

## **Testimony to the Senate Natural Resources & Energy Committee re: FY27 Budget**

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Thank you Chair Watson and committee members for your important work, and for hearing my testimony today. My name is Maddie Kempner and I'm the Policy & Organizing Director at the Northeast Organic Farming Association of Vermont (NOFA-VT). I'm here to speak with you about the need to appropriate funding in the FY27 budget for the Farm & Forestry Operations Security Special Fund created by Act 78.

I want to particularly thank Senator Hardy for introducing S.60 (now Act 78) last session, and thank each of you for your votes in support of the bill as it has moved through the legislature.

As a reminder, the Farm & Forestry Operations Security Special Fund will provide rapid response relief payments to farmers and loggers impacted by extreme weather. It will be administered by the Agency of Agriculture, Food & Markets in collaboration with a review board.

Immediately following the second consecutive year of catastrophic flooding in 2024, NOFA-VT began working closely with a broad and diverse group of farming and food security organizations to develop and advocate for this legislation, which we believe is essential to the future of Vermont's rural economies, our collective food security, and our state's climate resiliency. We are thrilled that the bill was passed with unanimous support by both the House and Senate, and signed into law by Governor Scott on March 26th.

However, without funding in the budget this year, the Agency of Agriculture will not be able to roll out the program to be ready for an emergency. Based on the formula in the bill and the data available, we are requesting an appropriation of \$15.6 million in FY2027 to support the fund's implementation.

Over the last three years, Vermont's Department of Forests, Parks and Recreation and the Agency of Agriculture, Food & Markets have gathered data on the economic impacts on farms and forestry operations from floods, untimely freeze events, and last year's historic drought. All together, these events have resulted in just over \$94 million in reported losses from 2023 through 2025. These losses were reported to the state in survey responses or as part of applications for BEGAP funding.

Unfortunately, we know that climate change and extreme weather conditions are here to stay. But so are our working lands businesses. As operations that depend on the land and that are most consistently and directly impacted by weather events, farmers and loggers need state-based, rapidly available financial support to recover when they inevitably experience losses.

As you might remember, the House added language to the bill that says the Agency cannot stand up the program unless there is an appropriation. The Senate Agriculture Committee has already included a recommendation of \$1 million for FY2027 in their budget memo to Senate Appropriations. This amount would be enough to allow the agency to implement the program and be prepared to provide some support for farmers and loggers in the year ahead.

Investing in the viability of Vermont's working lands businesses is an investment in significant economic activity in our state. In 2022, the sale of Vermont farm products alone totaled just over \$1 billion. That \$1 billion in farm gate sales was the foundation for \$11.5 billion in total economic output across the whole food system. Ensuring our farms can rebound when extreme weather hits is one thing we can do to protect not only the heart and culture of our state, but to undergird a substantial economic engine that creates jobs, supports tourism, circulates dollars in our local economies, and inspires young people to move here or to stay and make their living on the land.

Thankfully, the State understands that protecting Vermont's working lands businesses and supporting their ability to recover from extreme weather impacts is key to our climate resilience. The latest update to Vermont's Climate Action Plan, released last year, specifically calls for the creation of a dedicated climate impact recovery fund for farms and forestry operations as one important part of ensuring they can equitably and viably recover from climate-induced disasters.

Similarly, the Farm & Forestry Operations Security Special Fund is also included as a Tier 1 (meaning "high urgency and high readiness") action in the state's Resilience Implementation Strategy released in September last year.

Finally, we want to be clear that state funding is needed in order for the Farm and Forestry Operations Security Special Fund to achieve its goals. The fact that the state is still waiting on millions appropriated by Congress in December 2024 to provide relief from disasters that happened during the two years prior is evidence of this. Farmers and loggers cannot afford to wait a full three years to receive relief when catastrophic weather hits.

Farmers are always responding to their environment, often immediately and with great innovation. The State needs to respond to farmers who suffer loss in the same way to ensure our farms can continue to produce the food we all need.

Our official request based on the formula in the bill and the data available is \$15.6 million. However, right now we are asking you to please recommend an appropriation of at least \$1 million for the Farm & Forestry Operations Security Special Fund in your FY27 budget memo to

the Appropriations Committee. Thank you for your time, and your commitment to a thriving future for Vermont.