



A LEGAL GUIDE TO THE BUSINESS OF FARMING IN VERMONT

Table of Contents

<b>Preface and Acknowledgements</b> .....	i	Farm Transfer and Medicaid Planning .....	59
<b>Introduction</b> .....	ii	<b>Chapter III: Farmland Tenure and Leasing</b> .....	66
<b>Chapter I: Legal Structure of the Farm Business</b> .....	1	Land Tenure Patterns in Vermont.....	67
Important Factors for Choosing an Entity .....	3	The Value of a Lease.....	69
The Sole Proprietorship .....	6	Get it in Writing.....	69
The Farm Partnership.....	7	Essential Terms of an Agricultural Lease.....	70
Limited Liability Companies.....	11	Stewardship and the Farmer's Bottom Line.....	75
The Farm Corporation .....	15	Insurance and Liability Issues .....	77
Non-Profit Corporations.....	16	Crop and Creditor's Liens .....	78
Agricultural Cooperatives.....	19	Default Provisions in a Lease.....	79
Legal and Other Professional Services for		Eviction and Ejectment.....	79
Business Formation .....	22	Recording of Leases .....	80
<b>Chapter II: Farm Transfer and Estate Planning</b> .....	32	<b>Chapter IV: Agriculture</b>	
Lifetime Transfers of Livestock and Farm		<b>and Land Use Regulation</b> .....	81
Equipment by Gift.....	34	Nuisance or a Right to Farm? .....	82
Transfer of Livestock or Equipment by Sale .....	35	Farmer-to-Farmer Conflicts over Genetically	
Combining a Gift and Sale of		Modified Organisms .....	85
Livestock and Equipment .....	36	Agricultural Activities Exempt from Local Zoning .....	86
Leasing Farm Equipment and Livestock.....	36	Farming and Act 250 .....	89
Transferring an Interest in a Farm Business.....	37	<b>Chapter V: Farm Labor Regulation</b> .....	91
Transferring Farmland.....	38	Overview.....	92
Estate Planning.....	42	Employees vs. Independent Contractors.....	94
Estate Taxes .....	54	Immigration Reform and Control Act.....	95



A LEGAL GUIDE TO THE BUSINESS OF FARMING IN VERMONT

Employees and the Tax Man.....	96	Liability Insurance.....	128
Employee Compensation .....	96	Reducing Potential Liability .....	129
Child Labor Regulations .....	98	<b>Chapter VIII: Regulation of Organic Agriculture .....</b>	<b>130</b>
Foreign Workers and the H-2A Visa Program .....	100	National Organic Standards Board.....	131
The Vermont Fair Employment Practices Act .....	102	Accredited Organic Certifiers .....	132
Workplace Safety and Working Conditions .....	104	Certification Process.....	132
Family and Medical Leave .....	105	Organic Production and Handling Standards.....	133
Workplace Injury – Workers’ Compensation.....	106	<b>Chapter IX: Regulation of On-Farm</b>	
Termination Issues .....	108	<b>Food Processing and Marketing.....</b>	<b>137</b>
Worker Housing .....	109	Overview of Agencies Overseeing	
<b>Chapter VI: Water Quality and</b>		Food Production and Marketing .....	138
<b>Environmental Regulation .....</b>	<b>113</b>	Food Safety Systems .....	140
Agricultural Land Use Practices and Water Quality .....	114	Regulations for Specific Commodity Types .....	142
Waste Storage Facilities .....	114	Federal Regulations Pertaining to	
Water Quality Permits.....	115	Food Production and Marketing .....	144
State Farm Permits .....	115	Essentials of Food Labeling .....	147
Federal Clean Water Act Permits .....	117	<b>Appendix</b>	
Conservation Assistance Programs.....	119	Sample lease Agreement .....	154
State Programs .....	121	Memorandum of Lease .....	160
<b>Chapter VII: Farm Insurance .....</b>	<b>123</b>	<b>References.....</b>	<b>161</b>
Workers’ Compensation.....	125	<b>Index .....</b>	<b>167</b>
Health Insurance.....	125		
Life Insurance .....	126		
Crop Insurance .....	127		
Property insurance .....	127		