5	permit shall renew the permit in accordance with its terms, unless the farm
6	wants to opt out and can demonstrate it is not discharging and shall
7	accordingly comply with the federal CWA and the Vermont CAFO rules.
8	Sec. 12. 10 V.S.A. § 1264(d) is amended to read:
9	(d) Exemptions.
10	(1) No permit is required under this section for:
11	(A) Stormwater runoff from farms in compliance with agricultural
12	practices adopted by the Secretary of Agriculture, Food and Markets, provided
13	that this and not subject to the federal Clean Water Act, its enabling
14	regulations, or the VPDES CAFO Rules as determined by the Secretary of
15	Natural Resources. This exemption shall not apply to construction stormwater
16	permits required by subdivision (c)(4) of this section.
17	(B) Stormwater runoff from concentrated animal feeding operations
18	permitted under subsection 1263(g) of this chapter.
19	(C) Stormwater runoff from accepted silvicultural practices, as
20	defined by the Commissioner of Forests, Parks and Recreation, including
21	practices that are in compliance with the <u>federal Clean Water Act as</u>

1	determined by the Secretary of Natural Resources and the Acceptable
2	Management Practices for Maintaining Water Quality on Logging Jobs in
3	Vermont, as adopted by the Commissioner of Forests, Parks and Recreation.
4	(D) Stormwater runoff permitted under section 1263 of this title.
5	(2) No permit is required under subdivision (c)(1), (5), or (7) of this
6	section and for which a municipality has assumed full legal responsibility as
7	part of a permit issued to the municipality by the Secretary. As used in this
8	subdivision, "full legal responsibility" means legal control of the stormwater
9	system, including a legal right to access the stormwater system, a legal duty to
10	properly maintain the stormwater system, and a legal duty to repair and replace
11	the stormwater system when it no longer adequately protects waters of the
12	State.
13	* * * Effective Date * * *
14	Sec. 13. EFFECTIVE DATE
15	This act shall take effect on July 1, 2025
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21	(Committee vote:)

1	
2	Representative

(Draft No. 1.1 – S.124) 5/15/2025 - MOG - 12:17 PM

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FOR THE COMMITTEE