

H.38. An Act Relating to the Membership of the Clean Water Fund Board

Overview and Summary

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- In 2015, the Legislature enacted Act 64--An Act Relating to Improving the Quality of State Waters.
- Act 64 established a Clean Water Fund as a mechanism for financing improvement of water quality.
 - Revenue in the Fund is generated from a surcharge on the Property Transfer Tax.
 - The surcharge is 0.2 percent on the value of property subject to the property transfer tax.
 - The surcharge is repealed in 2018. The State Treasurer reported to the Legislature in January with recommendations for financing water quality improvement in the State.
- Act 64 established a Clean Water Fund Board to recommend to the Secretary of Administration expenditures from the Clean Water Fund.
 - The Secretary of Administration must prioritize the Board's recommendation in the Governor's proposed budget.
 - The Legislature makes the final decision on how monies in the Clean Water Fund are expended.
- The Clean Water Fund Board consists of 5 members, all of whom are State agency heads:
 - the Secretary of Administration or designee;
 - the Secretary of Natural Resources or designee;
 - the Secretary of Agriculture, Food and Markets or designee;
 - the Secretary of Commerce and Community Development or designee; and
 - the Secretary of Transportation or designee.
- There has been concern that the current Board membership does not reflect public interests.

H.512—From 2016

- Last year H.518, as passed by the House and the Senate, authorized addition of 4 members to the Board—2 appointed by the Speaker and 2 appointed by the Committee on Committees.
 - The new members could be members of the public or members of the Legislature.
- Governor Shumlin vetoed H.518. His veto message included the following:

“The makeup of that Board was a known and negotiated part of the overall bill that I signed. The Board was constituted to be an entity with the ability to act thoughtfully and expeditiously to move us towards cleaner water in Vermont. The Board has been in existence for less than a year, and I believe we should give it time to work before we contemplate making any changes. Therefore, I have decided to veto this bill.”

H.38. House Natural Resources, Fish and Wildlife (HNRFW) Proposed Amendment

- The HNRFW Committee proposes to add six members of the public the Clean Water Fund Board.
- The public members would be appointed as follows:
 - The Speaker of the House of Representatives shall appoint three members of the public, one of whom shall be a municipal official.
 - The Committee on Committees shall appoint three members of the public, one of whom shall be a municipal official.
- The amendment also provides that, of the public members appointed to the Board, it is the intent of the General Assembly that at any one time a member representing each of the following major watersheds shall be serving on the Board:
 - i. the Connecticut River watershed;
 - ii. the Hudson River watershed;
 - iii. the Lake Champlain watershed; and
 - iv. the Lake Memphramagog watershed.
- The amendment would authorize per diem compensation to members of the Board who are not otherwise compensated.
- Although legislators are not required to be appointed to the Board, they may be. As a result, the per diem language accounts for a possible legislative appointment and legislative per diem.
- Secretary of Natural Resources Moore testified that the Administration supports addition of 4 public members to the Board.