BEYOND THE FENCE

VERMONT FARM BUREAU NEWSLETTER



FEBRUARY 2023



By Amber Perry, Legislative Director

Late last summer Jackie Folsom brought it to our attention that there were going to be changes to the Current Use Program, which provides landowners with a lower property tax rate for undeveloped land. The changes are expected to be about the penalty rate when land is withdrawn from the program.

Last fall, I attended a Current Use Advisory Board meeting and we had Jill Remick, Director of Valuation and Review of the Department of Taxes as a guest speaker at our first Town Hall event to go over the proposed changes to the program.

During that time, a change to the tax penalty rate from 10% to 15% was presented, and a proposal to go back to a formula used prior to 2015.

On February 8, 2023, the proposed changes to the Current Use Program were presented to the House Agriculture, Food Resiliency, and Forestry committee. During the testimony, Current Use stated that they had tried using a set higher penalty rate, but they couldn't get it to work that way, so they are proposing a tiered approach.

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NEWSLETTER HIGHLIGHTS

Current Use Program Update

Young Farmers & Ranchers Workshops

The Zipline: A Message from Zippy Duval on Renewable Fuel

Working Lands Grantee Spotlight: NEK Grains

Current Use (continued from p.1)

The percentages they are using will be based on how many acres you have enrolled in the program and on how many acres you want to withdraw.

Vermont Farm Bureau policy supports going back to the equalized, listed, prorated value formula used in the past. We also have a policy stating that any major changes to the Current Use program warrant an easy-out option.

Below are links to the February meeting and the proposed language.

The bill for this proposal hasn't been released yet. They ran out of time during the presentation, and I suspect they will invite speakers in again. If you want to provide testimony or come in and testify on this, please send me an email at ambervtfb@gmavt.net.

Current Use Proposed Update Documents, February 2023

Proposal meeting: www.bit.ly/currentusevt

PDF of meeting presentation: bit.ly/pdfcurrentuse

Proposal language: www.bit.ly/currentuseproposal



LUCT Proposal: Nuts and bolts

Proposed Revenue-Neutral Tax Rates

	25 or Fewer Acres Withdrawn	25.01 to 90 Acres Withdrawn	More than 90 Acres Withdrawn
25 or Fewer Acres Enrolled	35%		
25.01 to 90 Acres Enrolled	40%	20%	
More than 90 Acres Enrolled	60%	30%	15%

LUCT Proposal: Nuts and bolts

Calculated Average Equivalent Tax Rates for Current LUCT Tax Charged

	2 or Fewer Acres Withdrawn	2.01 to 25 Acres Withdrawn	25.01 to 90 Acres Withdrawn	More than 90 Acres Withdrawn
25 or Fewer Acres Enrolled	27%	35%		
25.01 to 90 Acres Enrolled	84%	40%	15%	
More than 90 Acres Enrolled	142%	68%	23%	13%

Current vs. Proposal – Average Tax

Average Current Land Use Change Tax Charged by Parcel Size

	2 or Fewer Acres Withdrawn	2.01 to 25 Acres Withdrawn	25.01 to 90 Acres Withdrawn	More than 90 Acres Withdrawn
25 or Fewer Acres Enrolled	809	6,214		
25.01 to 90 Acres Enrolled	2,313	5,898	10,406	
More than 90 Acres Enrolled	2,532	5,812	14,183	32,241

Average Proposed Land Use Change Tax by Parcel Size

	2 or Fewer Acres Withdrawn	2.01 to 25 Acres Withdrawn	25.01 to 90 Acres Withdrawn	More than 90 Acres Withdrawn
25 or Fewer Acres Enrolled	1,560	5,792		
25.01 to 90 Acres Enrolled	1,189	7,770	12,590	
More than 90 Acres Enrolled	1,138	7,422	18,091	33,273

Young Farmers & Ranchers Workshop Recap & Upcoming Dates

The first workshop on grants was held on February 2 in Berlin and was an overwhelming success.

Presenters were Mariah Noth from the Vermont Housing and Conservation Board (WHCB), Clare Salerno from the Working Lands Enterprise Initiative (WLEI), and Misty Sinsigalli, and Tracy Rexford from the USDA.

They shared about grant opportunities at each of their respective organizations and the best ways to apply for them. Visit their websites below for more information.

- VHCB: vhcb.org/our-programs/conservation/apply-for-funding
- WLEI: workinglands.vermont.gov
- USDA: bit.ly/usdagrantinfo

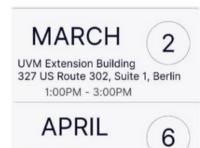
Upcoming Workshops:

Free to attend -- Light snacks provided -- Participants of any age welcome -- You do not need to be a Farm Bureau member to attend

- Thursday, March 2, 2023, 1 3 p.m. On-Farm Stress Management, UVM Extension, Berlin
- Thursday, April 6, 2023, 1 3 p.m. Agritourism, Silloway Maple Farm, Randolph

Register Here: www.bit.ly/VTfarmerworkshop

Contact Sydney Decker with any questions: sydneyvtfb@gmavt.net.



1303 Boudro Road, Randolph

1:00PM - 3:00PM

Silloway Maple

On-Farm Stress Management

This workshop by Farm First will provide you with tips and techniques for managing stress and for navigating stressful interactions. You will leave with resources and tools you can use moving forward.

Agritourism Resource Share

Visit Silloway Maple for a farm tour, resource share, and Q+A led by Lisa Chase of UVM Extension, joined by several expert guests. Famous Silloway Maple Creemees will be available for purchase!



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The Zipline: Fueling a Greener Future

A Letter from Farm Bureau President Zippy Duvall

Farmers are no strangers to providing the fuel that keeps our bodies moving. And for nearly 20 years, we've stepped up to help provide the fuel that keeps our vehicles moving too. The Renewable Fuel Standard (RFS) has played an important role in reducing America's dependence on foreign oil, has helped reduce greenhouse gas emissions, and provided a steady market for crops grown by America's farmers.

Renewable fuels are a critical part of an "all of the above" energy strategy that considers gas, diesel, renewable fuels, and much more. And while there is a lot of talk about the potential for electric vehicles to reduce emissions, ethanol and biodiesel have been doing that for decades. The infrastructure for renewable fuels is already in place, and nearly every car on the road can use these fuels today. The RFS has spurred private investment in communities across the country while providing critical environmental and security benefits. The benefit of using renewable fuels today is equal to taking 17 million cars off the road annually. On top of that, we have a more diverse fuel supply.

Congress requires the EPA to determine how many gallons of renewable fuels must be blended into fossil fuels each year – known as Renewable Volume Obligations or RVOs. Just a couple of months ago, the agency proposed the required levels for 2023 through 2025, and it was a mixed bag.

On the one hand, the agency increased the levels for renewable fuels like ethanol, closely mirroring the increasing capacity for U.S. ethanol plants to produce this emission-reducing fuel. EPA is also proposing, for the first time ever, a pathway for electricity made from renewable biomass and used as a transportation fuel to qualify under the RFS.

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PRICING IS SUBJECT TO CHANGE BASED ON AMERIGAS OPERATIONS

2023 AMERICAN FARM BUREAU BOOK OF THE YEAR

I LOVE STRAWBERRIES



WRITTEN BY: Shannon Anderson

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Fueling a Greener Future

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This could create new opportunities for livestock producers who utilize methane-reducing technologies like digesters. This will hopefully provide new opportunities in agriculture as we start seeing more electric vehicles on the road.

On the other hand, the agency's requirements for biomass-based diesel and advanced biofuels fall far short. For many years, Congress has encouraged private businesses to invest in increasing the amount of biodiesel, renewable diesel, and sustainable aviation fuel we can produce – and the industry has answered the call. The USDA estimates that we can currently produce 4 billion gallons of renewable diesel each year. And the government has already supported projects that will increase that production by another 1 billion gallons each year.

Farm Bureau was disappointed when the EPA set the requirements for renewable diesel at around 2.8 billion gallons, less than 75% of what we can produce. The deficiency in the proposed rule will significantly slow growth in the renewable diesel sector and potentially undermine the significant investments currently being made, costing jobs, reducing demand for crops like soybeans, and weakening the purpose of the RFS. We are working hard to make sure the voices of our grassroots members are heard encouraging the EPA to reconsider its proposal before setting the final RVOs this summer.









Right: Vermont Farm Bureau President Joe Tisbert and his daughter Rebecca presenting on Farm Transition and future planning in Puerto Rico. Left: Joe Tisbert speaking during the annual Farm Bureau convention on behalf of VTFB to help create policy.

Grant Expected to Grow Vermont-Made Flour Production Capacity by 700 percent at NEK Grains

Story by the Working Lands Enterprise Initiative. For more stories visit: www.workinglands.vermont.gov

In the food world, Vermont is perhaps best known for local cheese, maple syrup, meat, and produce. It's not a place most associate with wheat production. Much of the flour in Vermont is a commodity shipped from out-of-state mills.

Shawn and Sara Gingue, co-owners of Gingue Family Farm, home to NEK Grains, are part of a small group of grain producers in the state working to change that.

"People are new to the idea, and they're like, "What is this, and how is it different than the stuff you see at the grocery store?" Sarah said of the questions customers ask at their farm store in Waterford, where they sell their flour, beef, and local maple syrup from a nearby farm.

Though it's rare to see Vermont flour, it wasn't so long ago that flour was a mainstay of the Green Mountain State's economy.

Vermonters farmed approximately 40,000 acres of wheat in the early 1800s, providing most of the flour in the Northeast.

Depleted soils, the introduction of railroads, and the Erie Canal created competition

from other states. By 1950, only 900 acres of wheat were in production in Vermont. New England mills went out of business, and many of Vermont's wheat farmers switched to sheep and then dairy farming.

Gingue Family Farm's story is one of the cyclical nature of farming. A dairy farm since 1950, the commoditization and oversupply of milk nationally led the family to stop milking cows in 2015. Like many other dairy farmers, they decided to diversify and differentiate themselves from commodity products to be more profitable.

Increasing consumer demand for Vermont-made food created an opportunity to bring grain production back to Vermont and for the Gingues to join the movement. The first thing you'll see on the NEK Grains packaging is, 'Grown in Vermont, Milled in Vermont.'

"We want people to connect and to know there's an actual physical location they can visit and watch the flour be milled or look out at the field and see the grains growing," Sara said.

In 2020, they sold their first bag of flour. Today, they sell grain to over 20 wholesale buyers, wheat berries to bakeries and breweries, and flour and pancake mix to various specialty food producers, co-ops, and bakeries.

They don't own a mill, so they drive two hours round-trip to Elmore Mountain Bread each week, where 300 to 500 pounds of their wheat is milled into 50-pound bags of flour. Sara then packages it into smaller bags on their commercially licensed home kitchen island. She fits it in between homework and mealtimes for their four children. With the time it takes to drive to Elmore and then package the flour, there is no room for growth.

A Working Lands Enterprise Initiative Grant is making scaling up possible. In 2022, Gingue Family Farm received \$25,000 to purchase their own mill and expand their farm store to allow for a designated order fulfillment space.

The project is slated to be completed in early 2023. If NEK Grains runs the mill at full capacity five days a week, they can make 800 pounds of flour daily or 4,000 pounds a week, a 700 percent increase in production capacity.