

Senate Committee on Agriculture

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[see accompanying slides as well]

Good morning, and thank you to the committee for inviting us in today. My name is Graham Unangst-Rufenacht, I'm the policy director at Rural VT, I live in Marshfield with my partner and 3 daughters, I also graze beef cattle and do an assortment of agricultural research and services. Today, I'm going to start out our introduction to the committee and then hand it over to Caroline, our Legislative Director.

1. Rural Vermont was founded in 1985 - this is our 40th year and I hope to show you all a little of this history today. We are a state-wide, member based, farmer and farmworker led, not-for-profit organization based in Montpelier. We are one of the 3 largest VT member based not-for-profit farming orgs in the state. We don't take government or industry funding.
2. We are a horizontally led organization with 5 part time staff directors, and a board of more than 12 people with majority farmers and farmworkers. When we say we are member led, we mean that we work with our members and non-members and allied organizations to educate, organize and advocate based on issues identified and determined by our communities based on need and opportunity. We extend an open invitation to this committee for collaboration in hearing from community members and other experts on issues that may be before you, and in general hope you'll see us as a resource and partner in making policy.
3. Rural VT's mission is to organize, educate and advocate in collaboration with local and global movements to strengthen the social, ecological and economic health of the agrarian communities that connect us all.
4. We work primarily at the local and State levels - however we also advocate and collaborate in national and international spaces directly and through our membership in the National Family Farm Coalition (where Caroline and I share a seat on the Executive Committee) and La Via Campesina, a peasant and food sovereignty based organization which is one of the largest social movements in the world (where our Director of Grass Roots Organizing Mollie Wills is the primary liaison).
5. As this is an introduction to Rural VT, this is new biennium, and it is our 40th anniversary - I thought i'd take a little time to bring you through some

of our history, some of the work that's happened in the statehouse over this time, and some of the issues we've focused on and people we've worked with. I'm going to move quickly through some of this - and try to save most of our time for discussion about work this session with myself and Caroline.

6. [SLIDES of HISTORY of work and getting into current work]

7. What am I working on now as a priority this session:

a. The Farm Security Fund

- i. We are asking the legislature to pass the Farm Security Fund. This is a new piece of legislation that will provide reliable, rapidly available recovery funds to farmers impacted by climate emergencies and extreme weather.
- ii. Rural VT has worked with NOFA VT and a large and diverse group of stakeholders in the agricultural community over a number of months to consider: the impacts of some of our more significant recent climate and weather related events, how farms / farmers / farmworkers and those supporting them have needed to respond, what resources have been available to them, how adequately have they functioned, what are the gaps, what are the needs, etc. We know that VT is a unique agricultural state in a number of ways: from our landscape and how weather plays out across it, to the diversity of farms here in terms of type and scale. The Agency of Agriculture's survey following the flooding in 2023 found that 70% of applicants were not covered by crop insurance; and we know that even farms which are covered by crop insurance are not being made whole or even having all of their losses addressed. We know that farmers need rapid relief, and that getting funds out quickly is important and easier to do at a local level with a state program. We are excited to be working on this project, and to share more about it as we move forward this session.

b. Vermont Cannabis Equity Coalition

- i. Over the last few years, we have seen more than 250 new farmers in one particular sector of VT's agricultural economy. But you wouldn't know it because these producers aren't considered farmers, the product they produce isn't considered agricultural, they can't produce on land in the VT Land Trust, they can't produce on land which is part of an NRCS contract

or on land the tenure of which is funded in any way by the federal government. These are VT's licensed outdoor adult use cannabis cultivators. They are audited multiple times a year by multiple entities and pay thousands of dollars for insurance and banking and basic administrative costs each year (we estimate an avg tier 1 producer, the most accessible, as spending at least \$15-20k / year for administrative work alone). Amidst these unreasonable burdens, they can't even sell their product directly to consumers, meaning they are mandated to immediately lose half of the value of what they produce to someone else who will capitalize on the value of their work.

- ii. The VT Cannabis Equity Coalition is: Rural VT, NOFA VT, VT Racial Justice Alliance, VT Growers' Association, Green Mtn. Patients' Alliance. You will hear more from us this Friday - and I'll be giving you a brief overview right now. We are all member based, not for profit organizations representing stakeholders affected by VT cannabis regulation. We hope to be a resource for policymakers in relationship to cannabis policy, and connecting directly with constituents who are stakeholders. Our Coalition has been advocating for a regulated cannabis community and economy in VT which is racially just, economically equitable, and agriculturally accessible since pre-regulated market times in VT.
- iii. This year we come having engaged in 3 separate legislatively convened working groups since the last session ended (outdoor siting and advertising, medical, and social equity). We have also continued to meet with our different communities, allied organizations, and the Cannabis Control Board to grow mutual understanding and support of the issues emerging and needs of the regulated community.
- iv. We have clear priorities including:
 - 1. Establishing ongoing funding, and expansion of, the Cannabis Business Development Fund to include a farm viability type apparatus for smaller tiers of cultivators and particular categories of licensee.

2. Establish a proportion of the excise tax to ongoing reinvestment in communities through funding the Land Access and Opportunity Board (land access, housing access, public health, education, etc.). It is fairly standard for states to invest significant portions of its excise tax into a fund addressing the harms of criminalization. These two items are recommended in the CCB's own Social Equity Working Group Report.
3. Striking language adopted last year allowing new municipal powers over outdoor cultivation ("cultivation districts" with pre-established maximum setbacks); and to continue to enumerate in law the status of agriculture for outdoor cultivation. VT had been a beacon nationally for its work in this regard, and NY is now recognizing adult use cultivation as agricultural. The Outdoor Siting working group evaluated the data from municipalities gathered by the CCB, from producers, from subject matter experts - and we see no evidence or substantial enough evidence to justify the actions taken legislatively last year, and to the contrary see clear harm that will be caused to existing businesses and potential businesses by allowing last year's language to stand.
4. Direct Market access for tier 1 and 2 cultivators and tier 1 manufacturers. We know that small farms, and small farmers, and many small businesses, cannot survive without direct sales and without direct relationships with their customers and communities. We don't have a cannabis market which is saturated - we have a market which is bottlenecked, geographically concentrated, and in which market power is highly centralized to retailers. Direct markets are not an option, they are an economic necessity for survival for many cannabis cultivators and manufacturers - they are established and relied upon for other agricultural operations of a similar scale and type, they have been established and relied upon well before there was a regulated market, and they will be relied

upon whether or not they are allowed in the legal market.

5. Public Consumption - currently in VT, you can only consume cannabis if you own the home or property you are consuming on. You need the renter's permission otherwise, and there is no public consumption out of doors. This establishes a fundamentally inequitable - and potentially dangerous - environment, in which a market is established with legal mechanisms only protecting those with the most economic privilege among us, which is disproportionately particular demographics of people in VT and nationally. The consequences of not having reasonable, free, and accessible places to consume cannabis are not hard to imagine, and we even heard the Chair of the CCB in testimony last year speak to the legal grey area of consuming in parked cars as there are so few legal spaces to consume. NY has passed a public consumption law and VT is well positioned to do the same.
 6. Medical program equity - I will not make time to speak to this priority right now as I am not as well versed in these recommendations as our other priorities.
- c. Fair Share Campaign and Equitable Taxation
 - i. This coalition proposes policy to increase taxes on personal annual income over \$500,000 by 3%. The proposal would raise over \$74 million each year in state tax revenue and would only affect the wealthiest 1% of Vermont taxpayers - bringing their tax burden more in line with that of most people in Vermont. Rural VT sees this as low hanging fruit for addressing economic equity and public resource needs in Vermont.
 - d. Pesticides:
 - i. We are working with the Protect Our Pollinator Coalition and others to monitor and influence the follow up work to H.706 (the neonic transition bill from last session). We would like to ensure that the processes established for variances, for

integrated pest management, and associated issues have integrity environmentally, agronomically, and logistically for the farming community.

- ii. We are also looking forward to continuing discussion on and implementation of Act 131 from last session - the PFAS consumer products bill - in which restricted and non-restricted use pesticides are explicitly named as products which must be assessed. We want to make sure that pesticides are not disincluded from this list as there is substantial evidence from independent testing pointing to PFAS contamination in pesticides.
- iii. Other:
 1. Supporting the needs of our migrant farmworker community in a time of increased threat.
 2. Supporting NOFA's request for base funding supporting its Crop Cash and Farm Share programs.
 - a. Finally, Farm Share subsidizes CSA shares for limited-income Vermonters by paying for 25-75% of the CSA cost.
 - b. Crop Cash doubles 3SquaresVT (SNAP) benefits for fruits and vegetables purchased at Vermont farmers markets, and now to beyond produce
 3. Farm to School and Early Childhood Coalition, and we're supporting their request of level, base funding of \$500,000 for Farm to School / Early Childhood grants, as well as \$500,000 for the Local Foods Incentive Grants.
 4. Beginning to do some organizing related to improving the cottage food laws in VT
 5. The future of agricultural regulation in VT. This having to do with the de-delegation petition to the EPA related to the Required Agricultural Practices and how we regulate water quality in VT and who regulates it, but also how ag is seen and regulated at the municipal level. In terms of de-delegation, we have met with CLF, we have met with VAAF to discuss the de-delegation process and what led to it. We do not understand how

shifting a substantial portion of water quality oversight to ANR - as CLF proposes - makes a lot of sense as a solution to the problems named by the EPA and evidenced by VAAFMs records. Namely that ANR did not adequately follow up on VAAFMs enforcement recommendations and never issued any permits despite many, many referrals from VAAFMs over many years. If ANR needs more capacity for this, we aren't opposed to that. The EPA pointing to conflicts and challenges between VAAFMs and ANR is not from our perspective a reason in and of itself to shift oversight - the question is, what's not working about the relationship? It is frustrating, that to whatever extent there is disagreement and conflict between these agencies, that the ones to suffer will most likely be those being regulated - the farming communities. CLFs proposal to shift the regs primarily to ANR may create an even greater communications burden, a greater logistical burden, and more challenges between agencies based on our initial considerations. As of now, their relationship is all about direct discharge and permit referral - not about the whole suite of farmer and complex site and farm specific information which requires technical assistance, accessing grants / programs / funding, relationship, and more in the expertise and scope of VAAFMs. It's hard to see how such a solution would not require more capacity and interaction between agencies. We also have not seen a plan for how this proposed division would occur, how VAAFMs grants and staffing and programs will continue to be funded, etc. From our perspective, and though we are not always in agreement with VAAFMs, we don't always agree with how they interact with everyone in the farming community, we don't always agree with their perspectives on water quality and programs and measurements, they are an invaluable resource, they are generally an education and correction first mediator

between farmers of all scales and types and different regulations, different programs and grants, and more. We are very concerned at the possibility of VAAFMM losing resources and relationship with farmers, and conversely very concerned at the ways in which agriculture, food resiliency, food sovereignty, food security, ag land access and planning and ag education are being marginalized and neglected in general in VT: the climate action plan, 30x30, etc. We are a unique state, we have a very unique food and agriculture community here, and we need to figure out how to best protect our lands and waters, and assure food resiliency and farming viability ourselves while maintaining our funding from the federal government.