

*Supports local food, energy programs; promotes economic development for northern Vt. counties*

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The Food, Conservation, and Energy Act of 2008 passed the House today, strengthening the Milk Income Loss Contract (MILC) Program and including Welch-authored provisions to encourage the purchase of local foods for school lunch programs, establish a community wood energy program, and promote economic development opportunities in Vermont's northern-most counties.

"This is a Farm Bill that reflects key Vermont priorities," said Welch. "From supporting our dairy farmers to promoting the use of local food and energy sources, this bill provides Vermont's rural economy opportunities to prosper."

### **Milk Income Loss Contract (MILC) Program**

The Farm Bill includes a major win for Vermont dairy farmers by extending and strengthening the safety net that protects dairy farmers when milk prices drop. The Leahy-led and Sanders and Welch-backed provision raises the percentage payment rate under the MILC Program from 34 percent to 45 percent and increases the size of herds covered by the program, from about 120 cows now, to about 165 cows. In addition, for the first time, the program accounts for feed costs in triggering program payments.

"Senator Leahy, Senator Sanders, and I made it our top priority to secure this critical safety net for our farmers, and our teamwork has paid off in a major win for Vermont farmers," Welch said.

## **Local Food for Schools**

Welch, a long-time advocate for using local fruits and vegetables in Vermont schools, successfully amended the legislation to encourage schools to use local foods for their school lunch programs.

## **Community Wood Energy**

Welch also helped include legislation to create a Community Wood Energy Program, which will provide matching funds for state and local governments that convert public buildings, such as schools and libraries, to wood biomass heating or power systems. The biomass fuel would come from local wood waste sources or sustainably harvested wood.

## **Northern Border Economic Development Commission**

The Farm Bill also establishes a new Northern Border Economic Development Commission, legislation co-authored by Welch. The Commission will be authorized to invest \$30 million per year through 2012 for economic development and job creation grants to state and local governments, local development districts, and nonprofit organizations. It includes the most economically distressed border areas of New York, Vermont, New Hampshire, and Maine and it includes Vermont's Caledonia, Essex, Franklin, Grand Isle, Lamoille, and Orleans Counties.

"Establishing this Commission recognizes the unique economic development challenges faced by our northern-most counties and provides the resources necessary to help local communities improve economic prosperity in Vermont's most rural region," said Welch.

The goal of the Commission is to ensure that one of the most economically challenged regions in the country has the tools to develop the basic building blocks for economic development, such as transportation and public infrastructure, job skills training, and business development.

The Commission will support existing local economic development organizations to ensure that federal support reflects both local needs and regional economic development goals. It could fund transportation infrastructure, broadband development, alternative energy projects, agricultural development, land and forestry conservation to maintain productive traditional uses, and health care facilities, among other projects.

### **Nutrition and Ending Excessive Commodity Payments**

The Farm Bill also increases funding for nutrition programs by \$10.361 billion.

Compared to the 2002 Farm Bill, the new bill decreases commodity payments by \$60 billion over the next ten years. However, Welch supported the far more sweeping Fairness in Farm and Food Policy Amendment offered by Rep. Ron Kind, which would have reduced excessive commodity payments for large and wealthy farmers, and shifted the savings to support other priorities. The amendment failed, but forced an important debate on the floor, according to Welch.

"This bill makes tremendous progress, but changing federal agriculture policy is an uphill battle and I intend to keep at it," said Welch, of the need to continue reducing excessive commodity payments.