Before (left) and after (right) transition of this agricultural field from a corn and hay cropland rotation to permanent pasture under the Seeding and Filter Strip Program. See page 26 for more information about this project.

Vermont Agency of Agriculture, Food and Markets - Division of Water Quality

State Fiscal Year 2025 Annual Report on Financial and Technical Assistance for Agricultural Water Quality

Prepared for the Vermont General Assembly in Accordance with 6 V.S.A. § 4825.

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Table of Contents

Figures and Tables

Introduction

The Vermont Agency of Agriculture, Food & Markets (VAAFM) Water Quality Division presents this annual report to the General Assembly of Vermont regarding activities in support of the objectives of Subchapter 3: Water Quality; Financial and Technical Assistance of 6 V.SA. Chapter 215, including use of State, federal, and private funds.

COMPANION & COMPLEMENTARY REPORTS

Water Quality Division – Interactive Data Report

Readers can access the **Interactive Data Report** for details on program investments, conservation efforts, phosphorus reductions, and other program results in key watersheds.

Vermont Clean Water Initiative 2025 Performance Report

VAAFM annually reports clean water efforts to the Agency of Natural Resources (ANR) Department of Environmental Conservation (DEC) who compiles this report on behalf of the Agency of Administration. This report summarizes investments and progress toward state water quality goals **across all land use sectors**.

2025 Report on Federal Funding Related to Water Quality Improvement Efforts in Vermont

VAAFM annually reports federal funding received related to water quality improvement efforts to the ANR DEC who compiles this report on behalf of the Agency of Administration. This report summarizes available **federal funding for water quality programs** in Vermont.

Highlights SFY2025

2,006 Visits to VT Farms

On-site technical assistance visits completed to support conservation planning and to ensure accountability with environmental and program standards.

186 Events Held

Outreach and educational events to share information and provide training for Vermont farms to support conservation practices and water quality.

$12.1 Million Invested

Investment in agricultural water quality through technical and financial assistance programs.

513 Projects Awarded

On-farm clean water projects awarded to reduce runoff from farms and improve water quality.

$102 per kg Cost Effectiveness of Phosphorus Reduced

Agricultural practice median cost effectiveness from state dollars invested per estimated kilogram of total phosphorus load reduced over the lifespan of each practice type. Based on SFY2016-2025 practice data.

36,737 kg Phosphorus Reductions

Total phosphorus reductions achieved as a result of conservation practice implementation and production area compliance in the Lake Champlain and Lake Memphremagog Basins.

Agricultural Clean Water Initiative Program

The Agricultural Clean Water Initiative Program (AGCWIP) funds organizations, businesses, and individuals working with Vermont farms to improve water quality. Local and regional partners help educate, implement, and verify conservation practices that reduce nutrient runoff. The majority of AGCWIP funds are allocated through a competitive AGCWIP Grant Opportunity which focuses on three areas: Education and Outreach, Technical Assistance, and Organizational Capacity Development. In addition, a portion of AGCWIP funds support Water Quality Division program initiatives and special projects such as mapping, research, and sampling projects.

For more information about the program, visit our webpage: agriculture.vermont.gov/agricultural-clean-water-initiative-program.

Table 1. AGCWIP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Description
Actual	SFY2024	$4.3 Million	SFY2024 State Investments primarily reflect the SFY2024 AGCWIP funding opportunity released in Fall 2023.
Actual	SFY2025	$3.2 Million	SFY2025 AGCWIP activities included a few remaining funding awards executed as a result of the SFY2024 organizational capacity funding opportunity and a few discrete livestock grazing educational initiatives.
Projected	SFY2026	$8.3 Million	In SFY2026, AAFM released an AGCWIP grant funding opportunity for agricultural partners and strategic initiatives. See more information below.
Projected	SFY2027	$0.5 Million	Limited AGCWIP obligations are planned for the SFY2027 period as this funding is primarily released through biannual funding opportunities and will be a

State Fiscal Year	Total State Investments	Description
		focus for SFY2026. Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

AGCWIP agreements active through the SFY2025 time period supported a variety of educational and technical assistance initiatives across Vermont. In SFY2025, 1,275 technical assistance visits on 480 farms were completed and reported by partners funded through active AGCWIP agreements. These technical assistance visits help farms understand and comply with the Required Agricultural Practices (RAPs) Rule, provide educational information about conservation practices, and help farms navigate and apply to private, State, and Federal financial assistance programs. In addition to technical assistance, partners funded through AGCWIP also provide educational events and workshops across the State.

Within SFY2025, the Agency did not release a statewide AGCWIP funding opportunity. The Agency continued support and grant management on active awards from the SFY2022, SFY2023, SFY2024 funding opportunities, finalized negotiations on a couple of awards from those previous funding rounds, and released several discrete funding awards specific to strategic initiatives supporting livestock grazing related initiatives and other strategic operational needs.

AGCWIP partner agreements providing education, outreach and technical assistance to farms and the agricultural community awarded between SFY2022 and SFY2025 and ongoing in SFY2025:

- Vermont Natural Resources Conservation Council (NRCC) - $5,018,360
- University of Vermont (UVM) Extension - $4,490,292
- Vermont Association of Conservation Districts - $700,000
- Champlain Valley Farmer Coalition, Inc. (CVFC) - $551,470
- Poultney Mettowee Natural Resources Conservation District - $402,400
- Farmer's Watershed Alliance (FWA) - $356,910
- Northeast Organic Farmer Association (NOFA-VT) - $289,375

- American Farmland Trust (AFT) - $242,163
- White River Natural Resources Conservation District & Connecticut River Watershed Farmer Alliance - $158,400
- UVM Extension Grazing Coordination - $143,060
- Vermont Grass Farmers Association (VGFA) - $135,759
- UVM Extension Precision Agriculture - $130,000
- Scott Magnan Custom Services - $66,160
- Addison County River Water Collaborative - $54,032
- Missisquoi River Basin Association - $47,630
- UVM Extension Grazing Education and Outreach - $15,000
- American Farmland Trust Grazing Education and Outreach - $30,000
- Friends of Northern Lake Champlain - $10,310

The following discrete water quality operational support, workforce development, geospatial system, and analysis projects were also ongoing in SFY2025:

- Agency of Natural Resources (ANR) Vermont Geological Survey (VGS) Geological Services - $25,000
- University of Vermont Rubenstein School Perennial Internship Program - $10,000
- Eastern Research Group, Inc. Reporting and Analysis of Waste Export and Import Activities Between a Commercial Digester and Farm - $105,833
- Eco AmeriCorps Program for hosting an Eco Americorps Service Member - $10,500
- Analytical Support, System Hosting and Development for the Partner Database and the Water Quality Database – $600,896
- Analytical Support, Research and System Development for FarmPrep System including Natural & Working Lands Greenhouse Gas Emission and Soil Health Model Comparison and Development - $487,000

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Division – Interactive Data Report.

SFY2026 Activities

The statewide AGCWIP public grant funding opportunities are released on a bi-annual basis, with the last significant grant opportunity in SFY2024. Therefore, SFY2026 obligations are anticipated to be $8 million to support local, statewide and regional partners to work with farms to support the improvement of water quality through education and outreach, technical assistance, and organizational capacity development. Most current AGCWIP agreements listed above will be completed in SFY2026.

A Request for Grant Applications was released on Monday November 3, 2025, and applications for available funding are due by January 9, 2026. We anticipate a very competitive round of funding requests due to fluctuations and uncertainty regarding federal funding through a variety of agricultural and environmental programs. Many of our typical AGCWIP grant recipients are often supported through a combination of state and federal funding. As certain federal grants are frozen, other programs cancelled entirely, and typical funding opportunities are not released or severely restricted in scope, we anticipate a greater request for state funding to fill gaps and ensure base agricultural water quality and environmental stewardship programming in this upcoming funding round.

On Farm Technical Assistance

UVM Extension – Vegetable and Berry Team

Figure 1. Becky Maden (left), Vegetable Nutrient Management Specialist with UVM Extension, works with two vegetable farmers. Photo Credit: Andy Chamberlin, UVM Extension.

UVM Extension is a recipient of AGCWIP grants which, in part, enable their staff to support farm implementation of conservation practices. UVM Extension's education, outreach, and technical assistance is provided through five delivery teams; Agricultural Business Team, Center for Sustainable Agriculture, Champlain Crops, Soils and Pasture, Northwest Crops and Soils, and the Vegetable and Berry.

Specifically, the Vegetable and Berry team provides wide ranging technical assistance to vegetable and berry producers across the State for improving water quality, soil health, climate resiliency, and sustainability of Vermont's agricultural lands. Between August 1, 2024 and June 30, 2025 UVM Extension's Vegetable and Berry team worked with 131 unique farm operations providing support related to areas such as nutrient management, agronomic practices including cover cropping and reduced tillage, navigating funding opportunities, and coordinating peer-to-peer learning between farms.

This collaborative work between UVM Extension Vegetable and Berry staff and farmers resulted in the installation of 452 acres of cover crops, 11 acres of crops mulched, 19 acres in no-till, and 31 acres in reduced till. These practices can help a farm reduce nutrient runoff and soil erosion to nearby surface waters, increase soil health, increase crop yields, and build crop and farm resiliency.

"We had a lovely visit this week from Becky Maden at UVM Extension. She happened to be in the area and stopped in to check on how the season's going. I always appreciate getting to chat with the folks at UVM Extension—they're such a wealth of knowledge and genuinely want to help. I filled her in on our failed no-till pumpkin experiment, and she had some great insight. She thinks we'd have better success using a roller crimper to fold over the rye cover crop instead of mowing it, then go through with a crimper to press it into the ground. She also mentioned that it would be better to terminate the rye earlier to prevent such a large amount of biomass to plant through, along with a suggestion of mixing some vetch into the cover crop mix as well to bring more diversity and nutrients to the soil. Additionally, she shared that UVM Extension might be able to connect us with equipment to borrow next year so we can try a few things before committing to purchasing our own. Seriously, we LOVE UVM Extension!"

- **A Large Vegetable Farm in the Lake Champlain Basin**

Best Management Practice Program

The Best Management Practice (BMP) Program helps farmers make on-farm improvements to protect water quality. The program offers technical and financial support to identify water quality issues on farms and implement structural improvements to prevent waste contamination of surface and groundwater. Farmers receive access to engineering consultations, and financial assistance is available to cover a portion of construction costs for these improvements. Funding can also be utilized as match to support USDA Environmental Quality Incentive Program projects.

For more information about the program, visit our webpage: agriculture.vermont.gov/bmp.

Table 2. BMP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Federal & Local Match	Description
Actual	SFY2024	$5.6 million	$2.9 million	American Rescue Plan Act Funding was the primary funding source in SFY2023 and 2024 and these funds bolstered available program funding. A total of 56 new projects were awarded funding in SFY2024.
	SFY2025	$3.3 million	$3.4 million	A total of 33 new projects were awarded funding in SFY2025. Projects recently awarded do not yet have complete match data available. Upon project completion, additional match funding will be reported.
Projected	SFY2026	$5.3 million	TBD	Current program awards total $2.8 million and AAFM anticipates an additional $2.5 million in funding to be awarded to projects in the Spring of 2026.

	SFY2027	$4 million	TBD	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $3.3 million in funding was awarded across 33 new projects to improve water quality through structural conservation practices on farms across Vermont. Ten projects, representing 42% of total funding awarded, were awarded funding as match for NRCS EQIP contracts. To date, all SFY2025 projects have leveraged $3.4 million in matching funds from federal and local sources, with additional contributions expected as more projects are completed. VAAFM received 110 applications for projects in SFY2025, of which 47 have been competitively selected for engineering and financial assistance. Thirteen of those projects, representing 28% of the total number of selected projects, are tied to NRCS EQIP project plans or contracts. Program staff including seven engineers and two program coordinators completed 332 site visits to support new and existing projects.

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Division – Interactive Data Report.

SFY2026 Activities

There continues to be a strong demand for BMP Program assistance and funding. So far in SFY2026, the BMP Program has received 26 applications, with an upcoming application deadline for assistance in May 2026. As of December 15, 2025, in SFY2025, over $2.8 million of State funding has been awarded in 25 BMP program grants to farmers. An additional 30 projects are currently in the design phase and anticipated to be awarded within SFY2026. These grants will support practices such as Heavy Use Area Protection, Diversion, Waste Storage Facilities, and Waste Transfers. Funds will continue to be awarded throughout the remainder of SFY2026 for implementation in the 2026 and 2027 construction seasons.

Holistic Waste Management
Lindstrom Farm

Figure 2. (Left) Before the project, this access road was utilized to move manure to an uncollected stacking location. (Right) After, in the same location there is a new greywater runoff collection system and the installation of a gravel mortality stack pad.

Lindstrom Farm is a small hilltop farm in Cabot which sits above Molly's pond in the Winooski River basin, owned and operated by Anissa and Matt Lindstrom with the help of their son Denver. The Lindstroms, like many small livestock farms in Vermont, manage their cow manure as a solid and send the cows out to graze on pastures during the growing season. Managing dairy manure as a solid, as opposed to a liquid, is challenging, especially with outdated infrastructure and increasingly wet conditions.

BMP program engineers, alongside USDA Natural Resource Conservation Service (NRCS) engineers worked together to support both interim and holistic manure management solutions for this farm. Initially, BMP provided engineering technical assistance and provided a grant to install a bedded pack in 2024 to address runoff from a manure stack in the barnyard area. Bedded packs act as waste storage strategy, where bedding is added frequently and the material often tilled to create a more solid, composted material that is easier for solid-spreading equipment to manage and is less likely to run off fields than liquid manure. Meanwhile, USDA began the process of designing a holistic waste management system for the farm that was completed in 2025. This included the installation of a covered concrete manure stacking area for composting bedded pack material, a geosynthetic-lined greywater pit to collect runoff from the whole

production area, an improved heavy use area, and a pasture laneway.

While these infrastructure improvements are critical to improving the water quality, they are incredibly costly. The total project cost was $750,000, which is much more than any small Vermont farm can reasonably afford. Between NRCS support, a Vermont Housing and Conservation Board (VHCB) Water Quality Grant, and BMP assistance, a total of $691,000 was reimbursed to the farm for the entire project. Without any one of the program partners involved, this project would not have been feasible for the farm to undertake.

The farm operators claim that the new waste management system is a game changer, and they are feeling more prepared for winter than ever before.

Conservation Reserve Enhancement Program

The Conservation Reserve Enhancement Program (CREP) is part of the Conservation Reserve Program (CRP), the country's largest private-land conservation program. CREP is administered via a partnership between VAAFM and the United States Department of Agriculture (USDA) Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS). The program compensates agricultural landowners who remove environmentally sensitive riparian land from agricultural production and convert it to forested buffers, filter strips, or grassed waterways.

For more information about the program, visit our webpage: agriculture.vermont.gov/crep.

Table 3. CREP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Federal & Local Match	Description
Actual	SFY2024	$23,039	$449,400	VAAFM awarded 8 CREP grants supporting riparian buffer installations.
Actual	SFY2025	$25,141	$597,944	VAAFM awarded 9 new CREP grants. In SFY25 28 acres of riparian buffer were installed to capture runoff from adjacent agricultural land.
Projected	SFY2026	$37,500	TBD	VAAFM has awarded grants for four new CREP projects and anticipates 12 additional grants to be awarded in SFY2026.
Projected	SFY2027	$30,000	TBD	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $25,141 in funding was awarded to 9 projects to improve water quality through riparian buffer installation. These projects further leveraged $554,600 in federal match funding. Six of the SFY2025 CREP agreements were completed in spring of 2025 with two agreements anticipated to be completed in spring 2026. One project will unfortunately be cancelled due to landowner willingness to install the project. Within the SFY, 28 acres of new riparian buffer installation occurred. Additionally, VAAFM CREP staff worked with 5 farms to enhance approximately 37 acres of existing CREP buffers for farms to re-enroll in the program. VAAFM CREP staff completed 129 site visits to 67 farms to support new and existing projects.

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Division – Interactive Data Report.

SFY2026 Activities

The CREP program, as an enhancement of the federal CRP program, is highly impacted by the federal Farm Bill policy. The current 2018 Farm Bill originally provided program authorization for five years through September 30, 2023. The program has since been authorized for one-year periods through continuing appropriations bills in 2023, 2024, and 2025 and the program is currently authorized through September 30, 2026. Federal policy uncertainty does pose a risk for program enrollment but luckily, State of Vermont technical assistance staff can continue to complete field work related to project planning and design with limited impacts. The CRP program nationally does currently face some enrollment challenges related to a 27-million-acre enrollment limit currently in effect from the original 2018 farm bill.

As of December 1, 2025, VAAFM has received 16 requests for CREP assistance encompassing 90 acres of planned riparian buffers to be installed in 2026 and 2027. Additionally, 10 acres are planned to be enhanced through federal contract re-enrollments in the Spring of 2026. CREP Planners continue to work with existing contract holders to steward their existing buffers as well as coordinate with program partners to deliver the program.

Riparian Buffer Planting and Livestock Exclusion from Water
Lamoille Watershed

Figure 3. (Left) Pasture with livestock access to surface water prior to project installation, and (right) fencing along new riparian buffer area established separating the pasture area from what will grow into a new riparian forested buffer area to protect stream quality and provide wildlife habitat.

In 2024, three adjacent landowners along Junction Hill Road in Cambridge enrolled in the Conservation Reserve Enhancement Program (CREP). The project installed approximately 4 acres of riparian forested buffer, protecting approximately 1600 feet of stream by planting trees and shrubs and fencing it off from livestock access. In addition to the stream, several acres of adjacent wetland were also fenced off from livestock access and restored to native trees and shrubs. This 4-acre project will improve water quality in the Brewster River, a tributary of the Lamoille River which flows into Lake Champlain.

Two stream crossings were installed to allow livestock to cross safely through the stream to other pastures while limiting impacts to water quality. A fence was installed to exclude the livestock from the stream, and clean water tanks were installed to provide livestock with alternative drinking water sources. These practices exclude livestock from the stream and protect the planted buffer.

VAAFM CREP project planners provided program outreach, project planning and design, project coordination between the landowners and available cost-share programs, and implementation oversight. Each landowner receives an incentive payment from the Agency of

Agriculture of $315 per acre to enroll in the CREP program and install the project.

The Farm Service Agency (FSA) and U.S. Fish and Wildlife Service covered 100% of the total project implementation costs, such as materials and labor for installing the fence, stream crossings, water tanks, and trees and shrubs. In total, VAAFM's incentive payments and technical assistance will leverage just over $73,000 of federal funding to the three landowners over the expected lifespan of the project. For the next 15 years, the riparian forested buffer will reduce runoff from adjacent pastures while providing improved aquatic organism habitat, and the new pasture infrastructure will allow for enhanced rotational grazing management to reduce pasture overgrazing.

Capital Equipment Assistance Program

The Capital Equipment Assistance Program (CEAP) provides financial assistance to Vermont farms, nonprofits, and custom applicators to purchase equipment that helps reduce agricultural runoff, improve water quality, lower manure odors, separate phosphorus, reduce greenhouse gas emissions, and reduce costs for manure application.

For more information about the program, visit our webpage: agriculture.vermont.gov/ceap.

Table 4. CEAP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Federal & Local Match	Description
Actual	SFY2024	$1.4 million	$768,906	Investments were made on 44 farms, leveraging significant farm investment in match.
Actual	SFY2025	$1.4 million	$302,612	Investments were made on 37 farms, and additional match sources will be realized once more projects are completed.
Projected	SFY2026	$1.5 million	TBD	72 applications representing over $2.2 million in requested funding were received by the November 1, 2025, deadline and are under review.
Projected	SFY2027	$2.0 million	TBD	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $1.4 million dollars was awarded through 37 grants to Vermont farmers, organizations, and custom applicators to assist with purchasing conservation equipment. High demand continues for the CEAP program as farmers seek assistance to purchase equipment for increased conservation practice adoption and implementation. These projects have leveraged at least $252,612 in farmer expenditure toward conservation equipment investments and over $50,000 in additional support from the Vermont Housing and Conservation Board.

With the equipment acquired through CEAP, farmers, nonprofits, and custom applicators implemented conservation practices and improved nutrient management on more than 17,470 acres of agricultural land in SFY 2025.

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Division – Interactive Data Report.

SFY2026 Activities

In September of 2025, a CEAP funding opportunity was made available to Vermont farmers, custom operators, and nonprofit organizations. This funding round included a variety of eligible equipment categories with specific funding maximums based on each category correlated to water quality impact as well as relative cost of equipment. Preliminary grant awards will be offered in January of 2025 for at an estimated $1.5 Million in State funding to be awarded for innovative equipment acquisition enabling conservation practice implementation on Vermont farms.

The CEAP program continues to be competitive with 72 applications received in the fall 2025 request for applications. Applicants represented a wide range of farm sizes from all over the state. The total request for funding, limited by the equipment funding cap in each equipment category, was $2.2 million.

Connecticut River Farmer Watershed Alliance (CRWFA)
Shared Strip Tillage Unit

Figure 4. A CRWFA member utilizes the strip tillage conservation equipment unit to prepare a field for planting with reduced tillage techniques.

The Connecticut River Watershed Farmers Alliance (CRWFA) is a network of farmers dedicated to improving water quality. The primary mission of the CRWFA is to improve and maintain water quality in the eastern side of Vermont and the western side of New Hampshire by supporting agricultural producers in their conservation efforts.

To further this goal, the CRWFA hosts conservation and agricultural training, farmer-led discussions, and monthly meetings. They work closely with Conservation Districts, State Agencies, the University of Vermont, University of New Hampshire, USDA Natural Resources Conservation Service (NRCS), and producer groups like the Northeast Organic Farmer Association of Vermont (NOFA-VT), Vermont Grass Farmers Association and others.

CRWFA also provides conservation equipment for farmers to rent and experiment with. Their no-till seeders, for example, have been used on thousands of acres, and many growers subsequently bought their own after initially using the shared equipment supported through CRWFA.

While some farmers in the Connecticut River watershed have adopted no-till practices there are drawbacks to no-till, adoption is not universal,

and certainly not well adapted to organic or specialty crop production. Some of the largest growers, in fact, don't use no-till on their corn fields and many farmers with river-bottom soils feel that thoughtful tillage is a better system for their farms.

After conducting surveys and focus groups, CRWFA pursued acquisition of two strip tillage units to provide farmers with an opportunity to try out methods for reducing tillage without the associated financial burden and commitement of purchasing their own equipment. Two units of different sizes provided CRWFA with the ability to balance the needs of members with different scales and types of operations.

Farm Agronomic Practice Program

The Farm Agronomic Practice (FAP) Program provides financial assistance for conservation practices that improve soil, reduce erosion, and enhance water quality on farms. Funding also supports education to help farmers and service providers understand agricultural impacts and water quality regulations. FAP practices are essential for reducing phosphorus runoff to Vermont's waters.

For more information about the program, visit our webpage: agriculture.vermont.gov/fap.

Table 5. FAP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Acres of Conservation	Description
Actual	SFY2024	$1.4 million	43,843 acres	Investments were made on over 285 total farms in SFY2024.
	SFY2025	$2 million	29,991 acres	Investments were made on over 352 total farms in SFY2025.
Projected	SFY2026	$1.5 million	TBD	Demand is anticipated to remain high for the FAP program in SFY2026. Investment is already underway on over 90 total farms in SFY2025.
	SFY2027	$1.5 million	TBD	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $2 million dollars has been awarded to support the adoption and implementation of farm agronomic practices on over 352 individual farm operations. These funds have resulted in almost 30,000 acres of conservation practices across Vermont. Program staff completed 87 site visits to support farms in the successful implementation of agronomic practices and monitor grant compliance.

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Interactive Data Report.

SFY2026 Activities

As of December 1, 2025, the FAP program awarded over $700,000 in SFY2026 to support the adoption and implementation of farm agronomic practices on 90 individual farm operations. Currently, program staff are reviewing payment requests and practice verifications associated with Fall 2025 season rotational grazing and cover crops. Applications for additional assistance in 2026 will be accepted through April 1, 2026.

Rotational Grazing
Sage Farm Goat Dairy

Figure 5. Goats wait attentively to find out if they will be moved to new pasture for management intensive rotational grazing, a practice which reduces pasture runoff.

Sage Farm Goat Dairy has taken part in the Farm Agronomic Practices (FAP) program since 2024. They rotationally graze 20 goats on just over 13 acres of pasture each year, making them one of the smaller operations to enroll in FAP. They credit rotational grazing for helping them to make high-quality milk for their handcrafted goat cheese.

Seeding and Filter Strip Program

The Seeding and Filter Strip (SFS) Program provides technical and financial assistance to Vermont farmers for establishing perennially vegetated grassed waterways, filter strips, pasture & hay plantings, and associated infrastructure to address critical source areas, erosion, and surface runoff. Please note that this program was previously referred to as the Grassed Waterway and Filter Strip Program (GWFS).

For more information about the program, visit our webpage: agriculture.vermont.gov/sfs.

Table 6. SFS Investments Actual and Projected

	State Fiscal Year	Total State Investments	Description
Actual	SFY2024	$14,250	Limited historic interest in this program prompted a revamp and rebranding of this program to garner more applicants. SFY2024 marks the launch of the improved program guidelines, eligibility, and payment approach.
	SFY2025	$68,709	19 Acres of perennial plantings were installed in this program on 6 farms during the SFY2025 timeframe.
Projected	SFY2026	$100,000	42 acres of pasture and hayland plantings have been enrolled in the program. Current investments for these projects total $37,000.
	SFY2027	$250,000	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $68,709 was awarded to support installation of long term (10-year) perennial seedings on 5 farms to reduce field runoff. VAAFM staff worked on revising the program

to make it more impactful and better aligned with the needs and interests of the agricultural community in SFY2024. Revisions were made to make the program more administratively efficient, straightforward and easy for farmers, and to refocus the program on supporting the implementation of wide, harvestable filter strips. VAAFM staff also worked on updating program branding and outreach and educational materials.

Extreme rain events in 2023 and 2024 revealed gaps in the programming and support available for VT farmers impacted by flooding and heavy rains. In consideration of these gaps, VAAFM staff worked to make the SFS program well-suited to support farmers in seeding down flood-vulnerable annual cropland into perennial vegetation (e.g., pasture or hay fields), renovating flood-damaged pasture/hayland, and implementing wider/improved buffers along ditches and waterbodies.

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Division – Interactive Data Report.

SFY2026 Activities

As of December 1, 2025, the SFS program has invested $37,000 in SFY2026 to support the installation of a long-term pasture and hay seeding on 42 acres. Currently, program staff are releasing outreach about the newly revamped program to garner interest for additional projects in 2026. Several farms have already reached out expressing interest in the program and planning projects for spring 2026 installation is underway.

Cropland to Permanent Pasture Transition
Little Leap Farm

Figure 6: (Left) Before and after (right) transition of the field from a corn and hay cropland rotation to permanent pasture under the Seeding and Filter Strip Program.

After 10 years of farming for other landowners, Megan Moody and Bennett Weinberg had the opportunity to purchase a house and about 15 acres of land in Waltham. The field they purchased is directly along the Otter Creek and had previously been farmed in a corn/soy rotation. They noticed the field had significant erosion pathways, especially as you approached the river. This evidence of water quality risk was abated by transitioning the 11-acre field to a permanent perennial pasture/hayland seeding. The farm operator's long-term plan is to manage this field with management intensive rotational grazing of beef cattle.

Megan and Bennett seeded the field into a heavy clover mix to support their farm's grazing goals and established this pasture in the spring of 2025. The SFS Program provided a one-time payment to seed down annual cropland into perennial pasture or hayland and to maintain that perennial stand for a minimum of 10 years. The payment rate per acre is determined by the severity of water quality risk associated with the proposed project. This project enabled the farm to move quickly to retain soil, nutrients and sediment and make this change much sooner than they could have on their own as beginning farmers.

Pasture and Surface Water Fencing Program

The Pasture and Surface Water Fencing (PSWF) Program provides technical and financial assistance to Vermont farmers to improve and expand managed rotational pasture management, as well as livestock exclusion from water. This program works with livestock operations of all sizes to improve pasture management practices for water quality and identify water quality improvement projects in pastures.

For more information about the program, visit our webpage: agriculture.vermont.gov/pswf.

Table 7. PSWF Investments Actual and Projected

	State Fiscal Year	Total State Investments	Description
Actual	SFY2024	$229,076	A total of 25 grants were awarded in SFY2024.
	SFY2025	$349,804	A total of 32 grants were awarded in SFY2025.
Projected	SFY2026	$350,000	See summary below.
	SFY2027	$400,000	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $349,804 was awarded to 32 individual farms to support exclusion fencing and rotational grazing infrastructure. Grant awards provide technical and financial assistance for fencing, water pipelines, water pumping plants, trails and walkways, water wells, stream crossings, and watering facilities. The program prioritizes practices that exclude livestock from surface waters. Technical assistance for farms interested in

the PSWF program is provided by one VAAFM grazing specialist, partly by two other VAAFM's program staff, and partly by partner organizations supported through AGCWIP. VAAFM staff conducted 69 technical assistance visits on 58 farms related to the PSWF program in SFY2025.

Learn more about current and historic investments and grant-funded practice implementation in the Water Quality Division – Interactive Data Report.

SFY2026 Activities

As of December 1,2025, a total of $279,900 of State funding has been awarded in SFY2025 through 17 grant awards to farmers across the State. VAAFM and partner organizations are currently providing technical assistance to approximately 48 farms that have expressed interest in the PSWF program and improving water quality and grazing on their farms. Technical assistance may result in farms accessing federal funding programs, such as the Environmental Quality Incentives Program (EQIP) administered through the United States Department of Agriculture (USDA), and some may result in participation in the PSWF program. The PSWF program prioritizes leveraging federal funding as applicable to each farm's unique needs and as federal funds are available.

Animal Trails and Livestock Exclusion Fencing
Spring Brook Farm

Figure 7. (Left) Animal trail installed to support movement into pastures with reduced impacts on water quality. (Right) Dairy cows rotationally grazing in pastures on Spring Brook Farm.

In In October 2024, with the help of a PSWF grant, Sebastien Latraverse of Spring Brook Farm, LLC installed fence, animal trails and livestock pipeline to provide additional grazeable acreage for the milking herd to access. A total of 450 ft of animal trails were installed as well as three water diversion bars on the sloped portion to mitigate potential erosion and sediment runoff. A total of 6000 feet of permanent perimeter fence was installed on two existing hay fields to incorporate 20 additional acres into the farm's intensive rotational grazing plan and exclude livestock from intermittent streams in these fields. Lastly, 1600 feet of livestock pipeline was installed to provide water to this newly fenced field for improved pasture utilization and management and meet the herd's production goals on pasture to reduce imported feeds on the farm.

Sebastien now grazes these pastures throughout the growing season using approximately 1 acre or 12-hour paddocks for the milking herd which provides him with additional days of grazing, increased flexibility in his management and allows previously grazed pastures adequate recovery time before returning. This project supported an additional 16 acres of pasture, previously hay, in the farm's rotational grazing system and excludes livestock from accessing adjacent surface waters. Both practices provide water quality and soil health benefits in the Lake Champlain Basin by reducing erosion and runoff and improving soil health.

VT Farmer Ecosystem Stewardship Program

The Vermont Farmer Ecosystem Stewardship Program (VFESP) offers supplemental incentive payments to farmers who enroll in the USDA-NRCS Conservation Stewardship Program (CSP). These payments are meant to encourage more participation in the CSP program, to motivate farmers to increase their level of conservation and to build a cohort of Vermont farmer-advocates with experience engaging in comprehensive, farm-wide ecosystem stewardship. This program design follows the recommendations of the Vermont Payment for Ecosystem Services and Soil Health Working Group, a coalition of farmers, non-profit organizations, technical service providers, policy makers and others that met from 2019 to 2022.

For more information about the program, visit our webpage: agriculture.vermont.gov/CSP-assist.

Table 8. VFESP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Description
Actual	SFY2024	$439,500	54 grants were awarded for a total of $439,500 to Vermont farmers seeking CSP enrollment.
	SFY2025	$275,500	30 grants were awarded for a total of $275,500 to Vermont farmers seeking CSP enrollment.
Projected	SFY2026	$250,000	15 grants have been awarded thus far in SFY2026 for a total of $142,500 in incentive payments for Vermont farmers seeking CSP enrollment.
	SFY2027	$250,000	Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $275,500 was awarded to 30 individual farms to incentivize engagement and enrollment in the USDA NRCS CSP program. Applications for the NRCS CSP program closed on August 23rd, 2024. Incentive applications through the VFESP program continued on a rolling basis.

SFY2026 Activities

As of December 1, 2025, a total of $142,500 of State funding has been awarded in SFY2026 through 15 grant awards to farmers across the State. Under the USDA CSP Program, existing program recipients are currently receiving ongoing technical and financial assistance through USDA NRCS staff. Applications for the NRCS CSP program closed on August 22nd, 2025, and VAAFM and USDA staff are coordinating to ensure eligible farm operations access this state incentive opportunity.

A VFESP participant satisfaction and outcome assessment survey was sent to farmers who enrolled in the incentive program. The survey focused on how participants heard about the incentive and their experience with the program. Results from the survey will be used in a report on the outcomes of the VFESP program.

Figure 8. Mulched crop beds installed with support from the NRCS Conservation Stewardship Program at Trillium Hill Farm, a participant of the VFESP Program.

"We found the process helpful and timely considering the recent weather patterns experienced in our area, especially since 2020. The assessment motivated us to look at the land

more clearly and more realistically as we begin our formal family farming journey."

- Hazel Adams-Shango, Flying Buffalo Farm

Vermont Pay for Performance Program

The Vermont Pay for Performance (VPFP) Program is a new and innovative program that provides performance-based payments to Vermont farmers for reducing phosphorus (P) losses from their agricultural fields. While most current conservation programs pay cost-share for practice implementation, VPFP pays for the outcomes of practices: it recognizes that conservation practices generate different levels of value to the public and directly compensates farms for that value. This approach also allows VAAFM to target our water quality resources towards the highest impact farms and fields with respect to reducing phosphorus and improving water quality. Participating farmers use the Farm Phosphorus Reduction Planner (FarmPREP), a web-application tool that integrates farm management information, agronomic and hydrologic science, and numerical modeling to evaluate field-by-field reductions of average annual phosphorus losses.

This program is supported by the U.S. Department of Agriculture, under the Regional Conservation Partnership Program Alternative Funding Arrangement (RCPP AFA) Partnership Agreement 2145.

For more information about the program, visit our webpage at agriculture.vermont.gov/VPFP.

Table 9. VPFP Investments Actual and Projected

	State Fiscal Year	Total State Investments	Acres of Conservation	Description
Actual	SFY2024	$448,240	75,587 acres	A total of 9 Phosphorous Reduction Grants were awarded in SFY24.
	SFY2025	$756,597	TBD	A total of 15 Phosphorous Reduction Grants were awarded in SFY25.

	State Fiscal Year	Total State Investments	Acres of Conservation	Description
Projected	SFY2026	$1,500,000	TBD	VAAFM is underway in developing program changes for Version 2.0 of the Vermont Pay for Performance Program. This includes developing support contracts for technical assistance and software improvements to support the next five years of this program.
	SFY2027	$1,500,000	TBD	VAAFM plans to support the continuation of this program initially developed with the support of a federal grant with other funding sources. Activities to be undertaken are based on proposed budgets and are subject to change based on the final SFY2027 budget allocations.

SFY2025 Activities

A total of $716,597 was awarded to 15 individual farms to support performance-based conservation agreements based on new farm applications received in SFY2024. The VPFP program did not open for new applications in SFY2025.

The VPFP program supported a total of 59 farms in active Phosphorus Reduction Payment grants through this timeframe. These participants were able to show through their FarmPREP Planned Assessments that they could achieve more than a 40% reduction in phosphorus loss when compared to the baseline and are thus eligible to receive $100 per pound of phosphorus reduced above that threshold per year, up to an annual cap of $50,000. Additionally, farms that show that they have a low average annual phosphorus loss of 1 lbs. P/acre or 0.5 lbs. P/acre are also eligible to receive a stewardship payment of $3 or $8/enrolled acre, respectively.

In the final season of the VPFP federally funded pilot, VAAFM contracted the Gund Institute for Environment to conduct a Social and Economic Analysis of the first three years of the program (2022-2024). The evaluation assessed the programs' social and economic outcomes, participant and technical assistance provider perspectives, and opportunities for improvement, while situating the program within the broader landscape of payment for ecosystem services initiatives. The UVM team analyzed program and

budget data, FarmPrep modeling outputs, surveys and interviews with farmers and technical providers, and insights from national experts producing findings and recommendations to inform AAFM's consideration of a revised future iteration of the program (VPFP Version 2.0).

SFY2026 Activities

VAAFM did not open this program for new applicants in 2025 and is thus not onboarding any new farm participants this season. The funding available for this program is limited and the current federal grant budget was fully obligated at the time enrollment would typically occur.

Building on the successes and lessons of the VPFP federally funded pilot phase, the VPFP team is actively planning and designing VPFP 2.0 with careful attention to both its strengths and challenges. Drawing on key takeaways from the Gund Institute's evaluation, the team is assessing how performance-based incentives can be refined to better support farmer participation, administrative feasibility, and meaningful phosphorus reductions, while addressing issues related to program complexity, technical assistance capacity, and equity across farm types. At the same time, the team is navigating funding limitations that require difficult tradeoffs among program scale, payment levels, and support services. Within these constraints, VPFP team is exploring targeted adjustments to program goals, design, and delivery to preserve the program's core innovation—paying for environmental outcomes—while ensuring the program remains financially sustainable, transparent, and impactful in future phases.

Reflecting on Four Years of VPFP
Final Season of the Pilot Program

Figure 9. Cover crop stand on a no-till soybean field in Addison County.

The Vermont Pay for Performance Program entered the fourth and final season in 2025 with increased efficiency, improved communication between participants and technical assistance provider, and a better sense of how FarmPREP results can be used to make targeted decisions to improve water quality on farms. Many of the technical assistance providers and farms have been working with the program since its inception, and their experience thus far supported the season to run more smoothly.

Throughout the year there were multiple opportunities for feedback from program participants. The feedback received not only helped to identify areas of improvement for the future but also emphasized the successes of the program in its current form.

> ""I think the best thing that came out of VPFP is actually evaluating what you were doing and whether it was working. And in our case, [the data on P loss reductions showed that] this is kind of working...Prior to that, you were doing cover cropping, no till and manure injection, and the research said it was good, but there's no way they'll evaluate it on your farm."
>
> **- VPFP Farm Participant**
>
> "Part of the issue is the cost of practice implementation is so high. And on large farms, they hit the cap of pay-for-practice programs and pay-for-performance quite early, so it's hard to incentivize changes when payments are capped anyway just by doing what they're already doing."
>
> **- VPFP Farm Participant**
>
> "That's why it's been so successful for me. [My TA provider] didn't miss anything. [They] understand [the program] and have a lot of mileage under [their] belt doing it and [they] knew what questions to ask me. And I give that a ton of credit, having those TA providers. Could I have done [the work in Farm-PREP on my own]? ... I'm sure I could have done it, but I think these [TA providers] did it better than I could have ever done it."
>
> **- VPFP Farm Participant**

A huge success of the VPFP program is the increase in direct one-on-one technical assistance. Every farm enrolled in VPFP has a technical assistance provider assigned to assist with the program requirements of data entry and management planning,

field verification, and record-keeping. These relationships built as a result of the program strengthened the connection between farms and their technical assistance provider, which expanded to opportunities for outreach, assistance, and collaboration beyond the VPFP program.

Looking towards the future, these examples of success, areas of feedback, and other learning from the pilot phase of VPFP are helping to inform the decisions about the future of the Vermont Pay for Performance Program.