

# Legislative Initiatives

Agency of Agriculture, Food and Markets 2014

## 1. Positions

- a. **Meat Inspector** – demand outstripping inspection staffing levels – proposed additional business start-ups continue to increase demand. Slaughter and processing cannot operate without inspection. *(Wow, I thought - big problem) 50% Federal 50% State mostly*
- b. **Dairy Plant Inspector** – number of processing facility projects at over 100 in FY15. 3 inspectors inadequate to cover all plants. Affects ability of companies to sell outside of VT.
- c. **(2) Small Farm Inspector for Water Quality** – TMDL requires more inspection of small farms to insure water quality. Added one inspector last year but another is needed. Can pay for this position from special funds. *- special fund for! -> payed range*
- d. **Engineer** – work with small scale value added producers to navigate slaughter/cheese making/processing waste water disposal
- e. **Chemist** – Pesticide laboratory increased need to analysis of pesticide samples – compost and bedbug examples
- f. **Food Safety Program Administrator** – may be able to share position with health department. New Food Safety Modernization Act regulations at Federal level will affect VT and its food producers. Joint position with health to prepare VT rules and regulations and begin education of producers to continue VT growing food revolution and economic growth.
- g. **Data Entry Clerk**, temporary – animal health. New Federal Regulations for animal traceability and disease reporting require more information for the movement of animals. It is important for the Agency to permanently capture more data from disease test charts, health certificates and other documents in order to meet the standards of the federal Animal Disease Traceability rule and to be able to provide assistance and technical expertise to Vermonters during animal disease outbreaks and other emergencies that impact the animal agricultural industries in Vermont.
- h. **GIS Computer person** – Temporary assistance at this time but full time needed. All aspects of agency need GIS assistance. ACT 250 Criteria 9 (b), Emergency Management, Animal Traceability etc.
- i. **Mosquito Control** – temporary field staff for increased trapping and surveillance for disease vector mosquitos *-> Probly. included in Mosquito control budget*
- j. **Working Lands** – work with Commissioner Snyder to hire a forestry oriented staff person to support existing agricultural staff. *- CU forest interaction, FPR*

*Can you appear 1?*

*2 ①  
1 ③  
2 ②*

*6 - 2 groups of 3  
Party*

## 2. Legislative Priorities – Agency

- a. **ACT 250 Criteria 9(b)** – introduced last year to clarify the definition of agricultural soils and allow for a choice from applicant of onsite and off site mitigation of agricultural soils. Clarify for applicants and provide more flexibility on mitigation of primary ag soils. *448/yr year*
- b. **Funding – VT Food Safety Program** - Food Safety Modernization Act preparation – determination of number of farms and value added businesses affect by FSMA. Health Department and Ag – survey farms and value added processors to determine need for program and staffing in future year? \$150,000. *- Zuckerman/Will Stevens -> need to know who/how many etc*
- c. **Elimination of specific licensing exemptions** that currently exist in 9 V.S.A. Chapter 73 section 2730. Working toward computer based licensing and registration and exemptions complicate system – decreasing efficiency and increasing costs. *- small fee. Some adjust to changes  
wld eliminate exemptions person fees for new grants*

*staff person, survey, training etc.*

- i. **Taxi meter license exemption** - Most taxis across the country do not operate mileage meters anymore. The Agency has not tested any of these devices for many years. Currently, there are no licensed taxi meters in Vermont. This would clean up an outdated license requirement
- ii. **Motor fuel meter exemption** - Currently, single retail locations with three or fewer meters are exempt from paying the \$15.00 license fee for those devices, Agency still tests the devices and processes a license annually. Eliminating this license fee exemption would improve operational efficiency, offset costs of inspection and decrease costs associated with license processing. Would improve online licensing. This change would affect approximately 45 retail businesses.
- iii. **2,000 square feet of retail space exemption** - Currently, retail locations with less than 2,000 square feet of retail space are exempt from paying the \$10.00 small scale license fee. The Agency business office must process and issue an annual license, and the field staff must inspect and test scales with no compensation. Eliminating this license fee exemption would improve operational efficiency and lessen costs associated with license processing. Allow for easier online renewal of licensees and allow offset some costs of annual testing and inspection of these devices. This change would affect approximately 190 retail businesses.
- d. **Mass Animal Death** - Acquire statutory emergency authority to respond to and remediate incidences of mass animal death, agricultural structure fires, or other emergency situations on a farm in order to avert the threat of a public health hazard as that term is defined in 18 V.S.A. § 2. This authority would better enable the Agency to provide assistance to farmers who are faced with an unexpected emergency in a manner that protects the public. *Rural VT's (Chuck) says*
- e. **Produce Authority at the Field Level** - Acquire statutory authority to have broad regulatory oversight over raw produce/vegetable commodities in the field/on the farm prior to processing. This would enable the Agency to engage in the development of practices and policies that are necessary in order to adequately prepare for the implementation of the Food Safety Modernization Act, as well as respond more appropriately to assist producers during natural disasters or other emergency events that impact food or feed crops. Was an issue during Irene - Agency of Ag did not have authority and needed to work with FDA for answers - farmers left in limbo. *May take 2 yrs*
- f. **Horse Pulls** - Removal of rule promulgation mandate for drug testing during horse pulls - this can be accomplished by removing language in 13 V.S.A. Chapter 8 section 392(b). The Agency has worked with the Fair Assn. and the Eastern Draft Horse Assn. over the past year to improve this cooperative program, and it is important to maintain program flexibility that is currently afforded by statutory language but would be hindered by rule promulgation.
- g. **Dairy Bonding** - Division of the bonding requirement from the milk handler license - it is important to separate these aspects of the milk handler renewal process in statute in order to facilitate the continued efficiency of the Agency's licensing programs. This will result in the Agency being able to provide a better customer service to potential applicants. *Prosser only*
- h. **Certificates of Veterinary Inspection** - Implementation of a fee for paper format Certificates of Veterinary Inspection (CVI) - The Agency is in the process of making available to private veterinarians electronic forms for use when completing the required CVIs. These electronic forms can be uploaded automatically into the Agency's animal health database, which reduces staff time otherwise needed to data enter required information. *Effective July 1, 2014, the*

*Have this authority on animal feed now.*

*Both aspects will still be done - by way w/it still remain*

*2 75% / 25% Capacity now / not  
 → might pull + put in play as fee b. 1)*

Agency intends to charge a service fee for the issuance and processing of the paper forms. It is anticipated that this can be accomplished via the fee for service statutory language that already exists, but if upon further legal consult, that is determined to not be the case, the fee bill may have to be utilized.

i. **Rural Enterprises** – ag related value added rural enterprises – towns and Agency of ag need direction of zoning for these hybrid activities – working with ACCD as part of Growth Center discussion. Possible actions to address – Title 24 partial zoning by town and regulation by Agency of Ag, guidance documents to towns to adjust zoning or a full scale program at state level to define a myriad of exemptions for valued ag and forest rural enterprises. *w/ model*

**Working lands financing mechanism** – VAAFM will support Governor's recommend for funding in face of possible 5 X 3 campaign (3 years of funding at 5 million per year). VAAFM would also suggest identifying a consistent funding source from a revenue source that is related and has grown over the last 2 years. The idea would be to earmark a portion of the funding to be assigned to Working Lands Enterprise Fund and to then rise and fall with the increase or decrease in revenue stream. *Dev Board - 2010/11 session - Strategic Plan*

k. **Working Lands and Ag and Forest Product Dev boards** - Combine Working lands enterprise board with Ag and Forest Products Development board – not enough staff capacity to staff both boards. Improve efficiency and information sharing.

**Pesticide Control:** Modify liability insurance language in Chapter 87 (1106) to allow for higher amounts of coverage. \$100,000? \$1,000,000? This is to address situations such as we are experiencing with AAA Pest Control and remediation costs. The current law only allows for a \$10,000 requirement.

m. **Pesticide Registration:** Consider adding language in Chapter 81 to address pesticide 'existing stocks' provisions relative to federally cancelled pesticide products. Establish clearly defined end use provisions for these products in State law. *AAA*

n. **Compost/Soil Amendment Law consideration:** The Agency will be asked to provide some model language to address compost quality/adulterant issues. Consideration of legislation is due to compost and herbicide issues last year. Most soil amendment laws address product quality and consumer assurance. There will be some pressure to provide resources to composters that will ensure ingredient quality as well.

o. **Water Quality:** Generally anticipate follow up on the shore lands bill as well as other initiatives related to the draft TMDL due out next spring. There is a draft bill out now (for discussion purposes only) that would require livestock exclusion, allow winter spreading under limited circumstances, require farmers to engage in water quality training and prohibit herbicide use within 50 feet of surface waters or culverts. We can anticipate an omnibus approach to ag.

p. **Wastewater/Underground Injection** -Explore potential fixes within the wastewater/ underground injection control and indirect discharge programs (Title 10) that would address small scale, on farm slaughter, cheese making and vegetable processing facilities. This could be achieved via rulemaking within DEC but we have seen no movement on these subjects after two years of discussions. *→ is DEC working on the Rules*

q. **Laboratory:** The results of a feasibility study (approved during the last session) will be provided to the legislature in January. This study will provide guidance regarding a business model, governance model and lab functions for a replacement agricultural and environmental laboratory. Capital funds should be requested for the next cycle to initiate the planning and

*Dec + Ag*

*Policy  
Multi-year  
VAAFM → 1.4M  
level Funding*

*↑ liability  
Amount*

*not worth  
like no tax  
on compost  
→ no tax if tested  
+ req at VAAFM*

*LAB*

*lab  
legislation*

*2/16/11  
one*

*Policy Development  
Board*

design phase for the replacement laboratory. Use of existing laboratory space at UVM is scheduled to end in August 2015.

f. **Mosquito Control:** Increased Funding -- In response to an increase in 'positive' Eastern Equine Encephalitis (EEE) and West Nile Virus (WNV) pool samples in Vermont, the Agency of Ag in collaboration with the Vermont Dept of Health will expand sampling and analysis, as well as outreach and education, for the mosquito control program. *how fast & wide do we expand? → ↑ 1/4 million \$*

3. Legislative Priorities from Outside of state government

- Why for? Spill over from tax*
- a. **GMO labeling** – coalition of NOFA-VT, Rural Vermont and VPIRG pushing for passage in Senate
  - b. **Current Use** – issue with Value added Rural enterprises and definitions. Also renewable energy on farms – farmers, energy developers - *goat milk, caramel / solar panels*
  - c. **Apiary registration** - the Agency is supportive of this initiative as it will allow for the provision of better customer service to bee keepers during emergencies and routine events that may impact their livelihood, such as adulticide mosquito spraying. Discussions between VAAFM Management and the Bee Keepers Association have been held over the last year to clarify a proposal that outlines the fee and operational structure for a registration program.
  - d. **Expansion of raw milk sales in Vermont** - The Agency has strong concerns about expanding the opportunities for direct and indirect sale of raw milk to consumers. It is likely that Rural Vermont and other advocates will lobby to open up the raw milk statutes in order to expand the manners in which this product is made available for public consumption.
  - e. **Clarification of terms in Act 83 (H.515)** - It is likely that Rural Vermont and/or other on-farm slaughter advocates will lobby to expand the opportunities to sell uninspected red meat to Vermont consumers. The current wording of Act 83 presents significant regulatory challenges for VAAFM and creates confusion in the "marketplace". Currently, Meat Inspection Program personnel are dealing with three cases of noncompliance in this area, all of which stem from misinterpretation of existing statutory language. Additionally, there is apparent non-compliance with the monthly reporting requirements from farmers who utilize this on-farm exemption. Despite reports of wide-spread use of this exemption by farmers, there has been only 1 report submitted to the Agency since July 1. While the Agency would not be opposed to clarification of existing language, it would be strongly opposed to any relaxation of sanitary standards and any expansion of sale of uninspected product to members of the public.

*Study Doc*

+3

BELOW IS A LIST OF ISSUES, TOPICS AND WORK ITEMS IN VAAFM

**Meat** – expansion of slaughter and processing, enable growth of livestock and adds new jobs on farm and in plants

- Challenges: need more inspectors to keep pace
- Opportunity – possible press release or conference at new plant

**Maple** – continues to grow, large production this year, need nat'l and int'l markets, new maple rules written and headed to Rules Committee

- here, regulatory uncertainty around use/disposal of RO water, of false advertising/marketing of maple – resource intensive
- Opportunity – Announcement of Rule approval, Press around enforcement of VT maple/gorilla mkting with State help

**Compost** – increasingly important industry for ag and solid waste management

- Challenges – taxation, presence of persistent herbicides and other societal chemical, role for Act 148, safe use of Compost, competitor to Biodigesters for VT organics, permitting
- Opportunities – growing industry with jobs, important to ag thru home gardener and processor of societal waste, jobs, part of on farm energy

**FSMA** – 4 federal draft rules being promulgated with impact on farm and value add processing

- Challenges – impact on diversified ag, delegation of responsibility to states with out funding and empowerment
- Opportunity – VT leadership participation shape for emerging ag with improved relationship with FDA, additional resources for food safety, Governor weigh in with leadership role

**Working Landscape Enterprise Board and Fund** – first year completed with almost 400 applications representing 12 million for just under 1 mill of funding

- Challenges - Under staffed for work, demand exceeds supply, no identified funding source, board burn out, two related by uncoordinated boards with VAFPDB
- Opportunity – jobs, VT character, Shumlin Legacy -grow working landscape economy, leverage other funding, legacy econ dev effort for Gov Shumlin

+ Floods

**Lab** – Chemical lab exists at UVM in decent but scattered and not optimum space, lease is limited to 3 years with no expansion plans and distant for many employees, plant lab located in Berlin in good leased space

- Challenges – both labs future locations is uncertain, must be out of UVM in 2yrs, replace for Ag and ANR would cost 7 to 12 mill
- Opportunity – cost savings and efficiencies - rfp for lab location, combine Ag and ANR, coordinate among region's state labs for specialization, eg. VT weights and measures best on heavy weight calibration,

**Mosquitos** – wet season is making mosquitoes plentiful. WNV and EEE already showing up

- Challenge is to manage public reaction through public outreach and sustaining staff necessary to manage if issue grows; emerging risk to human health
- Opportunity – Shumlin Admin seen as getting in front of issue; possible Gov tour to show concern

**Legal work for Agency** – one assigned AGG for the Agency. Work load is beyond one person. Many administrative penalties handled by Section Chiefs

- Challenge – section chiefs competent but not legally trained, expect increased enforcement with water quality challenges, Section 248, Act 250; volume significantly exceed capacity with risk of meaningful mistake
- Opportunity – build legal support team within Agency by organizing existing staff to address simple and routine and thereby free up AG for complicated/ important issues - reduce confusion and increase consistency

### **Animal Traceability/Animal Disease Monitoring**

Regulations from USDA on identification of animals for movement – to another farm, to horse shows, to slaughter etc. Education ongoing but numerous farmer and veterinarian complaints.

- Challenge – staffing for data management, education, tracking if disease an issue
- Opportunity – VT a draw for equine, lama, cattle shows – need to be able to process paperwork and disease testing in an efficient manners

**Dairy** – industry still critical and huge part of VT ag (80% of farm gate receipts) but struggling with national pricing and optimism;

- Challenge – dairy community wants Shumlin Admin to help and show meaningful support
- Opportunity – pursue ongoing initiatives including participation in Farm Bill negotiations through NASDA and Congressional offices; advance northeast initiative on Milk Order Reform; continue to support SRC's work on dairy issues in Congress; re-start Milk Commission to explore dairy initiatives, support industry led Dairy Visioning aimed at mentoring and finance for progressive farms, Governor and Sec attend some Coop meetings

**Dairy Processing**– expansion of dairy processing continues. Estimated by end of year will have 100 licensed dairy processing facilities. Excellent quality products winning awards.

- Challenges – need another inspector to keep pace, aging population of small dairy processors, can we grow any of the small to larger dairy processors (Ben & Jerry's model)
- Opportunity – visit to new facility, celebration of VT award winners – congratulation letters from both Secretary of Ag and Governor, business planning and marketing for existing processors, WLEB grants for growth of dairy processing

**Dairy Farmers** – number of dairy farms and volume of milk

- Challenges – decreasing number of dairy farms with steady milk volume – very few new farmers to replace aging population, processor volume demands, attracting new processors to VT
- Opportunity – new methods of transferring farm ownership, improved on farm management better profitability, reduce cost side – renewable energy, taxes, feed

**ACT 250** – recent supreme court decision on what government can do on exacting value- could affect Criteria 9(b) actions on setting mitigation rates (ratios) and how mitigation funds collected are used by VHCB.

- Challenge – understanding the decision and coordinating activities with ANR and NRB. Work with VHCB on use of mitigation funds. Added work load on agency – may not be able to cover with one staff
- Opportunity – revamp ACT 250 work across state government,

**Emergency Management** – Agency has a large role in emergency management at state level SFF11. State Vet highly involved with specific responsibilities for animal welfare, Ag Resource Management Division involvement in ag chemicals

- Challenge – no one staff person responsible for emergency management activities for the agency – no coordinator to manage increased requests from VEM
- Opportunity – more staff being aware of emergency management protocols through Agricultural Emergency operations Center improving response

**Biodigestors** - jobs, pollution abatement, farm viability - evolving partnership with GMP to invest in whole new generation of on farm digesters

- Challenge – design basic business plan that is economically viable for all parties on the economics, market to farmers
- Opportunities – use GMP financial muscle and build out to include many other attributes to amplify economic and environmental attributes

Bedbugs and Pesticides – on going response to pesticide application violation, risk to human health and engagement of EPA, all complicated by unknown universe of affected citizens and remediation costs

NASDA – will be elected President in September resulting in opportunities to influence national and regional policy that will affect Vermont and challenges related to responsibility associated with one year position leading an organization in transition

Opportunities – jobs, policy and resources relating to Farm Bill, Trade Missions, Annual conference to show case VT *Annual Meeting FSMA*

Challenges – Staff leadership changes, expanding effectiveness of organization, sustainable funding

Current Use – range of issues relating to water quality, horse farms, cost

Rural Enterprises – creation of alternative to AAPs for farm entrepreneurship

Trade – expand trade opportunities for ag and value added ag producers and coordination with ACCD to amplify and coordinate our marketing efforts

Farm to Market – work with Sodexo and other institutions and market outlets to grow Vermont farm and processor sales. Sodexo is likely to target Vermont as a focus of its buy and serve local effort and at 35,000 meals a day in Vermont they can have impact

Hemp – application process is created for VTers who want to grow but question remain as to whether there are legal sources of seed

Succession Planning – 14 leaders eligible for retirement with resulting loss of intelligence

Inter Agency Cross Training – attain efficiencies for agencies, simplify customer interface with regulatory/state gov service, reduce pressure for staff increases

Water Quality – continue effort to more effectively manage ag water quality and participation in TMDL process

GMO – interface with Legislative and consumer demand for labeling and development of Governor's response to legislative initiatives to find right position

Agency Capacity and Reactivity – Agency is one staff deep but must respond to all consuming crises that force postponement of other issues. Examples: Snow storm of march 2011, spring flooding of 2011, Irene of 2011 with produce and feed corn implications, formaldehyde, compost,EEE, Bedbugs

Succession Planning – 14 leaders within agency are or will soon be eligible for retirement with resulting loss of knowledge and continuity

12/11/12  
SS-KOOL