

1 S.145

2 Introduced by Senator White

3 Referred to Committee on

4 Date:

5 Subject: Municipality; emergency management; disaster mitigation;  
6 appropriation; grant program

7 Statement of purpose of bill as introduced: This bill proposes to create the  
8 Community Resilience and Disaster Mitigation Grant Program and the  
9 Community Resilience and Disaster Mitigation Fund. This bill also increases  
10 the assessment on certain insurance company premiums for the Community  
11 Resilience and Disaster Mitigation Fund.

12 An act relating to the Community Resilience and Disaster Mitigation Fund

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. FINDINGS

15 The General Assembly finds that:

16 (1) Global climate change is a fundamental threat to Vermont's  
17 economy, environment, and way of life.

18 (2) According to the 2018 National Climate Assessment, the  
19 northeastern region of the United States has experienced an increase in more

1 intense precipitation events, particularly in inland flooding of valleys, where  
2 persons, infrastructure, and agriculture tend to be concentrated.

3 (3) The 2021 Vermont Climate Assessment highlights that Vermont has  
4 seen:

5 (A) a 21 percent increase in average annual precipitation since 1990;  
6 and

7 (B) 2.4 additional days of heavy precipitation since the 1960s.

8 (4) Escalating severe weather events and weather extremes, such as  
9 record high temperatures and record rainfall events, have resulted and will  
10 continue to result in increased residential and commercial property losses,  
11 including for structural damage, relocation expenses, and loss of income.

12 (5) According to the Department of Environmental Conservation, 70 to  
13 80 percent of all flood-related damages occur within Vermont's river corridors.

14 (6) According to the Department of Environmental Conservation, only  
15 10 percent of Vermont municipalities, cities, or incorporated villages have  
16 adopted full river corridor protections through the Department's model bylaws.

17 (7) Data from the Federal Emergency Management Agency (FEMA)  
18 Public Assistance Program indicate that Vermont received 14 Major Disaster  
19 Declarations due to flooding, amounting to public infrastructure damages  
20 exceeding \$300,000,000.00 between 2010 and 2019. These costs do not  
21 include damages incurred to private property or those experienced in more

1 localized, severe floods that do not trigger a federal Major Disaster  
2 Declaration.

3 (8) Local governments are on the forefront of responding to these  
4 challenges and possess significant experience and expertise in addressing  
5 them.

6 (9) Although State and federal funding is routinely made available to  
7 help local communities with immediate disaster response needs, there is no  
8 long-term, consistent source of funds to support the investments needed to  
9 prevent disasters from happening and to make local communities more  
10 resilient against future disasters.

11 (10) Making these investments will decrease losses that would otherwise  
12 be largely paid by insurers, and funding for ongoing mitigation efforts should  
13 be related to property and casualty insurance products.

14 Sec. 2. 20 V.S.A. § 48 is added to read:

15 § 48. COMMUNITY RESILIENCE AND DISASTER MITIGATION

16 GRANT PROGRAM

17 (a) Program established. There is established the Community Resilience  
18 and Disaster Mitigation Grant Program to award grants to covered  
19 municipalities to provide support for disaster mitigation activities.

1        (b) Definition. As used in this section, “covered municipality” means a  
2        city, town, fire district or incorporated village, and all other governmental  
3        incorporated units that have adopted the State’s model flood hazard bylaws.

4        (c) Administration; implementation.

5            (1) Grant awards. The Department of Public Safety, in coordination  
6        with the Department of Environmental Conservation, shall administer the  
7        Program, which shall award grants for the following:

8            (A) technical assistance on natural disaster mitigation to  
9        municipalities; and

10          (B) projects that implement disaster mitigation measures, including  
11        watershed restoration and similar activities that directly reduce risks to  
12        communities, lives, and property.

13          (2) Grant Program design. The Department of Public Safety, in  
14        coordination with the Department of Environmental Conservation, shall design  
15        the Program. The Program design shall:

16          (A) establish an equitable system for distributing grants statewide on  
17        the basis of need according to a system of priorities, including the following,  
18        ranked in priority order:

19            (i) projects that meet the standards established by the Department  
20        of Environmental Conservation’s Stream Alteration Rule and Flood Hazard  
21        Area and River Corridor Rule.

1           (ii) projects that use funding as a match for other grants, including  
2 grants from the Federal Emergency Management Agency (FEMA);

3           (iii) projects that are in hazard mitigation plans; and

4           (iv) projects that are geographically located around the State, but  
5 with a priority for projects in communities identified as high on the municipal  
6 vulnerability index, as determined by the Vermont Climate Council;

7           (B) establish guidelines for disaster mitigation measures and costs  
8 that will be eligible for grant funding; and

9           (C) establish eligibility criteria for covered municipalities.

10       Sec. 3. 20 V.S.A. § 49 is added to read:

11       § 49. COMMUNITY RESILIENCE AND DISASTER MITIGATION

12           FUND

13           (a) Creation. There is established the Community Resilience and Disaster  
14 Mitigation Fund to provide funding to the Community Resilience and Disaster  
15 Mitigation Grant Program established in section 48 of this title. The Fund  
16 shall be administered by the Department of Public Safety.

17           (b) Monies in the Fund. The Fund shall consist of:

18               (1) monies appropriated to the Fund; and

19               (2) any amounts deposited into the Fund from the premium assessment  
20 set forth in 32 V.S.A. § 8557.

21           (c) Fund administration.

1           (1) The Commissioner of Finance and Management may anticipate  
2           receipts to this Fund and issue warrants based thereon.

3           (2) The Commissioner of Public Safety shall maintain accurate and  
4           complete records of all receipts by and expenditures from the Fund.

5           (3) All balances remaining at the end of a fiscal year shall be carried  
6           over to the following year.

7           (d) Reports. On or before January 15 each year, the Commissioner of  
8           Public Safety shall submit a report to the House Committee on Environment  
9           and Energy and the Senate Committee on Natural Resources and Energy with  
10           an update on the expenditures from the Fund. For each fiscal year, the report  
11           shall include a summary of each project receiving funding. The provisions of  
12           2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to  
13           be made under this subsection.

14           Sec. 4. COMMUNITY RESILIENCE AND DISASTER MITIGATION  
15                           GRANT PROGRAM; APPROPRIATION

16           In fiscal year 2024, the amount of \$15,000,000.00 in general funds shall be  
17           appropriated to the Community Resilience and Disaster Mitigation Fund  
18           established in 20 V.S.A. § 49.

19           Sec. 5. 32 V.S.A. § 8557 is amended to read:

20           § 8557. ~~VERMONT FIRE SERVICE TRAINING COUNCIL~~ PREMIUM  
21                           ASSESSMENT; INSURANCE COMPANIES

1 (a) Assessment.

2 (1) Annually, on or before July 1, the Commissioner of Financial  
3 Regulation shall impose an assessment totaling not more than \$4,300,000.00  
4 on all insurance companies, writing fire, homeowners multiple peril, allied  
5 lines, farm owners multiple peril, commercial multiple peril (fire and allied  
6 lines), private passenger and commercial auto, and inland marine policies on  
7 property and persons situated within the State of Vermont. Captive companies  
8 shall be excluded from the effect of this section.

9 (2) The Commissioner shall apportion such charges among all such  
10 companies based on the amounts set forth in this section and shall assess them  
11 for the charges on a fair and reasonable basis as a percentage of their gross  
12 direct written premiums on such insurance written during the second prior  
13 calendar year on property situated in the State. The assessment shall be  
14 imposed within 30 days after notice from the Commissioner of Financial  
15 Regulation of such estimated expenses.

16 (3) The Department of Taxes shall collect all assessments under this  
17 section.

18 (4) All administrative provisions of chapter 151 of this title, including  
19 those relating to the collection and enforcement of the income tax by the  
20 Commissioner, shall apply to this section.

1        (b) Vermont Fire Service Training Council. ~~Sums for the expenses of the~~  
2        ~~operation of training facilities and curriculum of the Vermont Fire Service~~  
3        ~~Training Council. An amount~~ not to exceed \$1,200,000.00 per year of the  
4        assessment described in subsection (a) of this section shall be paid to the Fire  
5        Safety Special Fund created by 20 V.S.A. § 3157 ~~by insurance companies,~~  
6        ~~writing fire, homeowners multiple peril, allied lines, farm owners multiple~~  
7        ~~peril, commercial multiple peril (fire and allied lines), private passenger and~~  
8        ~~commercial auto, and inland marine policies on property and persons situated~~  
9        ~~within the State of Vermont within 30 days after notice from the~~  
10       ~~Commissioner of Financial Regulation of such estimated expenses. Captive~~  
11       ~~companies shall be excluded from the effect of this section.~~

12        ~~(2) The Commissioner shall annually, on or before July 1, apportion such~~  
13        ~~charges among all such companies and shall assess them for the charges on a~~  
14        ~~fair and reasonable basis as a percentage of their gross direct written premiums~~  
15        ~~on such insurance written during the second prior calendar year on property~~  
16        ~~situated in the State. The Department of Taxes shall collect all assessments~~  
17        ~~under this section.~~

18        ~~(3) An~~ Of this sum, an amount not less than \$100,000.00 shall be  
19        specifically allocated to the provision of what are now or were formerly  
20        referred to as Level I, units I, II, and III (basic) courses for entry-level  
21        firefighters.



1           ~~(4)~~(c) Emergency Medical Services. An amount not less than  
2           \$150,000.00 of the assessment described in subsection (a) of this section shall  
3           be specifically allocated to the Emergency Medical Services Special Fund  
4           established under 18 V.S.A. § 908 for the provision of training programs for  
5           certified Vermont EMS first responders and licensed emergency medical  
6           responders, emergency medical technicians, advanced emergency medical  
7           technicians, and paramedics.

8           ~~(5) The Department of Health shall present a plan to the Joint Fiscal~~  
9           ~~Committee that shall review the plan prior to the release of any funds.~~

10          ~~(b) All administrative provisions of chapter 151 of this title, including those~~  
11          ~~relating to the collection and enforcement of the income tax by the~~  
12          ~~Commissioner, shall apply to this section.~~

13          (d) Allocation. An amount not less than \$3,000,000.00 of the assessment  
14          described in subsection (a) of this section shall be specifically allocated to the  
15          Community Resilience and Disaster Mitigation Fund established in 20 V.S.A.  
16          § 48.

17          Sec. 6. EFFECTIVE DATE

18          This act shall take effect on passage.