

S.60. An Act Relating to Establishing the Farm and Forestry Operations Security Special Fund

[Note: House Agriculture expanded the Program to apply to forestry operators as well as farming. As a result, the Program name, the name of the Special Fund, the name of the Review Board, and eligible activities were all amended to include forestry operations.]

Section. 1. Findings

- Recognizes that Vermont farms and forestry operations have experienced frequent crop losses due to severe weather-related disasters.
- Existing state and federal programs do not adequately serve farmers and forestry operators, especially small-scale and diversified farms or operators.
- The State should establish a permanent funding support program to maintain the viability of farms and forestry operations and provide a source of relief funds to farms and forestry operations impacted by severe weather related events.

Section 2. Creation of Farm and Forestry Operations Security Special Fund

- Sec. 2 amends the existing, 6 V.S.A. chapter 207 related to promotion of Vermont food and products to add a new subchapter related to the support of Vermont farms and forestry operations.
- The new subchapter would be entitled the Farm Security Special Fund.
- The subchapter begins with a definitions section, 6 V.S.A. § 4631, the key terms defined are:
 - § 4631(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) a forest fire or wild fire event; (F) hail; (G) drought; or (H) any other severe weather or growing conditions, as determined by a Review Board.
 - § 4631(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 RAPs.
 - § 4631(5): Adds a definition of “forestry operation” as defined in 10 V.S.A. § 2602.-- “Forestry operation” means activities related to the management of forests, including a timber harvest; pruning; planting; reforestation; pest, disease, and invasive species control; wildlife habitat management; and fertilization. “Forestry operation” includes the primary processing of forest products of commercial value on a parcel where the timber harvest occurs.
- After the definitions, the bill creates the Farm and Forestry Operations Security Special Fund in 6 V.S.A. § 4632. The Fund shall be administered by the Agency.

- The bill then specifies in 6 V.S.A. § 4633 how assistance will be made from the Fund.
 - Under § 4633(a), the Secretary of Agriculture (Secretary) awards payments from the Fund to farms and forestry operations that have incurred financial losses due to eligible weather conditions. **[Note: House Agriculture amended the bill so that the awards are payments and not grants. Grants have more administrative requirements that prevent them from being as timely as payments.]**
 - The payments shall be in an amount of up to 50% of the uninsured or uncovered losses due to eligible weather conditions, up to a maximum of 5% of the undesignated unreserved monies in the Fund up to a maximum of \$150,000 per year per farm or forestry operation.
 - The Secretary may verify claimed losses through site visits or reliance on available weather data.
 - Losses reimbursable under the program are listed in § 4633(a)(4), and include wages, lost income from destroyed crops or timber, debt payments, replanting costs, feed replacement costs, equipment repair, and forest and farm road repair.
 - Under § 4633(b), the Secretary shall develop an application for Fund awards, including a required year end report of farm of forestry operations income and also losses due to weather conditions.
 - Applications for awards are open until all funds are exhausted.
 - All applications are reviewed for eligibility within 15 days of receipt of a complete application,
 - The Farm and Forestry Operations Security Special Fund Review Board shall recommend to the Secretary whether an applicant should receive an award. If there is a recommendation, the Secretary shall issue the award within 15 days of the receipt of the recommendation.
 - The House Agriculture Committee authorized the Secretary of Agriculture to use up to \$67,500 from the Fund for administering awards.
 - The bill creates the Farm and Forestry Operations Security Special Fund Review Board in 6 V.S.A. § 4634.
 - The Board is attached to the Agency and is comprised of: the Secretary of Agriculture or designee, the Commissioner of Forests and Parks or designee, the State Chief Recovery Officer or designee, 3 representatives of 3 agricultural organizations who can demonstrate expertise in dealing with all sizes and types of farms in Vermont, 2 farmers who have received relief funding, and 2 forestry operators.
 - The bill provides that the non-ex officio members shall serve 3 year terms, but the terms shall be staggered to begin with.
 - Under 4634(d), the Board is directed to review applications for assistance, recommend awards, and annually review the application process.

Section 3. Effective Date

- Because the bill originated last year, the effective date is July 1, 2025, but Appropriations will amend.