



AGENCY OF NATURAL RESOURCES

TESTIMONY ON FY_{24/25} CAPITAL BILL

Julia S. Moore, P.E., Secretary
February 8, 2023

Overview

Clean Water Initiative

- (Brief) history and legal requirements
- Funding portfolio
- Role of the Clean Water Board
- FY24/25 Capital Bill request

Vermont Has Some Pretty Spectacular Waterbodies



Photo credit: Friends of the Winooski River



Photo credit: Jim Deshler



Photo credit: Friends of the Winooski River



Photo credit: Blaine Hastings



Photo credit: Jim Deshler



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Human Activity Can Harm Our Waters



Clean Water Initiative

- Water quality concerns are not unique to Vermont
- Nutrient problems exist in many freshwater lakes
 - EPA's 2017 National Lakes Assessment found that 20% of the nation's lakes had high levels of phosphorus or nitrogen.
 - Notable examples include:
 - Lake Pepin, MN
 - Lake Erie
- How does Vermont's response to compare to others?
 - We are taking good, important, meaningful steps
 - Regulatory programs that exceed federal minimums for stormwater and agriculture
 - Committed resources (i.e., Clean Water Fund)



Clean Water Initiative

- Vermont has a long-held commitment to clean water and water quality
 - ANR has worked with EPA to develop “pollution budgets” or total maximum daily loads (TMDLs) for waterbodies like:
 - Lake Champlain
 - Lake Memphremagog
 - Lake Carmi
 - Connecticut River/Long Island Sound
 - Many of the commitments made in these TMDLs were codified in statute in Act 64 (2015) and Act 76 (2019)
- Broadly, clean water funding is used to:
 - Restore water quality in lakes and rivers that do not meet standards
 - Protect high quality waterbodies

Clean Water Initiative

- Capital Bill funds have supported clean water work since (at least) 2003, including:
 - Agricultural best management practices
 - Treatment of stormwater runoff
 - Improvements at municipal wastewater facilities
 - Natural resources restoration
 - Wetlands restoration
 - Floodplains and river corridors protection
 - Forestry best management practices

How is Clean Water Work Funded?



Annual State Appropriations = \$50-60 M/year

How is Clean Water Work Funded?

Proposed FY24 Clean Water Approps	\$62,228,880*
• Clean Water Fund (base):	\$25,492,630
• <i>Property Transfer Tax Surcharge</i>	
• <i>Escheats (unclaimed bottles)</i>	
• <i>Meals and Rooms Tax</i>	
• Clean Water Fund (one-time):	\$14,851,250
• <i>FY22 "excess receipts"</i>	
• <i>ARPA</i>	
• Capital Bill (FY24 only):	\$15,885,000
• <i>FY24 Capital Fund</i>	\$5,885,000
• <i>FY24 One-Time GF to Cash Fund</i>	\$10,000,000
• LCBP/Leahy Appropriation	\$6,000,000 (100% federal)

* Does not include work funded through the T-Bill to address runoff from state highways

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Purview of
Clean Water
Board

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FY24/24 Capital Bill – Section 10

AAFM:

- Water Quality Grants (line 114)

ANR

- Clean Water State Revolving Fund (line 116)
- Municipal Pollution Control Grants (line 117)
- Forestry Access Road Water Quality Improvements (line 119)

VHCB

- Agricultural Water Quality Projects (line 121)
- Land Conservation and Water Quality Projects (line 122)

“Placeholder” for FY25 Clean Water Board recommendation (line 123)

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FY24/24 Capital Bill – Section 10

AAFMM:

- Water Quality Grants : \$2,202,019
 - Practices include: manure and agricultural waste storage facilities, composting stack pads, silage leachate collection, laneway development & stream crossings, and clean water diversions

ANR

- Forestry Access Road Water Quality Improvements \$550,000
 - Practices to reduce erosion and nutrient and sediment pollution from ANR's road and trail network and recreational access points

VHCB

- Agricultural Water Quality Projects \$2,800,000
 - Water-quality related investments in-fee lands and conservation easements
- Land Conservation and Water Quality Projects
 - Grants to farmers for water quality-related capital practices and purchase of marginal farmland; grants typically help pay for project components that are not covered by other state/federal programs

"Placeholder" for FY25 Clean Water Board recommendation \$10,000,000