

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Fish, Wildlife & Water Resources to which was referred  
3 House Bill No. 650 entitled “An act relating to establishing the Ecosystem  
4 Restoration and Water Quality Improvement Special Fund” respectfully  
5 reports that it has considered the same and recommends that the bill be  
6 amended by striking out all after the enacting clause and inserting in lieu  
7 thereof the following:

8 Sec. 1. 10 V.S.A. § 1264d is added to read:

9 § 1264d. ECOSYSTEM RESTORATION AND WATER QUALITY

10 IMPROVEMENT SPECIAL FUND

11 (a) Purpose. The federal and State requirements for the permitting of  
12 Municipal Separate Storm Sewer Systems (MS4) require certain communities  
13 to collect water flow and precipitation data at monitoring stations on  
14 stormwater-impaired waters in order to demonstrate compliance with  
15 stormwater Total Maximum Daily Load allocations. The costs, equipment,  
16 and expertise to conduct monitoring can be prohibitive to individual  
17 communities. The establishment of the Ecosystem Restoration and Water  
18 Quality Improvement Special Fund is intended to ensure municipal compliance  
19 with the monitoring requirements for MS4 communities while reducing the  
20 fiscal and other pressures on these communities.

1        (b) Creation of fund; purpose. There is created an Ecosystem Restoration  
2        and Water Quality Improvement Special Fund, to be managed in accordance  
3        with the requirements of 32 V.S.A. chapter 7, subchapter 5, and to be  
4        administered by the Secretary of Natural Resources. The Ecosystem  
5        Restoration and Water Quality Improvement Special Fund shall be used to  
6        provide assistance to municipalities in fulfilling the monitoring, education, and  
7        other requirements of the MS4 permitting program. The Secretary is  
8        authorized to collect monies for the Fund and to make disbursements from the  
9        Fund directly related to the Secretary's oversight of monitoring required under  
10       the MS4 program.

11       (c) Participation by municipalities.

12       (1) A municipality may through a memorandum of understanding  
13       (MOU) with the Secretary of Natural Resources agree to contribute to the  
14       Ecosystem Restoration and Water Quality Improvement Special Fund to  
15       perform the monitoring and other data collection that a municipality is required  
16       to conduct under the MS4 permitting program. Under the MOU, a  
17       municipality shall commit to contribute to the Fund the municipalities share of  
18       funding required by the Agency of Natural Resources to perform MS4  
19       monitoring and provide oversight and administration. Memoranda of  
20       understanding shall serve to coordinate funding and work among

1 municipalities, the State, and any entity contracted with by a municipality or  
2 the State for the purposes of improving water quality.

3 (2) At a minimum, each memorandum of understanding developed  
4 under this section shall contain the following:

5 (A) the purpose of the memorandum of understanding;

6 (B) a description of the work to be performed under the  
7 memorandum of understanding;

8 (C) a description of how the coordinated work proposed under the  
9 memorandum of understanding will improve water quality;

10 (D) the entities eligible to participate under the memorandum of  
11 understanding; and

12 (E) the amount of required contribution by the entity, based on a  
13 funding formula developed in consultation with entities eligible to participate  
14 in the program.

15 (3) A memorandum of understanding developed under this section shall  
16 be posted on the Agency website and subject to a comment period of not less  
17 than 30 days.

18 (4) All participating entities, and the Agency, shall sign any final  
19 memoranda of understanding.

20 (d) Fund proceeds.

1           (1) The Ecosystem Restoration and Water Quality Improvement Special

2           Fund Deposits shall consist of:

3                   (A) payment of costs by participating MS4 communities;

4                   (B) monies appropriated by the General Assembly; and

5                   (C) any other source, public or private.

6           (2) Unexpended balances and interest earned on the Fund shall be

7           retained in the Fund for use in accordance with the purposes of the Fund.

8           (e) Fund accounts; expenditures.

9           (1) The Secretary shall maintain separate accounts within the Ecosystem

10          Restoration and Water Quality Improvement Special Fund for each

11          memorandum of understanding. The Secretary may establish within the Fund

12          an account for the purpose of conducting education and outreach related to

13          improvements to water quality.

14          (2) Expenditures from an account shall be limited to the purposes

15          established by the memorandum of understanding associated with that account.

16          The Secretary is prohibited from disbursing funds on behalf of an entity that

17          failed to contribute its assigned allocation pursuant to the funding formula

18          established by the Secretary or for any purpose not associated with that

19          account.

20          Sec. 2. EFFECTIVE DATE

21          This act shall take effect on July 1, 2014.

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7 (Committee vote: \_\_\_\_\_)

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Representative [surname]

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FOR THE COMMITTEE