



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

March 12, 2024

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### **S.213 – An act relating to the regulation of wetlands, river corridor development, and dam safety**

As recommended by the Senate Committee on Natural Resources and Energy

#### **Bill Summary**

This bill proposes to amend statutory provisions related to wetlands, river corridor development, and dam safety. Most notably, the bill would require that the Agency of Natural Resources (ANR) update the Vermont Significant Wetlands Inventory (VSWI) maps no less than annually and complete High Quality Wetland Inventory mapping for all tactical basins in the state every five years. It would update the Vermont Wetlands Rules and require an annual report on losses and gains of significant wetlands in the state. In addition, it would amend the statewide River Corridor Base Map to identify areas where infill and redevelopment wouldn't increase fluvial erosion hazards. This bill would also seek to protect public safety and provide for the public good through the inventory, inspection, and evaluation of dams in the state.

It would amend statute to redesignate the Vermont Unsafe Dam Revolving Loan Fund as the Vermont Dam Safety Revolving Loan Fund. Changes to the Fund would expand and modify project eligibility requirements. Proposed changes would make funds available for both emergency and nonemergency projects. The Fund balance would consist of any General Fund transfers, principal and interest received from the repayment of loans, grants and awards, interest earned from the investment of Fund balances, private gifts, bequests, and donations made to the State, and other funds from any public or private source intended for any of the purposes for which the Fund is established.

Last, the bill would create 16 positions at ANR.

#### **Fiscal Impact**

The estimated fiscal impacts are:

- one-time General Fund appropriations of \$2,500,000 in fiscal year 2025 to capitalize the Vermont Dam Safety Revolving Loan Fund and fund one-time contracting costs as well as education and outreach.
- estimated ongoing expenses of \$2,400,000 for personnel. The cost of these positions would be ongoing and would require base General Fund appropriations in fiscal year 2026 and beyond.
- one-time expenses of \$20,300 for three study committees in fiscal year 2025. There are no appropriations for these costs.

## Background and Details

The following sections would have a fiscal impact.

### Section 3

This section would appropriate \$900,000 from the General Fund in fiscal year 2025 to fund six new permanent classified positions at ANR to conduct infill and redevelopment mapping requirements. The cost of these positions would be ongoing and would require base General Fund appropriations in fiscal year 2026 and beyond.

This section would also appropriate \$225,000 from the General Fund in fiscal year 2025 to fund contracting costs necessary to implement mapping, education and outreach, rulemaking, and permitting required under this section and Section 5.

### Section 10

This section would establish a Study Committee on State Administration of the National Flood Insurance Program to review and recommend how to reduce vulnerability to inundation flooding, including how and to what scale responsibility for the administration and enforcement of the National Flood Insurance Program should shift from municipalities to the Department of Environmental Conservation (DEC).

The Committee would be made up of one current member of the House of Representatives, one current member of the Senate, two members of the DEC's Watershed Management Division Rivers Program, two members of Vermont's Regional Planning Commissions, and one member to represent Vermont municipalities. On or before August 15, 2025, the Committee would submit a written report with any recommendations to the General Assembly.

Legislative members of the Committee would be entitled to per diem compensation and expense reimbursement, pursuant to 2 V.S.A. § 23, for not more than eight meetings. Other members would be entitled to per diem compensation and reimbursement of expenses, as permitted under 32 V.S.A. § 1010, for not more than eight meetings.

Total estimated costs are \$6,500 in fiscal year 2025.

### Section 11

This section would appropriate \$300,000 from the General Fund in fiscal year 2025 to fund two new permanent classified positions at ANR to adopt and assist municipalities in adopting the State Flood Hazard Area Standards. The cost of these positions would be ongoing and would require base General Fund appropriations in fiscal year 2026 and beyond.

This section would also appropriate \$225,000 from the General Fund in fiscal year 2025 to cover contracting costs necessary to support the adoption of the Standards.

### Section 17

This section would appropriate \$300,000 from the General Fund in fiscal year 2025 to fund two new permanent classified positions at ANR to implement the survey, mapping, and reporting requirements in Sections 12 through 15. The cost of these new positions would be ongoing and would require base General Fund appropriations in fiscal year 2026 and beyond.

### Section 18

This section would amend statute to redesignate the Vermont Unsafe Dam Revolving Loan Fund as the Vermont Dam Safety Revolving Loan Fund. Proposed statutory amendments would allow for Fund monies to be used for low or zero interest loans for the reconstruction, repair, removal, breaching, or draining of a

dam, as well as for any other action necessary to reduce the risk of a dam failure. This fund would be available for both emergency and nonemergency projects.

### **Section 21**

This section would appropriate \$900,000 from the General Fund in fiscal year 2025 to fund six new permanent classified positions at DEC's Dam Safety Division. The cost of these new positions would be ongoing and would require base General Fund appropriations in fiscal year 2026 and beyond. This section would also appropriate \$2,000,000 from the General Fund in fiscal year 2025 to capitalize the Vermont Dam Safety Revolving Loan Fund.

### **Section 22**

This section would establish a Study Committee on Dam Emergency Operations Planning to review and make recommendations on how to improve regional emergency action planning for hazards caused by dam failure. The Committee would study how to shift responsibility for emergency planning from individual municipalities to regional authorities, how to improve regional implementation of dam emergency response plans, and how to fund dam emergency action planning at the regional level.

The Committee would be made up of one current member of the House of Representatives, one current member of the Senate, one member of the DEC Dam Safety Program, two members representing regional planning commissions in the State, one member of the Department of Public Safety's (DPS) Division of Emergency Management, two legal owners of a dam, and one or more emergency management director or incident commander from a municipality with experience in emergency operation planning. On or before December 15, 2024, the Committee would submit a written report to the General Assembly.

Legislative members of the Committee would be entitled to per diem compensation and expense reimbursement, pursuant to 2 V.S.A. § 23, for not more than 8 meetings. Other members would be entitled to per diem compensation and reimbursement of expenses, as permitted under 32 V.S.A. § 1010, for not more than eight meetings.

Total estimated costs are \$8,300 in fiscal year 2025.

### **Section 27**

This section appropriates \$50,000 from the General Fund in fiscal year 2025 to DEC to support education and outreach regarding the requirements and prohibitions for the use of expanded polystyrene foam or open-cell polystyrene in the waters of the state.

### **Section 28**

This section establishes a Study Committee on Enrolling Floodplain Management Land in the Use Value Appraisal Program to determine whether or how to authorize the enrollment of land designated for floodplain management in the Use Value Appraisal Program.

The Committee would be made up of one current member of the House of Representatives, one current member of the Senate, the Director of Property Valuation and Review or a designee, the Director of the DEC's Watershed Management Division Rivers Program or a designee, the Secretary of Agriculture, Food and Markets or a designee, a member of the Current Use Advisory Board, and a member of a statewide environmental organization.

On or before January 15, 2025, the Committee would submit a written report to the Senate Committees on Finance and on Natural Resources and Energy and the House Committees on Ways and Means and on Environment and Energy with its findings and any recommendations for legislative action, including proposed legislative language.

Legislative members of the Committee would be entitled to per diem compensation and expense reimbursement, pursuant to 2 V.S.A. § 23, for not more than 8 meetings. Other members would be entitled to per diem compensation and reimbursement of expenses, as permitted under 32 V.S.A § 1010, for not more than eight meetings.

Total estimated costs are \$5,600 in fiscal year 2025.

| <b>Estimated Study Committee Cost</b>   |                 |
|---|-----------------|
| <i>Study Committee on State Administration of the National Flood Insurance Program</i>            |                 |
| Members of the General Assembly   | \$3,716         |
| Other Members   | \$2,718         |
| <b>Subtotal:</b>  | <b>\$6,434</b>  |
| <i>Study Committee on Dam Emergency Operations Planning</i>                                       |                 |
| Members of the General Assembly   | \$3,716         |
| Other Members   | \$4,531         |
| <b>Subtotal:</b>  | <b>\$8,247</b>  |
| <i>Study Committee on Enrolling Floodplain Management Land in the Use Value Appraisal Program</i> |                 |
| Members of the General Assembly   | \$3,716         |
| Other Members   | \$1,812         |
| <b>Subtotal:</b>  | <b>\$5,528</b>  |
| <b>Total:</b>   | <b>\$20,209</b> |