

**No. 97. An act relating to administering, implementing, and financing water quality improvement in Vermont.**

(S.215)

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

Sec. 1. AGENCY OF NATURAL RESOURCES RECOMMENDATIONS  
FOR ADMINISTERING, IMPLEMENTING, AND FINANCING  
WATER QUALITY IMPROVEMENT

(a) Findings. The General Assembly finds and declares:

(1) Clean water is a key factor in Vermont's quality of life.

(2) Preserving, protecting, and restoring the water quality of surface waters are necessary for the clean water, recreation, economic opportunity, wildlife habitat, and ecological value that such waters provide.

(3) The State currently is subject to multiple requirements to respond to, remediate, and prevent water quality problems, including implementation of a total maximum daily load (TMDL) plan for Lake Champlain; a pending TMDL for the Connecticut River; a pending TMDL for Lake Memphremagog; and implementation of 15 TMDLs for stormwater-impaired waters throughout the State.

(4) All waters of the State are at risk of pollution or impairment, and under State and federal law, Vermont is required to prevent impairment or degradation of these waters. In 2007, the General Assembly required the Agency of Natural Resources to adopt by July 2008 rules implementing anti-degradation in the State, but the rules have not yet been adopted.

(5) Responding to the multiple water quality requirements to which the State is subject requires a long-term work plan to identify and prioritize necessary State action to improve water quality, but the State currently lacks such a plan.

(6) Significant financial resources will also be required to respond adequately to the multiple water quality requirements in the State, but the State currently lacks the funding necessary to respond adequately and in a timely way to the demands for remediation and water quality protection.

(7) To address how the State should pursue the implementation, administration, and financing of water quality programs in Vermont, the General Assembly enacted 2012 Acts and Resolves No. 138 (Act 138), which required the Secretary of Natural Resources to report to the General Assembly regarding how the State should fund statewide and localized water quality remediation and conservation efforts.

(8) Specifically, the Act 138 report required the Secretary of Natural Resources to recommend:

(A) funding sources or a funding mechanism or mechanisms for ongoing water quality efforts in the State; and

(B) how to design, implement, and administer water quality programs in the State.

(9) The Secretary of Natural Resources submitted the Act 138 report to the Vermont General Assembly on January 13, 2012. However, the Act 138

report did not include recommendations from the Secretary of Natural Resources. Instead, the Act 138 report listed: 19 categories of water quality needs, each with multiple proposed necessary actions; 16 possible financial tools for generating additional revenue for water quality; and eight options for administering a statewide water quality program.

(10) After receipt of the Act 138 report, the General Assembly faced the task of sifting through variations or permutations of the multiple actions, financial tools, and administration options available for water quality programs in the State; a task the General Assembly intended to avoid when it required the Secretary of Natural Resources to issue the Act 138 report.

(b) Purpose. The purpose of this act is to require the Agency of Natural Resources, as the State agency with expertise in the water quality science, environmental response, environmental remediation, and administration of environmental and natural resources programs, to provide the General Assembly with specific, detailed recommendations for strategic investments, the implementation of which is necessary in the next five to 10 years in order to preserve, protect, and remediate existing water quality problems while also preventing future impairment or degradation of State waters.

(c) Report. On or before April 15, 2014, the Secretary of Natural Resources shall submit to the Senate Committee on Natural Resources and Energy, the House Committee on Fish, Wildlife and Water Resources, and the Senate and House Committees on Appropriations a report that provides

specific recommendations for administering, implementing, and financing water quality improvement in Vermont. The report shall:

(1) Identify five priority actions that the State must address in the next 10 years in order to improve water quality in the State, including a summary of the water quality benefit of each action, why the identified actions are necessary, and why they should be prioritized over other actions.

(2) Recommend at least two proposals for financing water quality improvement programs in the State. The recommended financing options should be sufficient to fund implementation of the five priority actions identified in subdivision (1) of this subsection. The report shall include an estimate of the amount of revenue that each recommended financing proposal would generate.

(3) Summarize how the Agency of Natural Resources will administer, implement, and oversee implementation of the five priority actions identified in subdivision (1) of this subsection, including:

(A) how the Agency will restructure itself or reassign staff to assure completion of the priority actions; and

(B) how the Agency will respond to and work collaboratively with the public in implementing the five priority actions.

(4) Recommend a specific process by which water quality priorities, in addition to those identified in subdivision (1) of this subsection, will be addressed and financed.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

Date on which Governor allowed bill to become law without his signature:

March 27, 2014