

1 H.529

2 Introduced by Representatives Webb of Shelburne, Deen of Westminster,

3 McCullough of Williston and Munger of South Burlington

4 Referred to Committee on

5 Date:

6 Subject: Conservation; water resources; water resources preservation program

7 Statement of purpose: This bill proposes to establish a water resources
8 preservation program to provide financial assistance and technical support to
9 projects or activities designed to achieve one or more of the following:
10 improve the water quality of waters of the state, prevent, mitigate against, or
11 repair flood damage, or provide reasonable assurances regarding the
12 implementation of total maximum daily load plans. The bill would establish a
13 fee, known as the water resources preservation fee, on developed property and
14 property used for farming for the support of the water resources preservation
15 program. The fee on developed property would be assessed in proportion to
16 the property's area of impervious surface. The fee on property used for
17 farming would be assessed in proportion to the property's area of farmstead.

18 An act relating to establishing a water resources preservation program

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

1 Sec. 1. 10 V.S.A. chapter 47, subchapter 1A is added to read:

2 Subchapter 1A. Water Resources Preservation Program

3 § 1291. WATER RESOURCES PRESERVATION PROGRAM;

4 ESTABLISHMENT

5 (a) There is established a water resources preservation program to provide
6 financial assistance and technical support to projects or activities designed to
7 achieve one or more of the following: improve the water quality of waters of
8 the state, prevent, mitigate against, or repair flood damage, or provide
9 reasonable assurances regarding the implementation of total maximum daily
10 load plans. The natural resources board shall, after notice and opportunity for
11 hearing, provide for the development, implementation, and monitoring of the
12 water resources preservation program by one or more entities appointed or
13 contracted by the board for these purposes.

14 (b) Under the water resources preservation program, the entity appointed or
15 contracted by the board shall provide grants or loans to municipalities or
16 private entities to:

17 (1) implement best management practices (BMPs), as that term is
18 defined in 10 V.S.A. § 1264, designed to intercept, infiltrate, or evaporate
19 stormwater from the built environment;

20 (2) implement BMPs designed to improve the quantity and quality of
21 stormwater runoff from agricultural operations;

1 (3) implement BMPs or other measures in unimpaired waters in order to
2 comply with the antidegradation policy in the water quality standards and rules
3 to implement such policy;

4 (4) construct, renovate, replace, or repair transportation and other
5 infrastructure in response to flood damage, to prevent future flood damage, to
6 address size or capacity limitations, or in order to improve water quality;

7 (5) implement river corridor protection measures, streambank
8 stabilization, and channel improvements to repair flood damage, reduce flood
9 threat, or improve water quality or flood resiliency;

10 (6) monitor or assess previous or ongoing water quality or flood
11 response programs;

12 (7) conduct education and outreach activities regarding the need for and
13 benefits of water quality restoration, best management practices to reduce
14 water quality impacts, the construction or repair of infrastructure related to
15 water quality, and flood hazard management, including activities necessary to
16 fulfill the education and outreach requirements or obligations of municipalities
17 subject to the municipal separate storm sewer requirements under the federal
18 Clean Water Act.

19 (c) The entity contracted with or appointed by the board under subsection
20 (a) of this section shall, after consultation with the agency of natural resources,
21 develop standards for the collection and management of data related to water

1 quality, compliance with a watershed-based plan, and management of water
2 quality infrastructure. Implementation of such standards shall be a mandatory
3 condition of all grants and loans awarded under this subchapter.

4 § 1292. WATER RESOURCES PRESERVATION FEE

5 (a)(1) The natural resources board, under section 6025 of this title, shall
6 establish by rule a fee, known as the water resources preservation fee, on all
7 developed property and property used for farming for the support of the water
8 resources preservation program and its purposes as set forth under section 1291
9 of this title. Property exempt from taxation under 32 V.S.A. § 3802 or
10 32 V.S.A. chapter 135 or by municipal vote shall not be exempt from
11 assessment of the fee under this section. The fee on developed property shall
12 be assessed in proportion to the property's area of impervious surface. The fee
13 on property used for farming shall be assessed in proportion to the property's
14 area of farmstead.

15 (2) The rules adopted under this section may:

16 (A) authorize a reduced fee if developed property has implemented
17 BMPs authorized by the secretary.

18 (B) authorize a reduced fee if property used for farming is subject to
19 a U.S. Department of Agriculture Natural Resources Conservation Service
20 conservation plan that includes an updated and current implementation
21 schedule.

1 (C) authorize a fee structure that includes a default fee or is graduated
2 based on the amount of land assessed.

3 (D) provide for exemptions from the fee.

4 (b)(1) Beginning on July 1, 2014, the water resources preservation fee shall
5 be assessed and collected as part of the tax bill issued under 32 V.S.A.
6 § 5402(b). The treasurer of each municipality shall remit the collected water
7 resources preservation fees to the state treasurer in two payments due on
8 December 1 and June 1 of each year for deposit in the water resources
9 preservation fund. The department of taxes shall specify the form or format
10 for the remission of the collected fees.

11 (2)(A) Except as set forth in subdivision (2)(B) of this subsection, a
12 municipality remitting fees under this section may retain 0.225 of one percent
13 of the total fees collected, only upon timely remittance of net payment to the
14 state treasurer.

15 (B) A municipality remitting fees under this section may retain 0.450
16 of one percent of the total fees collected, only upon timely remittance of net
17 payment to the state treasurer if:

18 (i) the municipality has established or is a member of a system
19 or utility under 24 V.S.A. chapter 97 for the treatment or disposal
20 of stormwater; or

1 (ii) the municipality has enacted zoning bylaws, a municipal
2 ordinance, or other mechanism that the secretary approves as equivalent to a
3 system or utility established under 24 V.S.A. chapter 97.

4 (c) As used in this section, "farmstead" means a farm dwelling together
5 with other buildings, structures, production areas, animal confinement areas, or
6 impervious surface located upon a parcel of land used primarily for farming, as
7 that term is defined in subdivision 6001(22) of this title.

8 § 1293. WATER RESOURCES PRESERVATION FUND

9 (a) There is hereby established in the state treasury a special fund to be
10 known as the water resources preservation fund, to be administered and
11 expended by the secretary of natural resources to fund the water resources
12 preservation program. The secretary may authorize disbursement or
13 expenditures from the fund for the purposes of the water resources program set
14 forth in section 1291 of this title.

15 (b) There shall be deposited into the fund:

16 (1) the water resources preservation fees remitted to the state under
17 section 1292 of this title;

18 (2) private gifts, bequests, grants, or donations made to the state from
19 any public or private source for the purposes for which the fund was
20 established; and

21 (3) such sums as may be appropriated by the general assembly.

1 (c) Interest earned by the fund shall be credited and deposited to the fund.

2 All balances in the fund at the end of the fiscal year shall be carried forward

3 and remain a part of the fund.

4 § 1294. PRIORITY AWARD

5 (a) Subject to any requirements adopted under subsection (c) of this
6 section, awards from the water resources preservation fund shall in each fiscal
7 year be allocated according to the following priorities and as further defined by
8 the natural resources board by rule under section 1293 of this title:

9 (1) First priority shall be given to proposed projects to address or repair
10 riparian conditions that increase the risk of flooding or pose a threat to life or
11 property.

12 (2) Next priority shall be given to proposed projects or programs to
13 address areas of high risk of pollution or high loading of sediment to a water
14 listed as impaired on the list of waters required by 33 U.S.C. § 1313(d).

15 (3) Next priority shall be given to other projects implementing a total
16 maximum daily load plan in a water listed as impaired on the list of waters
17 required by 33 U.S.C. § 1313(d).

18 (4) Next priority shall be given to projects or programs to address areas
19 of high risk of pollution or high loading of sediment to an unimpaired water.

20 (b) The entity appointed or contracted by the board under section 1291 of
21 this title may award financial assistance under this subchapter for a project or

1 program which otherwise would not receive assistance under the priorities
2 established by this section when the entity determines a severe risk to water
3 quality or risk of discharge exists which requires immediate abatement.

4 (c) The natural resources board shall adopt rules requiring equity in the
5 distribution of awards under this section among geographic areas, service
6 sectors, and land use categories.

7 Sec. 2. 10 V.S.A. § 6025 is amended to read:

8 § 6025. RULES

9 (a) The board may adopt rules of procedure for the panels, the district
10 commissions, and the board itself.

11 * * *

12 (d) The water resources panel may adopt rules, in accordance with the
13 provisions of ~~chapter 25 of Title 3~~ V.S.A. chapter 25, in the following areas:

14 (1) Rules governing surface levels of lakes, ponds, and reservoirs that
15 are public waters of Vermont.

16 (2) Rules regarding classification of the waters of the state, in
17 accordance with chapter 47 of this title.

18 (3) Rules regarding the establishment of water quality standards, in
19 accordance with chapter 47 of this title.

