

House Calendar

Friday, April 11, 2014

95th DAY OF THE ADJOURNED SESSION

House Convenes at 9:30 a.m.

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ACTION CALENDAR

Third Reading

H. 891

An act relating to the authority of the Secretary of Agriculture, Food and Markets to respond to and remediate potential public health hazards

Favorable

S. 100

An act relating to forest integrity

Rep. Malcolm of Pawlet, for the Committee on **Natural Resources and Energy**, recommends that the bill ought to pass in concurrence.

(Committee Vote: 11-0)

(For text see Senate Journal March 19, 2014)

Senate Proposal of Amendment

H. 584

An act relating to municipal regulation of parking lots and meters

The Senate proposes to the House to amend the bill as follows:

In Sec. 2, 24 V.S.A. § 2291, in subdivision (26), at the end of the second sentence, after “land necessary for such projects” by inserting subject to the restrictions set forth in section 2805 of this title and 18 V.S.A. § 5318

(For text see House Journal March 13, 2014)

H. 631

An act relating to lottery commissions

The Senate proposes to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LOTTERY COMMISSION BONUS

(a) Under the State Lottery Commission Lottery Rules and Regulations, the Lottery Commission shall pay a one percent bonus payment to licensed lottery agents who sell any draw game ticket that wins at least \$10,000.00. The one percent bonus payment shall not exceed \$30,000.00, and payment shall be made to lottery agents once the draw game results become official, regardless of whether the ticket is claimed or unclaimed.

(b) On or before July 1, 2015, the Executive Director of the Lottery Commission shall amend the State Lottery Commission Lottery Rules and Regulations to be consistent with the requirements of subsection (a) of this section.

Sec. 2. REPEAL

Sec. 1(a) of this act shall be repealed 45 days after such time as the Lottery Commission has issued a rule updating the State Lottery Commission Lottery Rules and Regulations.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

(For text see House Journal February 28, 2014)

H. 872

An act relating to the State's Transportation Program and miscellaneous changes to the State's transportation laws

The Senate proposes to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

* * * Transportation Program; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation's proposed fiscal year 2015 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2015 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Secretary" means the Secretary of Transportation.

(3) The table heading "As Proposed" means the Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; and the term "change" or "changes" in the text refers to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading.

(4) "TIB funds" or "TIB" refers to monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

* * * Program Development – Funding Sources * * *

Sec. 2. PROGRAM DEVELOPMENT – FUNDING

Spending authority in the Program Development program is modified in accordance with this section. Among projects selected in the Secretary’s discretion, the Secretary shall:

(1) reduce project spending authority in the total amount of \$1,500,000.00 in TIB funds; and

(2) increase project spending authority in the total amount of \$1,500,000.00 in transportation funds.

* * * Paving Program * * *

Sec. 3. PROGRAM DEVELOPMENT—PAVING

Spending authority for the statewide–district leveling activity within the Program Development—Paving Program is amended to read:

<u>FY14</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	0	0	0
Construction	6,000,000	6,084,089	84,089
Total	6,000,000	6,084,089	84,089
<u>Sources of funds</u>			
State	6,000,000	6,084,089	84,089
TIB	0	0	0
Federal	0	0	0
Total	6,000,000	6,084,089	84,089

Sec. 4. SUPPLEMENTAL PAVING SPENDING

(a) Notwithstanding 32 V.S.A. § 706 and the limits on program, project, or activity spending authority approved in the fiscal year 2014 and 2015 Transportation Programs, the Secretary, with the approval of the Secretary of Administration and subject to the provisions of subsection (b) of this section, may transfer Transportation Fund appropriations, other than appropriations for the Town Highway State Aid, Structures, and Class 2 roadway programs, to the Program Development (8100001100) – Paving appropriation, for the specific purpose of improving the condition of selected State highways and Class 1 town highways that have incurred damage caused by winter weather of 2013–2014.

(b) If a contemplated transfer of an appropriation would, by itself, have the effect of significantly delaying the planned work schedule of a project which formed the basis of the project's funding in the fiscal year of the contemplated transfer, the Secretary shall submit the proposed transfer for approval by the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, by the Joint Transportation Oversight Committee. In all other cases, the Secretary may execute the transfer, giving prompt notice thereof to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, to the Joint Transportation Oversight Committee.

(c) This section shall expire on June 30, 2015.

* * * Supplemental Appropriation; Amendment * * *

Sec. 5. 2014 Acts and Resolves No. 95, Sec. 53 is amended to read:

Sec. 53. TRANSPORTATION – SUPPLEMENTAL APPROPRIATION

(a) The following is appropriated in fiscal year 2014 to the Agency of Transportation:

Transportation Fund	\$1,626,284
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(b) The funds appropriated in subsection (a) of this section are authorized for appropriation and expenditure at the discretion of the Secretary of Transportation as follows:

(1) To the Transportation – maintenance State system appropriation (8100002000) for the specific purpose of excessive winter maintenance costs caused by winter weather of 2013–2014.

(2) To the Transportation – program development appropriation (8100001100) paving program for the specific purpose of improving the condition of State highways and Class 1 town highways that have incurred damage caused by winter weather of 2013–2014.

(c) The Secretary shall report in July 2014 to the Joint Transportation Oversight Committee on the appropriation and expenditure authorized in subsection (b) of this section.

* * * Supplemental Winter Maintenance Spending * * *

Sec. 6. SUPPLEMENTAL WINTER MAINTENANCE SPENDING

(a) Notwithstanding 32 V.S.A. § 706 and the limits on program, project, or activity spending authority approved in the Fiscal Year 2014 Transportation Program, the Secretary, with the approval of the Secretary of Administration

and subject to the provisions of subsection (b) of this section, may transfer up to \$3,000,000.00 in Transportation Fund appropriations, other than appropriations for the Town Highway State Aid, Structures, and Class 2 Roadway Programs, to the Transportation – maintenance state system appropriation (8100002000) for the specific purpose of paying for excessive winter maintenance costs caused by winter weather of 2013–2014.

(b) If a contemplated transfer of an appropriation would, by itself, have the effect of significantly delaying the planned work schedule of a project, the Secretary shall submit the proposed transfer for approval by the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, by the Joint Transportation Oversight Committee. In all other cases, the Secretary may execute the transfer, giving prompt notice thereof to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, to the Joint Transportation Oversight Committee.

(c) This section shall expire on June 30, 2014.

* * * Transportation Buildings * * *

Sec. 7. TRANSPORTATION BUILDINGS; INTERSTATE MAINTENANCE DEPOTS

The following project is added to the Transportation Buildings Program within the fiscal year 2015 Transportation Program: Statewide Interstate Maintenance Depots (study of feasibility of conversion of closed rest areas to statewide interstate maintenance depots).

* * * Program Development – Safety and Traffic Operations * * *

Sec. 8. PROGRAM DEVELOPMENT – SAFETY AND TRAFFIC OPERATIONS

The following project is added to the candidate list of the Program Development – Safety and Traffic Operations Program within the fiscal year 2015 Transportation Program: Woodford—Searsburg—VT9 Truck Chain Up Areas (areas for trucks to pull off the traveled way in order to install chains).

* * * Rail * * *

Sec. 9. RAIL

(a) The following project is added to the Rail Program: Leicester–New Haven (upgrade track to continuously welded rail on the Vermont Railway Northern Subdivision from Leicester mile post 76.99 to New Haven mile post 93.48).

(b) The Agency is encouraged to apply for a federal discretionary grant to cover, in whole or in part, the cost of the Leicester–New Haven project. In the event the State is awarded a grant for this project, authority to spend the federal grant funds is added to the fiscal year 2015 Transportation Program—Rail Program and the amount of federal funds awarded is appropriated to the fiscal year 2015 Transportation Program—Rail Program.

Sec. 10. RAILROAD BRIDGE LOAD RATINGS

(a) Notwithstanding 32 V.S.A. § 706 and the limits on program, project, or activity spending authority approved in the Fiscal Year 2015 Transportation Program, the Secretary, with the approval of the Secretary of Administration and subject to the provisions of subsection (b) of this section, may transfer up to \$3,000,000.00 in Transportation Fund appropriations, other than appropriations for the Town Highway State Aid, Structures, and Class 2 Roadway Programs, to the Transportation – rail appropriation (8100002300) for the specific purpose of paying for improvements to State-owned railroad bridges to address insufficient load ratings if necessary to maintain rail service at current levels.

(b) If a contemplated transfer of an appropriation would, by itself, have the effect of significantly delaying the planned work schedule of a project, the Secretary shall submit the proposed transfer for approval by the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, by the Joint Transportation Oversight Committee. In all other cases, the Secretary may execute the transfer, giving prompt notice thereof to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, to the Joint Transportation Oversight Committee.

(c) This section shall expire on June 30, 2015.

* * * Authorization of Positions * * *

Sec. 11. AUTHORIZATION OF POSITIONS

(a) Sixteen limited service positions at the Agency shall be converted to permanent classified positions on July 1, 2015.

(b) The Agency is authorized to establish three new permanent classified positions to carry out the Local Technical Assistance Program created pursuant to Sec. 12 of this act.

* * * Local Technical Assistance Program * * *

Sec. 12. TOWN HIGHWAY VERMONT LOCAL ROADS; LOCAL TECHNICAL ASSISTANCE PROGRAM

(a) On or before June 30, 2015, the Agency shall complete a transition of the Vermont Local Roads Program from a grant program operated by grantee Saint Michael's College to a program operated by the Agency's Vermont Transportation Training Center. The Agency shall continue to offer the Vermont Local Roads Program a grant agreement until at least April 15, 2015.

(b) In making the transition, the Agency shall create a Local Technical Assistance Program (LTAP or Program) within the Agency's Vermont Transportation Training Center. Consistent with the history of services provided by the Vermont Local Roads Program, the purpose of the LTAP will be to provide transportation-related technical assistance and training for municipalities, including workshops, technology demonstrations, computer training, distance learning, seminars, and field and classroom instruction. If it is legally permissible for the LTAP to use the name Vermont Local Roads, the Agency may continue to use that name.

(c)(1) Upon completion of the transition described in this section, the Town Highway Vermont Local Roads Program within the Agency's proposed fiscal year 2015 Transportation Program shall be renamed the Local Technical Assistance Program.

(2) Funding for the Vermont Local Roads Program approved and appropriated by the General Assembly for fiscal year 2015 that is unexpended by Vermont Local Roads Program shall be used for operating expenses of the LTAP.

(d) In carrying out the Local Technical Assistance Program, the Agency shall:

(1) offer the same or substantially similar courses as were offered by the Vermont Local Roads Program, as long as demand from municipalities justifies continuing such course offerings;

(2) offer courses in multiple locations throughout the State, to a similar or greater extent than the Vermont Local Roads Program offered courses throughout the State; and

(3) continue providing municipalities the support functions that the Vermont Local Roads Program provided, including facilitating list serves, issuing informational newsletters, providing technical assistance consultation, maintaining a website, and supporting cooperation and communication among municipal transportation officials and employees.

(e)(1) On or before January 15, 2015, the Agency shall provide the House and Senate Committees on Transportation an LTAP work plan for fiscal year 2016 detailing how the Program will accomplish the requirements set forth in

subsection (d) of this section.

(2) Prior to submitting the work plan required under subdivision (1) of this subsection to the Committees, the Agency shall:

(A) in consultation with the Vermont League of Cities and Towns and any other person the Agency deems appropriate, solicit from all Vermont towns, villages, and cities recommendations on:

(i) how the LTAP can provide effective municipal transportation-related technical assistance and training; and

(ii) new training, technical assistance, or support functions that could be provided through the LTAP.

(B) consider the input and recommendations received from municipalities in developing the LTAP work plan.

Sec. 13. 19 V.S.A. § 318 is added to read:

§ 318. LOCAL TECHNICAL ASSISTANCE PROGRAM; INPUT FROM MUNICIPALITIES

(a) Prior to submitting a fiscal year Local Technical Assistance Program (LTAP) work plan to the Federal Highway Administration for approval, the Agency shall, in consultation with the Vermont League of Cities and Towns and any other person the Agency deems appropriate, solicit from all Vermont towns, villages, and cities:

(1) input on whether the Agency is providing effective municipal transportation-related technical assistance and training through the LTAP;

(2) recommendations on how to improve the Agency's operation of the LTAP; and

(3) recommendations for new training, technical assistance, or support functions to be provided through the LTAP.

(b) The Agency shall consider the input and recommendations received from municipalities in developing its annual LTAP work plan.

(c) Upon request, the Agency shall provide the Vermont League of Cities and Towns administrative support in soliciting and collecting municipal input and recommendations.

* * * Central Garage * * *

Sec. 14. TRANSFER TO CENTRAL GARAGE FUND

Notwithstanding 19 V.S.A. § 13(c), in fiscal year 2015, the amount of \$1,120,000.00 is transferred from the Transportation Fund to the Central

Garage Fund created in 19 V.S.A. § 13.

* * * Cancellation of Projects * * *

Sec. 15. CANCELLATION OF PROJECTS

Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following projects:

(1) Program Development – State Highway Bridges:

(A) Chester ER 016-1(31) (rehabilitation of VT 11 BR 43);

(B) Colchester BF 028-1(29) (development and evaluation);

(C) Enosburg BF 027-1(24) (replacement of VT 108 BR 49);

(D) Richford STP 034-2()S (replacement of culvert on VT 105 BR 37);

(2) Program Development – Town Highway Bridges:

(A) Bethel BO 1444() (TH 19 BR 35);

(B) Brownington BRO 1449(32) (TH 39 BR 18);

(C) Jamaica BRO 1442(37) (TH 33 BR 31);

(D) Reading BO 1444() (TH 54 BR 28);

(E) Stockbridge BO 1444() (TH 51 BR 30);

(F) Wheelock TH3 9644 (TH 17 BR 20);

(3) Rail – Development and Evaluation: Rutland WCRS(21) (Railyard Relocation).

(4) Rest Areas: Derby IM 091-3(8) (expansion of Derby I-91 rest area).

* * * Discretionary Federal Grants * * *

Sec. 16. 19 V.S.A. § 7(k) is amended to read:

(k) Upon being apprised of the enactment of a federal law which makes provision for a federal earmark or the award of a discretionary federal grant for a transportation project within the State of Vermont, the Agency shall promptly notify the members of the House and Senate Committees on Transportation and the Joint Fiscal Office. Such notification shall include all available summary information regarding the terms and conditions of the federal earmark or grant. ~~For purposes of~~ As used in this section, federal earmark means a congressional designation of federal aid funds for a specific transportation project or program. When the General Assembly is not in

session, upon obtaining the approval of the Joint Transportation Oversight Committee, the Agency is authorized to add new projects to the transportation program in order to secure the benefits of federal earmarks or discretionary grants.

* * * Acceptance of Grants * * *

Sec. 17. 32 V.S.A. § 5 is amended to read:

§ 5. ACCEPTANCE OF GRANTS

(a) No original of any grant, gift, loan, or any sum of money or thing of value may be accepted by any agency, department, commission, board, or other part of State government except as follows:

(1) All such items must be submitted to the Governor who shall send a copy of the approval or rejection to the Joint Fiscal Committee through the Joint Fiscal Office together with the following information with respect to said items:

(A) the source of the grant, gift, or loan;

(B) the legal and referenced titles of the grant;

(C) the costs, direct and indirect, for the present and future years related to such a grant;

(D) the department and/or program which will utilize the grant;

(E) a brief statement of purpose;

(F) impact on existing programs if grant is not accepted.

(2) The Governor's approval shall be final unless within 30 days of receipt of such information a member of the Joint Fiscal Committee requests such grant be placed on the agenda of the Joint Fiscal Committee, or, when the General Assembly is in session, be held for legislative approval. In the event of such request, the grant shall not be accepted until approved by the Joint Fiscal Committee or the Legislature. The 30-day period may be reduced where expedited consideration is warranted in accordance with adopted Joint Fiscal Committee policies. During the legislative session, the Joint Fiscal Committee shall file a notice with the House and Senate clerks for publication in the respective calendars of any grant approval requests that are submitted by the administration.

(3) This section shall not apply to the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less, or to the acceptance by the Department of Forests, Parks and Recreation of grants, gifts, donations, loans, or other things of value with a value of

\$15,000.00 or less, provided that such acceptance will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities. The Secretary of Administration and Joint Fiscal Office shall be promptly notified of the source, value, and purpose of any items received under this subdivision. The Joint Fiscal Office shall report all such items to the Joint Fiscal Committee quarterly.

(4) With respect to acceptance of the original of a federal transportation earmark or of a discretionary federal grant for a transportation project, the provisions of subdivisions (a)(1) and (a)(2) shall apply, except that in addition:

(A) notification of the Governor's approval or rejection shall also be made to the Chairs of the House and Senate Committees on Transportation; and

(B) such grant or earmark shall be placed on the agenda, and shall be subject to the approval, of a committee comprising the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation, if one of the Chairs or a member of the Joint Fiscal Committee so requests.

* * *

* * * State Highways; Detours * * *

Sec. 18. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The ~~agency~~ Agency shall, except where otherwise specifically provided by law:

* * *

(3) Exercise general supervision of all transportation functions, have the right to direct traffic on all ~~state~~ State highways which are under construction and maintenance, and may close all or any part of a ~~state~~ State highway which is under construction or repair. ~~The agency shall properly mark sections of highway which are closed to traffic, and shall~~ Agency shall maintain detours comprising State or town highways, or both, around closed sections planned closures of State highways in excess of 72 hours. If the Agency maintains a detour on a town highway, it shall be responsible for repairing any damage to the town highway caused by the detoured traffic.

* * *

Sec. 19. 23 V.S.A. § 1006a is amended to read:

§ 1006a. HIGHWAYS; EMERGENCY CLOSURE

(a) The ~~traffic committee~~ Traffic Committee may close any part or all of any ~~state~~ State highway to public travel to protect the health, safety, or welfare of the public. In such event, the ~~agency of transportation shall properly mark and~~ Agency may maintain a detour comprising State or town highways, or both, around the closed section. If the Agency maintains a detour on a town highway, it shall be responsible for repairing any damage to the town highway caused by the detoured traffic.

* * *

* * * Surplus Property * * *

Sec. 20. 19 V.S.A. § 26 is amended to read:

§ 26. PURCHASE AND SALE OF PROPERTY

(a)(1) Subject to subsection (b) of this section:

(A) The Agency may purchase or lease any land, taking conveyance in the name of the ~~state~~ State, when land is needed in connection with the layout, construction, repair, and maintenance of any State highway, or the reconstruction of the highway.

(B) The Agency may acquire or construct buildings necessary for use in connection with this work.

(C) When any of the land or the buildings acquired or the buildings constructed become no longer necessary for these purposes, the Agency may sell or lease the property.

(2) The proceeds from any sale or lease shall be deposited in the Transportation Fund ~~and, unless otherwise required by federal law or regulation, shall be credited to transportation buildings to be used for transportation building projects previously authorized by the General Assembly.~~

* * *

* * * Consolidated Transportation Report * * *

Sec. 21. FINDINGS

The General Assembly finds:

(1) Timely access to accurate and comprehensive information about the State's transportation system and the Agency's activities is necessary for the House and Senate Committees on Transportation to carry out their oversight functions and to develop transportation policy.

(2) Under current law, the Committees receive such information in several different reports.

(3) Requiring the Agency to submit one consolidated transportation system and activities report will facilitate the oversight and policy-setting work of the Committees and better enable the public to evaluate the State's transportation system and the Agency's activities.

Sec. 22. 19 V.S.A. § 42 is amended to read:

§ 42. REPORTS PRESERVED; CONSOLIDATED TRANSPORTATION REPORT

(a) Notwithstanding 2 V.S.A. § 20(d), the reports or reporting requirements of this section and sections 7(k), 10b(d), ~~10e(k), 10e(l), 10e(e)~~, 10g, 11f(i), 12a, and 12b(d) of this title shall be preserved absent specific action by the General Assembly repealing the reports or reporting requirements.

(b) Annually, on or before January 15, the Agency shall submit a consolidated transportation system and activities report to the House and Senate Committees on Transportation. The report shall consist of:

(1) Financial and performance data of all public transit systems, as defined in 24 V.S.A. § 5088(6), that receive operating subsidies in any form from the State or federal government, including subsidies related to the Elders and Persons with Disabilities Transportation Program for service and capital equipment. This component of the report shall:

(A) be developed in cooperation with the Public Transit Advisory Council;

(B) be modeled on the Federal Transit Administration's National Transit Database Program with such modifications as appropriate for the various services and guidance found in the most current State policy plan;

(C) show as a separate category financial and performance data on the Elders and Persons with Disabilities Transportation Program;

(D) describe any action the Agency has taken pursuant to contractual authority to terminate funding for routes or to request service changes for failure to meet performance standards.

(2) Data on pavement conditions of the State highway system that, at a minimum, shall include a pavement condition index that rates the State highway system and the current and historic percentage of State highway pavement mileage that is rated in poor or very poor condition.

(3) A description of the conditions of bridges, culverts, and other structures on the State highway system and on town highways and of the status

of the accelerated bridge program.

(4) Department of Motor Vehicle data, including the number of vehicle registrations and licenses issued, revenues by category, transactions by category, commercial motor vehicle statistics, and any other information the Commissioner deems relevant.

(5) A summary of updates to the Agency's strategic plans and performance measurements used in its strategic plans.

(6) A summary of the statuses of aviation, rail, and public transit projects programmed for construction during the previous calendar year.

(7) Data and statistics regarding highway safety, including trends in vehicle crashes and fatalities, traffic counts, and trends in vehicle miles traveled.

(8) An overview of operations and maintenance activities, including winter maintenance statistics, snow and ice control plans, and equipment performance measures.

(9) Data on the miles of State highway paving completed during the previous construction season.

(10) A list of projects for which the construction phase was completed during the most recent construction season.

(11) Such other information that the Secretary determines the Committees on Transportation need to perform their oversight role.

Sec. 23. 19 V.S.A. § 10c is amended to read:

§ 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

* * *

~~(k)(1) The agency shall by January 15 of each year submit a report on the pavement conditions of the state highway system to the house and senate committees on transportation which, at a minimum, shall contain the information, updated to the latest date consistent with the publication date, which is included in the agency's publication entitled "Pavement Management Annual Report 2006." The report in addition shall include information describing the actual historic percentage of state system pavement which is rated as being in poor or very poor condition.~~

~~(2) The agency shall report to the house and senate committees on transportation regarding alternate formats and measurements for this report. [Repealed.]~~

~~(l) The agency shall by January 15 of each year submit a report on the~~

~~condition of bridges, culverts, and other structures on the state system and town highways to the house and senate committees on transportation. The agency shall report to the house and senate committees on transportation on alternate formats and measurements for this report. [Repealed.]~~

* * *

Sec. 24. 19 V.S.A. § 10e(c) is amended to read:

~~(c) The agency of transportation shall, by January 15 of each year, submit a rail report to the members of the house and senate committees on transportation. The report shall include the status of projects programmed for delivery during the previous calendar year and a summary of any changes to the agency's organizational structure which may affect project delivery. [Repealed.]~~

Sec. 25. 24 V.S.A. § 5092 is amended to read:

§ 5092. REPORTS

~~The Agency of Transportation, in cooperation with the Public Transit Advisory Council, shall develop an annual report of financial and performance data of all public transit systems that receive operating subsidies in any form from the State or federal government, including subsidies related to the elders and persons with disabilities transportation program for service and capital equipment. Financial and performance data on the elders and persons with disabilities transportation program shall be a separate category in the report. The report shall be modeled on the Federal Transit Administration's National Transit Database Program with such modifications as appropriate for the various services and guidance found in the most current state policy plan. The report shall describe any action taken by the Agency pursuant to contractual authority to terminate funding for routes or to request service changes for failure to meet performance standards. The Agency shall deliver the report to the General Assembly by January 15 of each year. Notwithstanding 2 V.S.A. § 20(d), this annual report shall be produced indefinitely absent specific action by the General Assembly repealing the report. [Repealed.]~~

* * * Vermont Design Standards * * *

Sec. 26. RECOMMENDATIONS TO UPDATE VERMONT STATE DESIGN STANDARDS

(a) Prior to updating the "Vermont State Standards for the Design of Transportation Construction, Reconstruction and Rehabilitation of Freeways, Roads and Streets" (Vermont State Standards), the Secretary shall establish a multi-disciplinary Stakeholders Group consisting of representatives of public and private sector entities from the various modes of transportation affected by

the Vermont State Standards to provide the Agency with critical input in revising the Standards.

(b) Purpose and charge. The Stakeholders Group shall:

(1) Review the current Vermont State Standards and identify areas of the Standards that require modification to be current with state-of-practice transportation facility design, and modifications to be consistent with supplemental design guidance and policies prepared by the Agency since 1997. In fulfilling this primary duty, the Group shall also identify other related Agency standards and guidance that would need to be addressed to align with the revised Vermont State Standards.

(2) Identify barriers, gaps, and opportunities that exist in current Agency design practices, standards, and guidance to address the needs of all transportation modes in a variety of contexts.

(3) Document the opportunities that exist to modify the existing Vermont State Standards to meet current state-of-the-industry practices.

(4) Prepare an implementation plan and associated schedule for addressing the various components of the Vermont State Standards that require modification.

(c) On or before March 15, 2015, the Agency shall submit a written report of the Stakeholder Group findings and recommendations to the House and Senate Committees on Transportation.

* * * Scrap Dealers; Railroad Scrap * * *

Sec. 27. 9 V.S.A. § 3021(8) is added to read:

(8) “Railroad scrap” means any scrap metal consisting primarily of the steel components used in rolling stock, railroad tracks, including rails, joint bars, tie plates, anchors, turnouts, frogs, and spikes. “Railroad scrap” also includes railroad signals and signal components.

Sec. 28. 9 V.S.A. § 3022 is amended to read:

§ 3022. PURCHASE OF NONFERROUS SCRAP, METAL ARTICLES,
~~AND PROPRIETARY ARTICLES, AND RAILROAD SCRAP~~

(a) [Repealed.]

(b) A scrap metal processor may purchase nonferrous scrap, metal articles, ~~and proprietary articles, and railroad scrap~~ only if the scrap metal processor complies with all the following procedures:

(1) At the time of sale, the processor:

(A) Requires the seller to provide a current government-issued photographic identification that indicates the seller's full name, current address, and date of birth, and records in a permanent ledger the identification information of the seller, the time and date of the transaction, the license number of the seller's vehicle, and a description of the items received from the seller.

(B) Requests and, if available, collects documentation from the seller of the items offered for sale, such as a bill of sale, receipt, letter of authorization, or similar evidence that establishes that the seller lawfully owns the items to be sold.

(2) After purchasing an item from a person who fails to provide documentation pursuant to subdivision (1)(B) of this subsection, the processor:

(A) Submits to the Department of Public Safety no later than the close of the following business day a report that describes the item and the seller's identifying information required in subdivision (1)(A) of this subsection.

(B) Holds the item for at least 10 days following purchase.

(c) The information collected by a scrap metal processor pursuant to this section shall be retained for at least five years at the processor's normal place of business or other readily accessible and secure location. On request, this information shall be made available to any law enforcement official or authorized security agent of a governmental entity who provides official credentials at the scrap metal processor's business location during regular business hours.

* * * Site Plan Review; Access to State Highways * * *

Sec. 29. 24 V.S.A. § 4416 is amended to read:

§ 4416. SITE PLAN REVIEW

(a) As prerequisite to the approval of any use other than one- and two-family dwellings, the approval of site plans by the appropriate municipal panel may be required, under procedures set forth in subchapter 10 of this chapter. In reviewing site plans, the appropriate municipal panel may impose, in accordance with the bylaws, appropriate conditions and safeguards with respect to: the adequacy of parking, traffic access, and circulation for pedestrians and vehicles; landscaping and screening; the protection of the utilization of renewable energy resources; exterior lighting; the size, location, and design of signs; and other matters specified in the bylaws. The bylaws shall specify the maps, data, and other information to be presented with

applications for site plan approval and a review process pursuant to section 4464 of this title.

(b) Whenever a proposed site plan involves access to a State highway, the application for site plan approval shall include a letter of intent from the Agency of Transportation confirming that the Agency has reviewed the proposed site plan and is prepared to issue an access permit under 19 V.S.A. § 1111, and setting out any conditions that the Agency proposes to attach to the section 1111 permit.

* * * Survey Plats * * *

Sec. 30. 27 V.S.A. § 1404(a) is amended to read:

(a) Survey plats prepared and filed by municipal and ~~state~~ State government agencies shall be exempt from subdivision ~~1403(b)(6)~~ 1403(b)(5) of this title. Each plat sheet filed under this exemption shall contain a title area in the lower right-hand corner of the sheet stating the location of the land, the scale expressed in engineering units, and the date of compilation. Highway plats or plans filed under this exemption shall also include right-of-way detail sheets and a title sheet.

* * * Proposed Communications Facilities; Notification to Secretary of
Transportation * * *

Sec. 31. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS
FACILITIES

* * *

(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions. Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice

will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.

* * *

* * * Effective Dates * * *

Sec. 32. EFFECTIVE DATES

(a) This section and Secs. 4 (supplemental paving spending), 5 (supplemental appropriation), and 6 (supplemental winter maintenance spending), shall take effect on passage.

(b) All other sections shall take effect on July 1, 2014.

(For text see House Journal March 18, 2014)

Amendment to be offered by Rep. Brennan of Colchester to H. 872

Moves that the House concur in the Senate proposal of amendment with further proposal of amendment as follows:

First: In Sec. 15, by striking subdivision (4) in its entirety

Second: By adding a new section to be Sec. 15a and a reader assistance thereto to read:

* * * Rest Areas Program * * *

Sec. 15a. REST AREAS PROGRAM; DERBY WELCOME CENTER

In the Agency's proposed fiscal year 2015 Transportation Program, in the Rest Areas Program, the Project Information section for the Derby Welcome Center project, IM 091-3(8), is amended to delete all of the text in the Comments field.

NOTICE CALENDAR

Favorable with Amendment

H. 586

An act relating to improving the quality of State waters

Rep. Deen of Westminster, for the Committee on **Fish, Wildlife & Water Resources**, recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

* * * Agricultural Water Quality;

Small Farm Certification and Inspection * * *

Sec. 1. 6 V.S.A. § 4858a is added to read:

§ 4858a. SMALL FARM CERTIFICATION

(a) Rulemaking; small farm certification. On or before January 1, 2016, the Secretary of Agriculture, Food and Markets shall adopt by rule a requirement that all small farms in the State submit to the Secretary a certification of compliance with the accepted agricultural practices. The rules required by this subsection shall be adopted as part of the accepted agricultural practices under section 4810 of this title.

(b) Content of rules. The rules for small farm certification shall:

(1) Define what constitutes a small farm for the purposes of certification.

(2) Require a small farm to be certified in order to operate in the State.

(3) Require the owner or operator of a small farm to certify to the Secretary of Agriculture, Food and Markets at least every five years that the owner or operator complies with the accepted agricultural practices adopted under section 4810 of this title. The certification shall identify the farm subject to the certification and the person or persons who own or operate the farm. The owner or operator of the farm shall certify compliance with the accepted agricultural practices, including that:

(A) The farm does not directly discharge wastes into the surface waters from a discrete conveyance such as a pipe, ditch, or conduit without a permit under 10 V.S.A. § 1258.

(B) Manure stacking sites, fertilizer storage, and other nutrient source storage on the farm are not located within 100 feet of private wells.

(C) Manure is not stacked or stored on lands subject to annual overflow from adjacent waters.

(D) Manure is not field stacked on unimproved sites within 100 feet of a surface water.

(E) Barnyards, waste management systems, animal holding areas, and production areas shall be constructed, managed, and maintained to prevent runoff of waste to surface water, to groundwater, or across property boundaries.

(F) Nutrient application on the farm is based on soil testing by field and is consistent with university recommendations, standard agricultural practices, or a Secretary-approved nutrient management plan for the farm.

(G) Manure on the farm is not applied within 25 feet of an adjoining surface water, is not applied within 10 feet of a ditch, or is applied in such a manner as to enter surface water.

(H) Fertigation and chemigation equipment is operated only with an adequate anti-siphon device between the system and the water source.

(I) Cropland on the farm is cultivated in a manner that results in an average soil loss of less than or equal to the soil loss tolerance for the prevalent soil, known as 1T, as calculated through application of the Revised Universal Soil Loss Equation, or through the application of similarly accepted models.

(J) A vegetative buffer zone of perennial vegetation is maintained between annual croplands and the top of the bank of adjoining surface waters in a manner that complies with requirements of the accepted agricultural practices.

(K) Manure, fertilizer, pesticide storage structures, and farm structures are not located within a floodway area as presented on National Flood Insurance Maps on file with town clerks or within a Fluvial Erosion Hazard Zone as designated by municipal bylaw or ordinance.

(4) Require the Secretary to visit small farms in the State for purposes of assessing compliance with the accepted agricultural practices and for consistency with a certification issued under this section. The Secretary may prioritize visits to small farms in the State based on identified water quality issues posed by a farm.

(c)(1) Identification; ranking of water quality needs. During a visit to a small farm required under subsection (b) of this section, the Secretary shall identify areas where the farm could benefit from capital, structural, or technical assistance in order to improve or come into compliance with the accepted agricultural practices.

(2) Annually, the Secretary shall establish a priority ranking system for small farms according to the degree of assistance required for compliance with the accepted agricultural practices if the identified capital, structural, or technical needs on the farm are not addressed.

(3) Notwithstanding the requirements of section 4823 of this title, farms identified under subdivision (2) of this subsection in the greatest level of need in order to come into compliance with the accepted agricultural practices shall be given first priority for State financial assistance under subchapter 3 of this chapter, provided that the Secretary may give first priority for financial assistance to any farm other than one identified under subdivision (2) of this subsection when the Secretary determines that a farm needs assistance to address a water quality issue that requires immediate abatement.

Sec. 2. 6 V.S.A. § 4860 is amended to read:

§ 4860. REVOCATION; ENFORCEMENT

(a) The ~~secretary~~ Secretary may revoke coverage under a general permit ~~or~~, an individual permit, or a small farm certification issued under this subchapter after following the same process prescribed by section 2705 of this title regarding the revocation of a handler's license. The ~~secretary~~ Secretary may also seek enforcement remedies under sections 1, 11, 12, 13, 16, and 17 of this title as well as assess an administrative penalty under section 15 of this title from any person who fails to comply with any permit provision as required by this subchapter or who violates the terms or conditions of coverage under any general permit ~~or~~, any individual permit, or any small farm certification issued under this subchapter. However, notwithstanding provisions of section 15 of this title to the contrary, the maximum administrative penalty assessed for a violation of this subchapter shall not exceed \$5,000.00 for each violation, and the maximum amount of any penalty assessed for separate and distinct violations of this chapter shall not exceed \$50,000.00.

(b) Any person who violates any provision of this subchapter or who fails to comply with any order or the terms of any permit or certification issued in accordance with this subchapter shall be fined not more than \$10,000.00 for each violation. Each violation may be a separate offense and, in the case of a continuing violation, each day's continuance may be deemed a separate offense.

(c) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, certification, or other document filed or required to be maintained by this subchapter or by any permit, rule, regulation, or order issued under this subchapter, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained by this subchapter or by any permit, rule, regulation, or order issued under this subchapter shall upon conviction be punished by a fine of not more than \$5,000.00 for each violation. Each violation may be a separate offense and, in the case of a continuing violation, each day's continuance may be deemed a separate offense.

Sec. 3. 6 V.S.A. § 4810 is amended to read:

§ 4810. AUTHORITY; COOPERATION; COORDINATION

(a) Agricultural land use practices. In accordance with 10 V.S.A. § 1259(i), the ~~secretary~~ Secretary shall adopt by rule, pursuant to 3 V.S.A. chapter 25 ~~of Title 3~~, and shall implement and enforce agricultural land use practices in order to reduce the amount of agricultural pollutants entering the waters of the ~~state~~ State. These agricultural land use practices shall be created in two categories, pursuant to subdivisions (1) and (2) of this subsection.

(1) "Accepted Agricultural Practices" (AAPs) shall be standards to be

followed in conducting agricultural activities in this ~~state~~ State. These standards shall address activities which have a potential for causing pollutants to enter the groundwater and waters of the ~~state~~ State, including dairy and other livestock operations plus all forms of crop and nursery operations and on-farm or agricultural fairground, registered pursuant to 20 V.S.A. § 3902, livestock and poultry slaughter and processing activities. The AAPs shall include, as well as promote and encourage, practices for farmers in preventing pollutants from entering the groundwater and waters of the ~~state~~ State when engaged in, ~~but not limited to~~, animal waste management and disposal, soil amendment applications, plant fertilization, and pest and weed control. Persons engaged in farming, as defined in 10 V.S.A. § 6001, who follow these practices shall be presumed to be in compliance with water quality standards. AAPs shall be practical and cost effective to implement. The AAPs for groundwater shall include a process under which the ~~agency~~ Agency shall receive, investigate, and respond to a complaint that a farm has contaminated the drinking water or groundwater of a property owner.

(2) “Best Management Practices” (BMPs) may be required by the ~~secretary~~ Secretary on a ~~ease-by-ease~~ case-by-case basis. Before requiring BMPs, the ~~secretary~~ Secretary shall determine that sufficient financial assistance is available to assist farmers in achieving compliance with applicable BMPs. BMPs shall be practical and cost effective to implement.

(b) Cooperation and coordination. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets shall coordinate with the ~~secretary of natural resources~~ Secretary of Natural Resources in implementing and enforcing programs, plans, and practices developed for reducing and eliminating agricultural non-point source pollutants and discharges from concentrated animal feeding operations. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets and the ~~secretary of natural resources~~ Secretary of Natural Resources shall develop a memorandum of understanding for the non-point program describing program administration, grant negotiation, grant sharing, and how they will coordinate watershed planning activities to comply with Public Law 92-500. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets and the ~~secretary of the agency of natural resources~~ Secretary of Natural Resources shall also develop a memorandum of understanding according to the public notice and comment process of 10 V.S.A. § 1259(i) regarding the implementation of the federal concentrated animal feeding operation program and the relationship between the requirements of the federal program and the ~~state~~ State agricultural water quality requirements for large, medium, and small farms under chapter 215 of this title. The memorandum of understanding shall describe program administration, permit issuance, an appellate process, and

enforcement authority and implementation. The memorandum of understanding shall be consistent with the federal National Pollutant Discharge Elimination System permit regulations for discharges from concentrated animal feeding operations. The allocation of duties under this chapter between the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets and the ~~secretary of natural resources~~ Secretary of Natural Resources shall be consistent with the ~~secretary's~~ Secretary's duties, established under the provisions of 10 V.S.A. § 1258(b), to comply with Public Law 92-500. The ~~secretary of natural resources~~ Secretary of Natural Resources shall be the ~~state~~ State lead person in applying for federal funds under Public Law 92-500, but shall consult with the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets during the process. The agricultural non-point source program may compete with other programs for competitive watershed projects funded from federal funds. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets shall be represented in reviewing these projects for funding. Actions by the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets under this chapter concerning agricultural non-point source pollution shall be consistent with the water quality standards and water pollution control requirements of ~~10 V.S.A. chapter 47 of Title 10~~ and the federal Clean Water Act as amended. In addition, the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets shall coordinate with the ~~secretary of natural resources~~ Secretary of Natural Resources in implementing and enforcing programs, plans, and practices developed for the proper management of composting facilities when those facilities are located on a farm.

(c) On or before January 1, 2016, the Secretary of Agriculture, Food and Markets shall amend by rule the accepted agricultural practices required under this section to include requirements for the certification of small farms under section 4858a of this title. The rules adopted under this section shall be at least as stringent as the requirements of section 4858a of this title.

* * * Agricultural Water Quality; Corrective Actions * * *

Sec. 4. 6 V.S.A. § 4812 is amended to read:

§ 4812. CORRECTIVE ACTIONS

(a) When the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets determines that a person engaged in farming is managing a farm using practices which are inconsistent with the ~~practices defined by requirements of this chapter or rules adopted~~ under this subchapter, the ~~secretary~~ Secretary may issue a written warning which shall be served in person or by certified mail, return receipt requested. ~~The warning shall include~~

~~a brief description of the alleged violation, identification of this statute and applicable rules, a recommendation for corrective actions that may be taken by the person, along with a summary of federal and state assistance programs which may be utilized by the person to remedy the violation and a request for an abatement schedule from the person according to which the practice shall be altered.~~ The person shall have 30 days to respond to the written warning and shall provide an abatement schedule for curing the violation and a description of the corrective action to be taken to cure the violation. If the person fails to respond to the written warning within this period or to take corrective action to change the practices ~~in order to protect water quality,~~ the ~~secretary~~ Secretary may act pursuant to subsection (b) of this section in order to protect water quality.

(b) ~~After an opportunity for a hearing, the secretary~~ The Secretary may:

(1) issue cease and desist orders and administrative penalties in accordance with the requirements of sections 15, 16, and 17 of this title; and

(2) institute appropriate proceedings on behalf of the ~~agency~~ Agency to enforce this subchapter.

(c) Whenever the ~~secretary~~ Secretary believes that any person engaged in farming is in violation of this subchapter or rules adopted thereunder, an action may be brought in the name of the ~~agency~~ Agency in a court of competent jurisdiction to restrain by temporary or permanent injunction the continuation or repetition of the violation. The court may issue temporary or permanent injunctions, and other relief as may be necessary and appropriate to curtail any violations.

(d) ~~The secretary may assess administrative penalties in accordance with sections 15, 16, and 17 of this title against any farmer who violates a cease and desist order or other order issued under subsection (b) of this section.~~ [Repealed.]

(e) Any person subject to an enforcement order or an administrative penalty who is aggrieved by the final decision of the ~~secretary~~ Secretary may appeal to the ~~superior court~~ Superior Court within 30 days of the decision. The administrative judge may specially assign an ~~environmental~~ Environmental judge to ~~superior court~~ Superior Court for the purpose of hearing an appeal.

* * * Agricultural Water Quality; Livestock Exclusion * * *

Sec. 5. 6 V.S.A. chapter 215, subchapter 8 is added to read:

Subchapter 8. Livestock Exclusion

§ 4971. DEFINITIONS

As used in this subchapter:

(1) "Livestock" means cattle, sheep, goats, equines, fallow deer, red deer, American bison, swine, water buffalo, poultry, pheasant, Chukar partridge, Coturnix quail, camelids, ratites, and, as necessary, other animals designated by the Secretary by rule.

(2) "Waters" shall have the same meaning as in 10 V.S.A. § 1251(13).

§ 4972. PURPOSE

The purpose of this subchapter is to authorize the Secretary of Agriculture, Food and Markets to require exclusion of livestock from a water of the State where continued access to the water by livestock poses a high risk of violating the accepted agricultural practices.

§ 4973. LIVESTOCK EXCLUSION; PERMIT CONDITION

As a condition of a small farm certification, an animal waste permit, or a large farm permit issued under this chapter, the Secretary of Agriculture, Food and Markets may require exclusion of livestock from a water of the State where continued access to the water by livestock poses a high risk of violating the accepted agricultural practices.

* * * Seasonal Exemption for Manure Application * * *

Sec. 6. 6 V.S.A. § 4816 is added to read:

§ 4816. SEASONAL APPLICATION OF MANURE

(a) A person shall not apply manure to land in the State:

(1) between December 15 and April 1 of any calendar year, unless authorized under subsection (b) of this section; or

(2) between December 1 and December 15 and between April 1 and April 30 of any calendar year when prohibited under subsection (c) of this section.

(b) Seasonal exemption.

(1) The Secretary of Agriculture, Food and Market may authorize an exemption to the prohibition on the application of manure to land in the State between December 15 and April 1 of any calendar year. An exemption issued under this section may authorize land application of manure on a weekly, monthly, or seasonal basis or in authorized regions, areas, or fields in the State provided that the requirements of subdivision (2) of this subsection are complied with.

(2) Any exemption issued under this subsection shall:

(A) prohibit application of manure:

(i) in areas with established channels of concentrated stormwater runoff to surface water, including ditches and ravines;

(ii) in nonharvested permanent vegetative buffers;

(iii) in a nonfarmed wetland, as that term is defined in 10 V.S.A. § 902(5);

(iv) within 50 feet of a potable water supply, as that term is defined in 10 V.S.A. § 1972(6);

(v) to fields exceeding tolerable soil loss; and

(vi) to saturated soils;

(B) establish requirements for the application of manure when frozen or snow-covered soils prevent effective incorporation at the time of application;

(C) require manure to be applied according to a nutrient management plan; and

(D) establish the maximum tons of manure that may be applied per acre during any one application.

(c) Restriction on application. The Secretary of Agriculture, Food and Markets may by procedure prohibit the application of manure to land in the State between December 1 and December 15 and April 1 and April 30 of any calendar year when the Secretary determines that due to weather conditions, soil conditions, or other limitations, application of manure to land would pose a significant potential of discharge or runoff to State waters.

* * * Agricultural Water Quality; Training * * *

Sec. 7. 6 V.S.A. chapter 215, subchapter 9 is added to read:

Subchapter 9. Agricultural Water Quality Certification Training

§ 4981. AGRICULTURAL WATER QUALITY CERTIFICATION TRAINING; RULEMAKING

(a) On or before January 1, 2016, the Secretary of Agriculture, Food and Markets shall adopt by rule requirements for training classes or programs for owners or operators of small farms, medium farms, or large farms certified or permitted under this chapter regarding:

(1) the prevention of discharges, as that term is defined in 10 V.S.A. § 1251(3); and

(2) the mitigation and management of stormwater runoff, as that term is defined in 10 V.S.A. § 1264, from farms.

(b) Any training required by rules under this section shall:

(1) address the existing statutory and regulatory requirements for operation of a large, medium, or small farm in the State; and

(2) address the management practices and technical and financial resources available to assist in compliance with statutory or regulatory agricultural requirements.

* * * Agricultural Water Quality;

Certification of Custom Applicators * * *

Sec. 8. 6 V.S.A. chapter 215, subchapter 10 is added to read:

Subchapter 10. Certification of Custom Manure Applicators

§ 4987. DEFINITIONS

As used in this subchapter:

(1) “Custom manure applicator” means a person who applies manure, nutrients, or sludge to land and who charges for the service.

(2) “Manure” means livestock waste that may also contain bedding, spilled feed, water, or soil.

(3) “Sludge” means any solid, semisolid, or liquid generated from a municipal, commercial, or industrial wastewater treatment plant or process, water supply treatment plant, air pollution control facility, or any other such waste having similar characteristics and effects.

§ 4988. CERTIFICATION OF CUSTOM MANURE APPLICATOR

(a) On or before January 1, 2015, the Secretary of Agriculture, Food and Markets shall adopt by procedure a process by which a custom applicator shall be certified to operate within the State. The certification process shall require a custom applicator to complete 16 hours of training over each five-year period regarding:

(1) application methods or techniques to minimize the runoff of land-applied manure, nutrients, or sludge to waters of the State; and

(2) identification of weather or soil conditions that increase the risk of runoff of land-applied manure, nutrients, or sludge to waters of the State.

(b) Beginning January 1, 2016, a custom applicator shall not apply manure, nutrients, or sludge unless certified by the Secretary of Agriculture, Food and

Markets.

* * * Agricultural Stream Alteration * * *

Sec. 9. 6 V.S.A. § 4810a is added to read:

§ 4810a. AGRICULTURAL ACTIVITIES; STREAMS

(a) As used in this section:

(1) “Berm” means a linear fill of earthen material on or adjacent to the bank of a watercourse that constrains waters from entering a flood hazard area or river corridor, as those terms are defined in 10 V.S.A. §§ 752(3) and (11).

(2) “Instream material” means:

(A) all gradations of sediment from silt to boulders;

(B) ledge rock; or

(C) large woody debris in the bed of a watercourse or within the banks of a watercourse.

(3) “Intermittent stream” means any stream or stream segment of significant length that is not a perennial stream.

(4) “Large woody debris” means any piece of wood within a watercourse with a diameter of 10 or more inches and a length of 10 or more feet that is detached from the soil where it grew.

(5) “Perennial stream” means a watercourse or portion, segment, or reach of a watercourse, generally exceeding 0.5 square miles in watershed size, in which surface flows are not frequently or consistently interrupted during normal seasonal low flow periods. Perennial streams that begin flowing subsurface during low flow periods, due to natural geologic conditions, remain defined as perennial. “Perennial stream” shall not mean standing waters in wetlands, lakes, and ponds.

(6) “Secretary” means the Secretary of Agriculture, Food and Markets.

(7) “Stream” means a current of water that flows at any time at a rate of less than 1.5 cubic feet per second and exhibits evidence of sediment transport. A stream shall include the full length and width, including the bed and banks of any watercourse, including rivers, streams, creeks, brooks, and branches, which experience perennial flow. “Stream” shall not include swales, roadside ditches, ditches or other constructed channels primarily associated with land drainage or water conveyance through or around private infrastructure, excepting such ditches or conveyances that are connected directly with a stream or river at either end.

(b) On or before January 1, 2016, the Secretary shall amend the accepted agricultural practices to include requirements for agricultural activities that alter or impact streams in the State. The accepted agricultural practices for stream activities shall:

(1) prohibit the discharge or deposit of manure, milk house waste, compost, or other discarded substances in a stream or a ditch or ravine that are connected to a stream;

(2) require authorization from the Secretary, prior to any change, alteration, or modification of the course, current, or cross section of a perennial stream in this State either by movement, fill, or excavation of 10 cubic yards or more of instream material in any year; and

(3) require authorization from the Secretary to establish or construct a berm in a flood hazard area or river corridor, as those terms are defined in 10 V.S.A. § 752(3) and (11).

(c) The Secretary shall authorize an agricultural activity that alters or impacts streams in the State if the activity:

(1) will not adversely affect the public safety by increasing flood or fluvial erosion hazards;

(2) will not significantly damage fish life or wildlife;

(3) will not significantly damage the rights of riparian owners; and

(4) in case of any waters designated as outstanding resource waters, will not adversely affect the values sought to be protected by designation.

(d) Prior to issuing an authorization under subdivisions (b)(2) and (3) of this section, the Secretary shall consult with the Secretary of Natural Resources regarding appropriate management measures to be used in conducting any authorized activity.

* * * Stormwater Management * * *

Sec. 10. 10 V.S.A. § 1264 is amended to read:

§ 1264. STORMWATER MANAGEMENT

* * *

(b) The ~~secretary~~ Secretary shall prepare a plan for the management of collected stormwater runoff found by the ~~secretary~~ Secretary to be deleterious to receiving waters. The plan shall recognize that the runoff of stormwater is different from the discharge of sanitary and industrial wastes because of the influence of natural events of stormwater runoff, the variations in characteristics of those runoffs, and the increased stream flows and natural

degradation of the receiving water quality at the time of discharge. The plan shall be cost effective and designed to minimize any adverse impact of stormwater runoff to waters of the ~~state~~ State. By no later than February 1, 2001, the ~~secretary~~ Secretary shall prepare an enhanced stormwater management program and report on the content of that program to the ~~house committees on fish, wildlife and water resources and on natural resources and energy and to the senate committee on natural resources and energy~~ House Committees on Fish, Wildlife and Water Resources and on Natural Resources and Energy and to the Senate Committee on Natural Resources and Energy. In developing the program, the ~~secretary~~ Secretary shall consult with ~~the board~~, affected municipalities, regional entities, other ~~state~~ State and federal agencies, and members of the public. The ~~secretary~~ Secretary shall be responsible for implementation of the program. The ~~secretary's~~ Secretary's stormwater management program shall include, at a minimum, provisions that:

* * *

(12) Encourage municipal governments to utilize existing regulatory and planning authority to implement improved stormwater management by providing technical assistance, training, research and coordination with respect to stormwater management technology, and by preparing and distributing a model local stormwater management ordinance or bylaw. Beginning on July 1, 2014, the Secretary annually shall provide municipalities with outreach and education through published materials or training courses regarding the environmental and municipal benefits of adoption of a local stormwater management ordinance or bylaw. The stream alteration training and education activities required under subsection 1023(d) of this title and any education and outreach conducted under this subdivision (12) shall inform municipalities of model stormwater management ordinances or bylaws that are available in the State.

* * *

* * * Water Quality Data Coordination * * *

Sec. 11. 10 V.S.A. § 1284 is added to read:

§ 1284. WATER QUALITY DATA COORDINATION

(a) To facilitate attainment or accomplishment of the purposes of this chapter, the Secretary shall coordinate and assess all available data and science regarding the quality of the waters of the State, including:

(1) light detection and ranging information data (LIDAR) identifying water quality issues;

(2) stream gauge data;

(3) stream mapping, including fluvial erosion hazard maps;

(4) water quality monitoring or sampling data;

(5) cumulative stressors on watershed, such as the frequency an activity is conducted within a watershed or the number of stormwater or other permits issued in a watershed; and

(6) any other data available to the Secretary.

(b) After coordination of the data required under subsection (a) of this section, the Secretary shall:

(1) assess where additional data are needed and the best methods for collection of such data;

(2) identify and map on a regional basis areas of the State that are significant contributors to water quality problems or are in critical need of water quality remediation or response.

(c) The Secretary shall post all data compiled under this section on the website of the Agency of Natural Resources.

* * * Shoreland Contractor Certification * * *

Sec. 12. VOLUNTARY SHORELAND EROSION CONTROL CERTIFICATION PROGRAM

(a) Definitions. As used in this section:

(1) "Impervious surface" shall have the same meaning as in section 1264 of this title.

(2) "Lake" means a body of standing water, including a pond or a reservoir, which may have natural or artificial water level control. Private ponds shall not be considered lakes.

(3) "Mean water level" means the mean water level of a lake as defined in the Mean Water Level Rules of the Agency of Natural Resources adopted under 29 V.S.A. § 410.

(4) "Shoreland area" means all land located within 250 feet of the mean water level of a lake that is greater than 10 acres in surface area.

(b) Voluntary certification. The Agency of Natural Resources, in consultation with the Associated General Contractors of Vermont, shall develop an optional shoreland erosion control certification program to begin on January 1, 2015. The program shall include training related to the disturbance of soil, clearance of vegetation, and construction of impervious surfaces of more than 1,000 square feet in a shoreland area. The voluntary certification

program shall end on January 1, 2018.

(c) Report. On or before January 1, 2017, the Agency of Natural Resources shall report to the House and Senate Committees on Natural Resources and Energy and the House Committee on Fish, Wildlife, and Water Resources regarding the voluntary shoreland erosion control certification program created in subsection (b) of this section. The report shall include:

(1) a general summary of the program's success, including an overview of shoreland projects constructed by certified persons;

(2) the number of persons certified under the certification program;

(3) a recommendation of whether the State should continue the voluntary certification program, including whether to make the program mandatory; and

(4) any other recommendations for improving the program.

(d) The requirements of this section shall not apply to the owner or operator of a farm conducting agricultural activities on the farm that comply with the rules adopted by the Secretary of Agriculture, Food and Markets under 6 V.S.A. chapter 215, regarding agricultural water quality, including accepted agricultural practices, best management practices, animal waste permits, and large farm permits. The requirements of this section shall apply to a person, other than an employee of the owner or operator of the farm, who charges for the service of tillage, harvesting, or other agricultural activity that disturbs soil, clears vegetation, or constructs impervious surface of more than 500 square feet in a shoreland area.

* * * Forestry Practices * * *

Sec. 13. DEPARTMENT OF FORESTS, PARKS AND RECREATION;
FORESTRY; PORTABLE SKIDDER PROJECT

In addition to any other funds appropriated to the Department of Forests, Parks and Recreation in fiscal year 2015 there is appropriated in fiscal year 2015 from the General Fund to the Department:

(1) \$100,000.00 for the purpose of providing technical assistance to persons engaged in silvicultural practices regarding improved stream crossing practices; and

(2) \$20,000.00 for the purchase or construction of portable skidder bridges.

* * * Town Road and Bridge Standards * * *

Sec. 14. 19 V.S.A. § 309b is amended to read:

§ 309b. LOCAL MATCH; CERTAIN TOWN HIGHWAY PROGRAMS

(a) Notwithstanding subsection 309a(a) of this title, grants provided to towns under the town highway structures program shall be matched by local funds sufficient to cover 20 percent of the project costs, unless the town has adopted road and bridge standards, has completed a network inventory, and has submitted an annual certification of compliance for town road and bridge standards to the secretary, in which event the local match shall be sufficient to cover ~~10~~ five percent of the project costs. The ~~secretary~~ Secretary may adopt rules to implement the town highway structures program. Town highway structures projects receiving funds pursuant to this subsection shall be the responsibility of the applicant municipality.

(b) Notwithstanding subsection 309a(a) of this title, grants provided to towns under the class 2 town highway roadway program shall be matched by local funds sufficient to cover 30 percent of the project costs, unless the town has adopted road and bridge standards, has completed a network inventory, and has submitted an annual certification of compliance for town road and bridge standards to the ~~secretary~~ Secretary, in which event the local match shall be sufficient to cover ~~20~~ 15 percent of the project costs. The ~~secretary~~ Secretary may adopt rules to implement the class 2 town highway roadway program. Class 2 town highway roadway projects receiving funds pursuant to this subsection shall be the responsibility of the applicant municipality, and a municipality shall not receive a grant in excess of \$175,000.00.

* * *

* * * Best Management Practices Income Tax Credit * * *

Sec. 15. 32 V.S.A. § 5930mm is added to read:

§ 5930mm. AGRICULTURAL BEST MANAGEMENT PRACTICES TAX CREDIT

(a) A taxpayer of this State who is engaged in the business of farming or who is implementing a nutrient management plan approved by the Secretary of Agriculture, Food and Markets may claim a credit against his or her income taxes imposed by this chapter in an amount equal to 25 percent of the first \$70,000.00 expended by the taxpayer for an agricultural best management practice approved by the Secretary of Agriculture, Food and Markets under 6 V.S.A. chapter 215, provided that that the credit shall not exceed the liability of the taxpayer under this chapter for the year in which the credit is claimed.

(b) Best management practices eligible for the credit under this section shall include approved activities to:

(1) manage the waste from livestock, as that term is defined in 6 V.S.A.

§ 761:

- (2) control soil erosion;
- (3) nutrient and sediment filtration and detention;
- (4) nutrient management planning; and
- (5) pest and pesticide handling.

(c) After completion of the best management practice, the Secretary shall certify the practice as approved and completed, and eligible for credit. The taxpayer shall forward the certification of completion to the Department of Taxes on forms provided by the Department. The credit shall be allowed only for expenditures made by the taxpayer from his or her own funds.

(d) The credit under this section shall be available only for the tax year in which the funds were expended, as certified by the Secretary of Agriculture, Food and Markets. Any taxpayer claiming a credit under this section shall not claim a credit under any similar State law for costs related to the same eligible practices.

(e) The amount of any credit claimed under this section attributable to agricultural best management practices by a pass-through entity such as a partnership, limited liability company, or electing small business corporation (S Corporation) shall be allocated to the individual partners, members, or shareholders in proportion to their ownership or interest in such entity.

(f) As used in this section, “engaged in the business of farming” means a taxpayer earns at least one-half of his or her annual gross income from the business of farming, as that term is defined in the Internal Revenue Code, 26 C.F.R. § 1.175-3

* * * Water Quality Restoration; Financing Report * * *

Sec. 16. AGENCY OF NATURAL RESOURCES REPORT ON WATER QUALITY FINANCING

On or before January 15, 2015, the Secretary of Natural Resources, after consultation with the Joint Fiscal Office, 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 recommendations for establishing a financing mechanism that assesses property owners in the State based on the property’s impact on water quality. The report shall include:

- (1) at least two alternative financing mechanisms;
- (2) a summary of how each recommended financing mechanism would

be implemented, including administration and enforcement; and

(3) an estimated amount of revenue that each recommended financing proposal would generate.

* * * Rooms and Meals Tax; Ecosystem Restoration Program * * *

Sec. 17. 32 V.S.A. § 9241 is amended to read:

§ 9241. IMPOSITION OF TAX

(a) An operator shall collect a tax of nine and one-quarter percent of the rent of each occupancy.

(b) An operator shall collect a tax on the sale of each taxable meal at the rate of nine and one-quarter percent of each full dollar of the total charge and on each sale for less than one dollar and on each part of a dollar in excess of a full dollar in accordance with ~~the following~~ a formula developed and published by the Department of Taxes:

\$0.01-0.11	\$0.01
0.12-0.22	0.02
0.23-0.33	0.03
0.34-0.44	0.04
0.45-0.55	0.05
0.56-0.66	0.06
0.67-0.77	0.07
0.78-0.88	0.08
0.89-1.00	0.09

(c) An operator shall collect a tax on each sale of alcoholic beverages at the rate of 10 and one-quarter percent of each full dollar of the total charge and on each sale for less than one dollar and on each part of a dollar in excess of a full dollar in accordance with ~~the following~~ a formula developed and published by the Department of Taxes:

\$.01-.14	\$0.01
.15-.24	.02
.25-.34	.03
.35-.44	.04
.45-.54	.05

.55-.64	.06
.65-.74	.07
.75-.84	.08
.85-.94	.09
.95-1.00	.10

Sec. 18. 32 V.S.A. § 9242(c) is amended to read:

(c) A tax of nine and one-quarter percent of the gross receipts from ~~meals and occupancies, nine and one-quarter percent of the gross receipts from meals,~~ and 10 and one-quarter percent of the gross receipts from alcoholic beverages, exclusive of taxes collected pursuant to section 9241 of this title, received from occupancy rentals, taxable meals and alcoholic beverages by an operator, is hereby levied and imposed and shall be paid to the State by the operator as herein provided. Every person required to file a return under this chapter shall, at the time of filing the return, pay the Commissioner the taxes imposed by this chapter as well as all other monies collected by him or her under this chapter; provided, however, that every person who collects the taxes on taxable meals and alcoholic beverages according to the tax bracket schedules of section 9241 of this title shall be allowed to retain any amount lawfully collected by the person in excess of the tax imposed by this chapter as compensation for the keeping of prescribed records and the proper account and remitting of taxes.

Sec. 19. 32 V.S.A. § 435 is amended to read:

§ 435. GENERAL FUND

(a) There is established a General Fund which shall be the basic operating fund of the State. The General Fund shall be used to finance all expenditures for which no special revenues have otherwise been provided by law.

(b) The General Fund shall be composed of revenues from the following sources:

- (1) Alcoholic beverage tax levied pursuant to 7 V.S.A. chapter 15;
- (2) [Repealed.]
- (3) Electrical energy tax levied pursuant to chapter 213 of this title;
- (4) Corporate income and franchise taxes levied pursuant to chapter 151 of this title;
- (5) Individual income taxes levied pursuant to chapter 151 of this title;
- (6) All corporation taxes levied pursuant to chapter 211 of this title;

(7) ~~Meals~~ 98 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;

(8) [Repealed.]

(9) Revenues from the Racing Fund consistent with 31 V.S.A. § ~~644~~ 609;

(10) 33 percent of the revenue from the property transfer taxes levied pursuant to chapter 231 of this title and the revenue from the gains taxes levied each year pursuant to chapter 236 of this title;

(11) 65 percent of the revenue from sales and use taxes levied pursuant to chapter 233 of this title;

(12) All other revenues accruing to the State not otherwise required by law to be deposited in any other designated fund or used for any other designated purpose.

* * * Rental Car Tax * * *

Sec. 20. 32 V.S.A. § 8903(d) is amended to read:

(d) There is hereby imposed a use tax on the rental charge of each transaction, in which the renter takes possession of the vehicle in this State, during the life of a pleasure car purchased for use in short-term rentals, which tax is to be collected by the rental company from the renter and remitted to the Commissioner. The amount of the tax shall be ~~nine~~ 10 percent of the rental charge. Rental charge means the total rental charge for the use of the pleasure car, but does not include a separately stated charge for insurance, or recovery of refueling cost, or other separately stated charges which are not for the use of the pleasure car. In the event of resale of the vehicle in this State for use other than short-term rental, such transaction shall be subject to the tax imposed by subsection (a) of this section.

Sec. 21. 32 V.S.A. § 8912 is amended to read:

§ 8912. ALLOCATION OF FUNDS

The taxes collected under this chapter shall be paid into and accounted for in the Transportation Fund, except that 10 percent of the tax collected under subsection 8903(d) of this title on rental cars shall be paid into the Ecosystem Restoration Program Fund under 10 V.S.A § 1285.

* * * Ecosystem Restoration Program Fund * * *

Sec. 22. 10 V.S.A. § 1285 is added to read:

§ 1285. ECOSYSTEM RESTORATION PROGRAM FUND

(a) Creation of Fund. There is created a special fund in the State Treasury

to be known as the “Ecosystem Restoration Program Fund” to be administered and expended by the Secretary to fund administration and implementation of the Ecosystem Restoration Program. Within the Fund, there shall be two accounts: the Capital Account and the Administrative Account.

(b) Deposits to accounts:

(1) Within the Capital Account, there shall be deposited:

(A) appropriations by the General Assembly to the Vermont Environmental Protection Agency (EPA) Pollution Control Revolving Fund; and

(B) appropriations by the General Assembly to the Agency of Natural Resources for any other capital construction related to water pollution control.

(2) Within the Administrative Account, there shall be deposited:

(A) two percent of the meals and rooms tax levied pursuant to chapter 225 of this title;

(B) 10 percent of rental car tax under subsection 8903(d) of this title; and

(C) such sums as may be appropriated by the General Assembly.

(c) Disbursements from the Fund.

(1) The Secretary may authorize disbursement or expenditures from the Capital Account according to the requirements of 24 V.S.A. chapter 120 and the rules adopted thereunder or as authorized by the General Assembly.

(2) The Secretary may authorize disbursement or expenditures from the Administrative Account for administration of, education and outreach related to, monitoring, and implementation of the activities or projects under the Ecosystem Restoration Program.

(d) Interest. Interest earned by the Fund shall be credited and deposited to the Fund. All balances in the Fund at the end of the fiscal year shall be carried forward and remain a part of the Fund.

(e) Awards; priority. Except for grants or loans issues under 24 V.S.A. chapter 120, grants or loans from the Ecosystem Restoration Program shall be awarded in each fiscal year according to the following priorities:

(1) First priority shall be given to projects identified by the Secretary as significant contributors to water quality problems or in critical need of water quality remediation or response.

(2) Next priority shall be given to proposed projects to address or repair

riparian conditions that increase the risk of flooding or pose a threat to life or property.

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

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

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

(f) Secretary discretion. The Secretary may award financial assistance under this section for a project or program that otherwise would not receive assistance under the priorities established by this section when the Secretary determines a severe risk to water quality or risk of discharge exists which requires immediate abatement.

(g) Rule. The Secretary may adopt by rule additional priorities for the award of loans or grants in order to ensure equity in the distribution of awards under this section among service sectors or land use categories.

Sec. 23. REPORT ON ACCEPTED AGRICULTURAL PRACTICES UNDER USE VALUE APPRAISAL

On or before January 15, 2015, the Agency of Agriculture, Food and Markets (AAFM), after consultation with the Department of Forests, Parks and Recreation and the Division of Property Valuation and Review (PVR) at the Department of Taxes, shall submit to the House Committee on Fish, Wildlife and Water Resources, the Senate Committee on Natural Resources and Energy, the House Committee on Ways and Means, the Senate Committee on Finance, the House Committee on Agriculture and Forest Products, and the Senate Committee on Agriculture a report regarding compliance with the accepted agricultural practices (AAPs) issued under 6 V.S.A. chapter 215 as a requirement of eligibility for participation in the use value appraisal program. The report shall include:

(1) A proposed plan for implementing a requirement that an owner of agricultural land certify compliance with the AAPs in order to participate or continue participation in the use value appraisal program. The plan shall include:

(A) how the AAFM or PVR would record certifications of AAP compliance;

(B) how the AAFM or PVR would enforce compliance with the

AAPs as a condition of participation in the use value appraisal program; and

(C) an estimate of the number of staff and other resources required by the AAFM or PVR to implement, administer, and enforce the requirement of compliance with AAPs as a condition of participation in the use value appraisal program.

(2) An estimate of how certification of compliance with the AAPs would impact the cost of the use value appraisal program to the State of Vermont, including whether fewer parcels would qualify for enrollment in the program.

Sec. 24. EFFECTIVE DATES

(a) This section and Secs. 1–3 (small farm certification rules), 4 (Agency of Agriculture, Food and Markets corrective action), 5 (livestock exclusion), 6 (seasonal exemption for application of manure), 8 (custom applicator certification), 9 (agricultural stream alteration), 10 (stormwater model bylaw), 11 (water quality data coordination), 12 (shoreland contractor certification), , 13 (financing; technical assistance for forestry), 15 (agricultural best management practices tax credit), and 23 (AAP; use value appraisal report) shall take effect on passage.

(b) Sec. 7 (agricultural water quality certification) shall take effect on January 1, 2015.

(c) Secs. 14 (town road and bridge standards), 16 (Ecosystem Restoration fee), 17–19 (meals and rooms tax), 20–21 (rental car tax), and 22 (Ecosystem Restoration Program Fund) shall take effect on July 1, 2015.

(Committee Vote: 7-1-1)

Rep. Partridge of Windham, for the Committee on **Agriculture and Forest Products**, recommends the bill ought to pass when amended as recommended by the Committee on **Fish, Wildlife & Water Resources** and when further amended as follows:

First: By striking Secs. 1–9 in their entirety and inserting in lieu thereof the following:

* * * Findings; Agricultural Water Quality * * *

Sec. 1. FINDINGS AND PURPOSE; AGRICULTURAL WATER QUALITY

(a) Findings. For the purpose of Secs. 1–9b of this act, the General Assembly finds that:

(1) Significant State, federal, and private financial resources have been expended over the past 20 years to address water quality issues in the State of

Vermont, such as the cleanup of Lake Champlain.

(2) Despite significant funding and efforts to address the State's water quality issues, insufficient progress has been made.

(3) The U.S. Environmental Protection Agency (EPA) revoked approval of the initial total maximum daily load (TMDL) plan for Lake Champlain despite the State's reaching one-third of the TMDL's goal in less than 10 years.

(4) EPA is in the process of developing a new TMDL for Lake Champlain, but Vermont may be responsible for the large majority of implementation costs.

(5) Much of the responsibility and cost for meeting the new EPA TMDL may fall on Vermont's farmers, who likely will be subject to additional requirements under the accepted agricultural practices (AAPs) and other agricultural water quality rules.

(6) Although the AAP rules were adopted in 1995, there is a general lack of awareness in the "small farm" community about the AAPs, and the Agency of Agriculture, Food and Markets should educate small farm operators in the State concerning the requirements of the AAPs.

(7) The Vermont agricultural community recognizes that it has a role to play in the future efforts to reduce nutrient loading and improve water quality in the State, but additional State and federal assistance is necessary to fulfill this role successfully, including technical and financial assistance to encourage small farms to adopt and implement nutrient management plans.

(b) Purpose. It is the purpose of Secs. 1-9b of this act to:

(1) improve the quality of the waters of Vermont;

(2) authorize proactive measures designed to implement and ultimately meet the impending TMDL for Lake Champlain and improve water quality across the State;

(3) identify cost-effective strategies for the agricultural community to address water quality issues, including best management practices and conservation practices of cover cropping, grassed waterways, manure drag lines and injection, no-till production, and contour plowing; and

(4) engage more agricultural operations in meaningful ways as part of the State's efforts to improve the quality of the waters of Vermont.

* * * Agricultural Water Quality;

Small Farm Certification and Inspection * * *

Sec. 2. 6 V.S.A. § 4858a is added to read:

§ 4858a. SMALL FARM CERTIFICATION

(a) Rulemaking; small farm certification. On or before January 1, 2016, the Secretary of Agriculture, Food and Markets shall adopt by rule a requirement that all small farms in the State submit to the Secretary a certification of compliance with the accepted agricultural practices. The rules required by this subsection shall be adopted as part of the accepted agricultural practices under section 4810 of this title.

(b) Content of rules. The rules for small farm certification shall:

(1) Define what constitutes a small farm for the purposes of certification.

(2) Require a small farm to be certified under this section in order to operate in the State.

(3) Require the owner or operator of a small farm to certify to the Secretary of Agriculture, Food and Markets at least every five years that the owner or operator complies with the accepted agricultural practices adopted under section 4810 of this title. The certification shall identify the farm subject to the certification and the person or persons who own or operate the farm. The owner or operator of the farm shall certify compliance with the accepted agricultural practices, including that:

(A) The farm does not directly discharge wastes into the surface waters from a discrete conveyance such as a pipe, ditch, or conduit without a permit under 10 V.S.A. § 1258.

(B) Manure stacking sites, fertilizer storage, and other nutrient source storage on the farm are not located within 100 feet of private wells.

(C) Manure is not stacked or stored on lands subject to annual overflow from adjacent waters.

(D) Manure is not field stacked on unimproved sites within 100 feet of a surface water.

(E) Barnyards, waste management systems, animal holding areas, and production areas shall be constructed, managed, and maintained to prevent runoff of waste to surface water, to groundwater, or across property boundaries.

(F) Nutrient application on the farm is based on soil testing by field and is consistent with University recommendations, standard agricultural practices, or a Secretary-approved nutrient management plan for the farm.

(G) Manure on the farm is not applied within 25 feet of an adjoining surface water, is not applied within 10 feet of a ditch, or is applied in such a manner as to enter surface water.

(H) Fertigation and chemigation equipment is operated only with an adequate anti-siphon device between the system and the water source.

(I) Cropland on the farm is cultivated in a manner that results in an average soil loss of less than or equal to the soil loss tolerance for the prevalent soil, known as 1T, as calculated through application of the Revised Universal Soil Loss Equation, or through the application of similarly accepted models.

(J) A vegetative buffer zone of perennial vegetation is maintained between annual croplands and the top of the bank of adjoining surface waters in a manner that complies with requirements of the accepted agricultural practices.

(K) Manure, fertilizer, pesticide storage structures, and farm structures are not located within a floodway area as presented on National Flood Insurance Maps on file with town clerks or within a Fluvial Erosion Hazard Zone as designated by municipal bylaw or ordinance.

(4) Authorize the Secretary to visit small farms in the State for the purposes of assessing compliance with the accepted agricultural practices and consistency with a certification issued under this section. The Secretary may prioritize visits to small farms in the State based on identified water quality issues posed by a farm.

(5) Require notice to the Secretary of a change of ownership or a change of operator of a small farm and the time frame by which a new owner or operator shall be required to certify compliance with the accepted agricultural practices under this section.

(c)(1) Identification; ranking of water quality needs. During a visit to a small farm required under subsection (b) of this section, the Secretary shall identify areas where the farm could benefit from capital, structural, or technical assistance in order to improve or come into compliance with the accepted agricultural practices.

(2) Annually, the Secretary shall establish a priority ranking system for small farms according to the degree of assistance required for compliance with the accepted agricultural practices if the identified capital, structural, or technical needs on the farm are not addressed.

(3) Notwithstanding the requirements of section 4823 of this title, farms identified under subdivision (2) of this subsection in the greatest level of need in order to come into compliance with the accepted agricultural practices shall

be given first priority for State financial assistance under subchapter 3 of this chapter, provided that the Secretary may give first priority for financial assistance to any farm other than one identified under subdivision (2) of this subsection when the Secretary determines that a farm needs assistance to address a water quality issue that requires immediate abatement.

Sec. 3. 6 V.S.A. § 4860 is amended to read:

§ 4860. REVOCATION; ENFORCEMENT

(a) The ~~secretary~~ Secretary may revoke coverage under a general permit ~~or~~, an individual permit, or a small farm certification issued under this subchapter after following the same process prescribed by section 2705 of this title regarding the revocation of a handler's license. The ~~secretary~~ Secretary may also seek enforcement remedies under sections 1, 11, 12, 13, 16, and 17 of this title as well as assess an administrative penalty under section 15 of this title from any person who fails to comply with any permit provision as required by this subchapter or who violates the terms or conditions of coverage under any general permit ~~or~~, any individual permit, or any small farm certification issued under this subchapter. However, notwithstanding provisions of section 15 of this title to the contrary, the maximum administrative penalty assessed for a violation of this subchapter shall not exceed \$5,000.00 for each violation, and the maximum amount of any penalty assessed for separate and distinct violations of this chapter shall not exceed \$50,000.00.

(b) Any person who violates any provision of this subchapter or who fails to comply with any order or the terms of any permit or certification issued in accordance with this subchapter shall be fined not more than \$10,000.00 for each violation. Each violation may be a separate offense and, in the case of a continuing violation, each day's continuance may be deemed a separate offense.

(c) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, certification, or other document filed or required to be maintained by this subchapter or by any permit, rule, regulation, or order issued under this subchapter, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained by this subchapter or by any permit, rule, regulation, or order issued under this subchapter shall upon conviction be punished by a fine of not more than \$5,000.00 for each violation. Each violation may be a separate offense and, in the case of a continuing violation, each day's continuance may be deemed a separate offense.

Sec. 4. 6 V.S.A. § 4810 is amended to read:

§ 4810. AUTHORITY; COOPERATION; COORDINATION

(a) Agricultural land use practices. In accordance with 10 V.S.A. § 1259(i), the ~~secretary~~ Secretary shall adopt by rule, pursuant to 3 V.S.A. chapter 25 of Title 3, and shall implement and enforce agricultural land use practices in order to reduce the amount of agricultural pollutants entering the waters of the ~~state~~ State. These agricultural land use practices shall be created in two categories, pursuant to subdivisions (1) and (2) of this subsection.

(1) “Accepted Agricultural Practices” (AAPs) shall be standards to be followed in conducting agricultural activities in this ~~state~~ State. These standards shall address activities which have a potential for causing pollutants to enter the groundwater and waters of the ~~state~~ State, including dairy and other livestock operations plus all forms of crop and nursery operations and on-farm or agricultural fairground, registered pursuant to 20 V.S.A. § 3902, livestock and poultry slaughter and processing activities. The AAPs shall include, as well as promote and encourage, practices for farmers in preventing pollutants from entering the groundwater and waters of the ~~state~~ State when engaged in, ~~but not limited to~~, animal waste management and disposal, soil amendment applications, plant fertilization, and pest and weed control. Persons engaged in farming, as defined in 10 V.S.A. § 6001, who follow these practices shall be presumed to be in compliance with water quality standards. AAPs shall be practical and cost effective to implement. The AAPs for groundwater shall include a process under which the ~~agency~~ Agency shall receive, investigate, and respond to a complaint that a farm has contaminated the drinking water or groundwater of a property owner.

(2) “Best Management Practices” (BMPs) may be required by the ~~secretary~~ Secretary on a ~~ease by ease~~ case-by-case basis. Before requiring BMPs, the ~~secretary~~ Secretary shall determine that sufficient financial assistance is available to assist farmers in achieving compliance with applicable BMPs. BMPs shall be practical and cost effective to implement.

(b) Cooperation and coordination. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets shall coordinate with the ~~secretary of natural resources~~ Secretary of Natural Resources in implementing and enforcing programs, plans, and practices developed for reducing and eliminating agricultural non-point source pollutants and discharges from concentrated animal feeding operations. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets and the ~~secretary of natural resources~~ Secretary of Natural Resources shall develop a memorandum of understanding for the non-point program describing program administration, grant negotiation, grant sharing, and how they will coordinate watershed planning activities to comply with Public Law 92-500. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets and the ~~secretary of the agency of natural resources~~ Secretary of Natural Resources

shall also develop a memorandum of understanding according to the public notice and comment process of 10 V.S.A. § 1259(i) regarding the implementation of the federal concentrated animal feeding operation program and the relationship between the requirements of the federal program and the ~~state~~ State agricultural water quality requirements for large, medium, and small farms under chapter 215 of this title. The memorandum of understanding shall describe program administration, permit issuance, an appellate process, and enforcement authority and implementation. The memorandum of understanding shall be consistent with the federal National Pollutant Discharge Elimination System permit regulations for discharges from concentrated animal feeding operations. The allocation of duties under this chapter between the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets and the ~~secretary of natural resources~~ Secretary of Natural Resources shall be consistent with the ~~secretary's~~ Secretary's duties, established under the provisions of 10 V.S.A. § 1258(b), to comply with Public Law 92-500. The ~~secretary of natural resources~~ Secretary of Natural Resources shall be the ~~state~~ State lead person in applying for federal funds under Public Law 92-500, but shall consult with the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets during the process. The agricultural non-point source program may compete with other programs for competitive watershed projects funded from federal funds. The ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets shall be represented in reviewing these projects for funding. Actions by the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets under this chapter concerning agricultural non-point source pollution shall be consistent with the water quality standards and water pollution control requirements of 10 V.S.A. chapter 47 ~~of Title 10~~ and the federal Clean Water Act as amended. In addition, the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets shall coordinate with the ~~secretary of natural resources~~ Secretary of Natural Resources in implementing and enforcing programs, plans, and practices developed for the proper management of composting facilities when those facilities are located on a farm.

(c) On or before January 1, 2016, the Secretary of Agriculture, Food and Markets shall amend by rule the accepted agricultural practices required under this section to include requirements for the certification of small farms under section 4858a of this title. The rules adopted under this section shall be at least as stringent as the requirements of section 4858a of this title.

* * * Agricultural Water Quality; Corrective Actions * * *

Sec. 5. 6 V.S.A. § 4812 is amended to read:

§ 4812. CORRECTIVE ACTIONS

(a) When the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets determines that a person engaged in farming is managing a farm using practices which are inconsistent with the ~~practices defined by requirements of this chapter or rules adopted~~ under this subchapter, the ~~secretary~~ Secretary may issue a written warning which shall be served in person or by certified mail, return receipt requested. The warning shall include a brief description of the alleged violation, identification of this statute and applicable rules, a recommendation for corrective actions that may be taken by the person, along with a summary of federal and state assistance programs which may be utilized by the person to remedy the violation ~~and a request for an abatement schedule from the person according to which the practice shall be altered~~. The person shall have 30 days to respond to the written warning and shall provide an abatement schedule for curing the violation and a description of the corrective action to be taken to cure the violation. If the person fails to respond to the written warning within this period or to take corrective action to change the practices ~~in order to protect water quality~~, the ~~secretary~~ Secretary may act pursuant to subsection (b) of this section in order to protect water quality.

(b) ~~After an opportunity for a hearing, the secretary~~ The Secretary may:

(1) issue cease and desist orders and administrative penalties in accordance with the requirements of sections 15, 16, and 17 of this title; and

(2) institute appropriate proceedings on behalf of the ~~agency~~ Agency to enforce this subchapter.

(c) Whenever the ~~secretary~~ Secretary believes that any person engaged in farming is in violation of this subchapter or rules adopted thereunder, an action may be brought in the name of the ~~agency~~ Agency in a court of competent jurisdiction to restrain by temporary or permanent injunction the continuation or repetition of the violation. The court may issue temporary or permanent injunctions, and other relief as may be necessary and appropriate to curtail any violations.

(d) ~~The secretary may assess administrative penalties in accordance with sections 15, 16, and 17 of this title against any farmer who violates a cease and desist order or other order issued under subsection (b) of this section. [Repealed.]~~

(e) Any person subject to an enforcement order or an administrative penalty who is aggrieved by the final decision of the ~~secretary~~ Secretary may appeal to the ~~superior court~~ Superior Court within 30 days of the decision. The administrative judge may specially assign an ~~environmental~~ Environmental

judge to ~~superior court~~ Superior Court for the purpose of hearing an appeal.

* * * Agricultural Water Quality; Livestock Exclusion * * *

Sec. 6. 6 V.S.A. chapter 215, subchapter 8 is added to read:

Subchapter 8. Livestock Exclusion

§ 4971. DEFINITIONS

As used in this subchapter:

(1) “Livestock” means cattle, sheep, goats, equines, fallow deer, red deer, American bison, swine, water buffalo, poultry, pheasant, Chukar partridge, Coturnix quail, camelids, ratites, and, as necessary, other animals designated by the Secretary by rule.

(2) “Waters” shall have the same meaning as in 10 V.S.A. § 1251(13).

§ 4972. PURPOSE

The purpose of this subchapter is to authorize the Secretary of Agriculture, Food and Markets to require exclusion of livestock from a water of the State where continued access to the water by livestock poses a high risk of violating the accepted agricultural practices.

§ 4973. LIVESTOCK EXCLUSION; PERMIT CONDITION

As a condition of a small farm certification, an animal waste permit, or a large farm permit issued under this chapter, the Secretary of Agriculture, Food and Markets may require exclusion of livestock from a water of the State where continued access to the water by livestock poses a high risk of violating the accepted agricultural practices.

* * * Seasonal Exemption for Manure Application * * *

Sec. 7. 6 V.S.A. § 4816 is added to read:

§ 4816. SEASONAL APPLICATION OF MANURE

(a) Unless authorized under subsection (b) of this section, a person shall not apply manure to land in the State:

(1) between December 15 and April 1 of any calendar year; or

(2) between December 1 and December 15 and between April 1 and April 30 of any calendar year when prohibited under subsection (c) of this section.

(b) Seasonal exemption.

(1) The Secretary of Agriculture, Food and Market may authorize an exemption to the prohibition on the application of manure to land in the State

between December 15 and April 1 of any calendar year or during any period established under subsection (c) of this section when manure is prohibited from application. An exemption issued under this section may authorize land application of manure on a weekly, monthly, or seasonal basis or in authorized regions, areas, or fields in the State, provided that the requirements of subdivision (2) of this subsection are complied with.

(2) Any exemption issued under this subsection shall:

(A) prohibit application of manure:

(i) in areas with established channels of concentrated stormwater runoff to surface waters, including ditches and ravines;

(ii) in nonharvested permanent vegetative buffers;

(iii) in a nonfarmed wetland, as that term is defined in 10 V.S.A. § 902(5);

(iv) within 50 feet of a potable water supply, as that term is defined in 10 V.S.A. § 1972(6);

(v) to fields exceeding tolerable soil loss; and

(vi) to saturated soils;

(B) establish requirements for the application of manure when frozen or snow-covered soils prevent effective incorporation at the time of application;

(C) require manure to be applied according to a nutrient management plan; and

(D) establish the maximum tons of manure that may be applied per acre during any one application.

(c) Restriction on application. The Secretary of Agriculture, Food and Markets may by procedure prohibit the application of manure to land in the State between December 1 and December 15 and April 1 and April 30 of any calendar year when the Secretary determines that due to weather conditions, soil conditions, or other limitations, application of manure to land would pose a significant potential of discharge or runoff to State waters.

* * * Agricultural Water Quality; Training * * *

Sec. 8. 6 V.S.A. chapter 215, subchapter 9 is added to read:

Subchapter 9. Agricultural Water Quality Certification Training

§ 4981. AGRICULTURAL WATER QUALITY CERTIFICATION TRAINING; RULEMAKING

(a) On or before January 1, 2016, the Secretary of Agriculture, Food and Markets shall adopt by procedure requirements for training classes or programs for owners or operators of small farms, medium farms, or large farms certified or permitted under this chapter regarding:

(1) the prevention of discharges, as that term is defined in 10 V.S.A. § 1251(3); and

(2) the mitigation and management from farms of stormwater runoff, as that term is defined in 10 V.S.A. § 1264.

(b) Any training required by procedure under this section shall:

(1) address the existing statutory and regulatory requirements for operation of a large, medium, or small farm in the State; and

(2) address the management practices and technical and financial resources available to assist in compliance with statutory or regulatory agricultural requirements.

* * * Agricultural Water Quality;

Certification of Custom Applicators * * *

Sec. 9. 6 V.S.A. chapter 215, subchapter 10 is added to read:

Subchapter 10. Certification of Custom Applicators of Manure,

Nutrients, or Sludge

§ 4987. DEFINITIONS

As used in this subchapter:

(1) “Custom applicator” means a person who applies manure, nutrients, or sludge to land and who charges or collects other consideration for the service.

(2) “Manure” means livestock waste that may also contain bedding, spilled feed, water, or soil.

(3) “Seasonal employee” means a person who:

(A) works for a custom applicator for 20 weeks or fewer in a calendar year; and

(B) works in a job scheduled to last 20 weeks or fewer.

(4) “Sludge” means any solid, semisolid, or liquid generated from a municipal, commercial, or industrial wastewater treatment plant or process, water supply treatment plant, air pollution control facility, or any other such waste having similar characteristics and effects.

§ 4988. CERTIFICATION OF CUSTOM APPLICATOR

(a) On or before January 1, 2015, the Secretary of Agriculture, Food and Markets shall adopt by rule a process by which a custom applicator shall be certified to operate within the State. The certification process shall require a custom applicator to complete eight hours of training over each five-year period regarding:

(1) application methods or techniques to minimize the runoff of land-applied manure, nutrients, or sludge to waters of the State; and

(2) identification of weather or soil conditions that increase the risk of runoff of land-applied manure, nutrients, or sludge to waters of the State.

(b) Beginning January 1, 2016, a custom applicator shall not apply manure, nutrients, or sludge unless certified by the Secretary of Agriculture, Food and Markets.

(c) A custom applicator certified under this section may train seasonal employees in methods or techniques to minimize runoff to surface waters and to identify weather or soil conditions that increase the risk of runoff. A custom applicator that trains a seasonal employee under this subsection shall be liable for damages done and liabilities incurred by a seasonal employee who improperly applies manure, nutrients, or sludge.

(d) The requirements of this section shall not apply to an owner or operator of a farm applying manure, nutrients, or sludge to a field that he or she owns or controls.

* * * Agricultural Stream Alteration * * *

Sec. 9a. 6 V.S.A. § 4810a is added to read:

§ 4810a. AGRICULTURAL ACTIVITIES; STREAMS

(a) As used in this section:

(1) "Instream material" means:

(A) all gradations of sediment from silt to boulders;

(B) ledge rock; or

(C) large woody debris in the bed of a perennial stream or within the banks of a perennial stream.

(2) "Intermittent stream" means any stream or stream segment of significant length that is not a perennial stream.

(3) "Large woody debris" means any piece of wood within a perennial stream with a diameter of 10 or more inches and a length of 10 or more feet

that is detached from the soil where it grew.

(4) “Perennial stream” means a stream or portion, segment, or reach of a stream, generally exceeding 0.5 square miles in watershed size, in which surface flows are not frequently or consistently interrupted during normal seasonal low flow periods. Perennial streams that begin flowing subsurface during low flow periods, due to natural geologic conditions, remain defined as perennial. “Perennial stream” shall not mean standing waters in wetlands, lakes, and ponds.

(5) “Secretary” means the Secretary of Agriculture, Food and Markets.

(6) “Stream” means a current of water that flows at any time at a rate of less than 1.5 cubic feet per second and exhibits evidence of sediment transport. A stream shall include the full length and width, including the bed and banks of any watercourse, including rivers, streams, creeks, brooks, and branches, which experience perennial flow. “Stream” shall not include swales, roadside ditches, or ditches or other constructed channels primarily associated with land drainage or water conveyance through or around private infrastructure.

(b) On or before January 1, 2016, the Secretary shall amend the accepted agricultural practices to include requirements for agricultural activities that alter or impact streams in the State. The accepted agricultural practices for stream activities shall:

(1) prohibit the discharge or deposit of manure, milk house waste, compost, or other waste in a stream; and

(2) require authorization from the Secretary, prior to any change, alteration, or modification of the course, current, or cross section of a perennial stream in this State either by movement, fill, or excavation of 10 cubic yards or more of instream material in any year.

(c) The Secretary shall authorize an agricultural activity that alters or impacts streams in the State if the activity:

(1) will not adversely affect the public safety by increasing flood or fluvial erosion hazards;

(2) will not significantly damage fish life or wildlife;

(3) will not significantly damage the rights of riparian owners; and

(4) in case of any waters designated as outstanding resource waters, will not adversely affect the values sought to be protected by designation.

(d) Prior to issuing an authorization under subdivision (b)(2) of this section, the Secretary shall consult with the Secretary of Natural Resources regarding appropriate management measures to be used in conducting any authorized

activity.

Sec. 9b. 32 V.S.A. § 5811(21) is amended to read:

(21) “Taxable income” means federal taxable income determined without regard to 26 U.S.C. § 168(k) and:

(A) Increased by the following items of income (to the extent such income is excluded from federal adjusted gross income):

* * *

(B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

(i) income from United States government obligations;

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h):

(I) if the taxpayer is ~~aged~~ 70 years of age or older as of the last day of the tax year, or for adjusted net capital gain income from the sale of a farm or from the sale of standing timber, each as defined in subdivision (27) of this section, 40 percent of adjusted net capital gain income but the total amount of decrease under this subdivision (ii)(I) shall not exceed 40 percent of federal taxable income; provided, however, that a taxpayer ~~aged~~ 70 years of age or older as of the last day of the tax year may elect to subtract his or her adjusted net capital gains pursuant to subdivision (21)(B)(ii)(II) of this section.

(II) for taxpayers ~~aged~~ 70 years of age or older as of the last day of the tax year who so elect and for all other capital gain income, the first \$2,500.00 of adjusted net capital gain income; ~~and~~

(iii) recapture of State and local income tax deductions not taken against Vermont income tax; and

(iv) financial assistance received from the State under 6 V.S.A. chapter 215 for the purpose of encouraging farmers in the State to invest in infrastructure or practices to improve water quality.

Second: By striking Sec. 15 (best management practices tax credit) in its entirety and inserting in lieu thereof “Sec. 15. [Deleted]”

Third: By striking Sec. 23 (report on use value appraisal program; AAPs) in its entirety and inserting in lieu thereof “Sec. 23. [Deleted]”

Fourth: By striking Sec. 24 in its entirety and inserting in lieu thereof the following:

Sec. 24. EFFECTIVE DATES

(a) This section and Secs. 1 (agricultural findings), 2–4 (small farm certification rules), 5 (Agency of Agriculture, Food and Markets corrective action), 6 (livestock exclusion), 7 (seasonal exemption for application of manure), 9 (custom applicator certification), 9a (agricultural stream alteration), 10 (stormwater model bylaw), 11 (water quality data coordination), 12 (shoreland contractor certification), 13 (financing; technical assistance for forestry), 15 (agricultural best management practices tax credit), and 23 (AAP; use value appraisal report) shall take effect on passage.

(b) Secs. 8 (agricultural water quality certification) and 9b (income tax exemption; water quality assistance) shall take effect on January 1, 2015.

(c) Secs. 14 (town road and bridge standards), 16 (Ecosystem Restoration fee), 17–19 (meals and rooms tax), 20–21 (rental car tax), and 22 (Ecosystem Restoration Program Fund) shall take effect on July 1, 2015.

(Committee Vote: 10-0-0)

Rep. Ram of Burlington, for the Committee on **Ways and Means**, recommends the bill ought to pass when amended as recommended by the Committees on **Fish, Wildlife & Water Resources and Agriculture and Forest Products** and when further amended as follows:

First: In Sec. 2, 6 V.S.A. § 4858a, in subsection (a), by striking “On or before January 1, 2016, the” and inserting in lieu thereof The.

Second: In Sec. 4, 6 V.S.A. § 4810, in subsection (c), by striking “On or before January 1, 2016, the” and inserting in lieu thereof The.

Third: In Sec. 8, in 6 V.S.A. § 4981, in subsection (a), by striking “On or before January 1, 2016, the” and inserting in lieu thereof The.

Fourth: In Sec. 9, in 6 V.S.A. § 4988, in subsection (a), by striking “On or before January 1, 2015, the” and inserting in lieu thereof The.

Fifth: In Sec. 9, in 6 V.S.A. § 4988, in subsection (b), by striking “Beginning January 1, 2016, a” and inserting in lieu thereof A.

Sixth: In Sec. 9a, 6 V.S.A. § 4810a, in subsection (b), by striking “On or before January 1, 2016, the” and inserting in lieu thereof The.

Seventh: By striking out Sec. 9b (agricultural water quality tax credit) in its entirety and by inserting in lieu thereof Sec. 9b. [Deleted.]

Eighth: In Sec. 10, 10 V.S.A. § 1264, in subdivision (b)(12), in the second sentence, by striking “Beginning on July 1, 2014, the” and inserting in lieu thereof The.

Ninth: In Sec. 12, in subdivision (a)(1), by striking “section 1264 of this”

title” and inserting in lieu thereof 10 V.S.A. § 1264.

Tenth: In Sec. 12, by striking out subsections (b) and (c) in their entirety and inserting new subsections (b) and (c) to read:

(b) Voluntary certification. The Agency of Natural Resources, in consultation with the Associated General Contractors of Vermont, shall develop an optional shoreland erosion control certification program. The program shall include training related to the disturbance of soil, clearance of vegetation, and construction of impervious surfaces of more than 1,000 square feet in a shoreland area. The voluntary certification program shall end after three years of operation.

(c) Report. After two years of operation of the certification program, the Agency of Natural Resources shall report to the House and Senate Committees on Natural Resources and Energy and the House Committee on Fish, Wildlife and Water Resources regarding the voluntary shoreland erosion control certification program created in subsection (b) of this section. The report shall include:

(1) a general summary of the program’s success, including an overview of shoreland projects constructed by certified persons;

(2) the number of persons certified under the certification program;

(3) a recommendation of whether the State should continue the voluntary certification program, including whether to make the program mandatory; and

(4) any other recommendations for improving the program.

Eleventh: By striking out Sec. 13 (portable skidder project appropriation) in its entirety and by inserting in lieu thereof Sec. 13. [Deleted.]

Twelfth: By striking out Sec. 14 (town highway match) in its entirety and by inserting in lieu thereof Sec. 14. [Deleted.]

Thirteenth: By striking out Sec. 16 and inserting in lieu thereof a new Sec. 16 to read:

Sec. 16. AGENCY OF NATURAL RESOURCES REPORT ON WATER QUALITY FINANCING

On or before January 15, 2015, the Secretary of Natural Resources, after consultation with the Joint Fiscal Office, the Secretary of Agriculture, Food and Markets, and the Secretary of Transportation, shall submit to the Senate and House Committees on Natural Resources and Energy, the House Committee on Fish, Wildlife and Water Resources, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate and House

Committees on Appropriations a report that provides recommendations for establishing financing mechanisms for the requirements of this act and other State actions to improve the quality of State waters. The report shall include:

(1) a summary of the anticipated costs for each agency to implement the requirements of this act;

(2) a summary and analysis of existing State tax expenditures that affect State water quality;

(3) a recommendation for a financing mechanism that assesses property owners in the State based on the property's impact on water quality;

(4) at least two alternative financing mechanisms in addition to the recommendation under subdivision (3) of this section, which may include a recommendation for an excise tax;

(5) a summary of how each recommended financing mechanism would be implemented, including administration and enforcement; and

(6) an estimated amount of revenue that each recommended financing proposal would generate.

Fourteenth: By striking out Sec. 17 (meals and rooms tax) in its entirety and by inserting in lieu thereof Sec. 17. [Deleted.]

Fifteenth: By striking out Sec. 18 (meals and rooms tax) in its entirety and by inserting in lieu thereof Sec. 18. [Deleted.]

Sixteenth: By striking out Sec. 19 (meals and rooms tax) in its entirety and by inserting in lieu thereof Sec. 19. [Deleted.]

Seventeenth: By striking out Sec. 20 (rental car tax) in its entirety and by inserting in lieu thereof Sec. 20. [Deleted.]

Eighteenth: By striking out Sec. 21 (rental car tax) in its entirety and by inserting in lieu thereof Sec. 21. [Deleted.]

Nineteenth: By striking out Sec. 22 (ecosystem restoration program fund) in its entirety and by inserting in lieu thereof Sec. 22. [Deleted.]

Twentieth: By striking out Sec. 24 in its entirety and inserting in lieu thereof a new Sec. 24 to read:

Sec. 24. EFFECTIVE DATES

(a) This section and Sec. 13 (water quality restoration financing report) shall take effect on passage.

(b) Secs. 1 (agricultural findings), 2-4 (small farm certification rules), 5 (Agency of Agriculture, Food and Markets corrective action), 6 (livestock

exclusion), 7 (seasonal exemption for application of manure), 8 (agricultural water quality certification), 9 (custom applicator certification), 9a (agricultural stream alteration), 10 (stormwater model bylaw), 11 (water quality data coordination), and 12 (shoreland contractor certification) shall take effect one year after the General Assembly appropriates or otherwise generates funding sufficient to fund the requirements of this act.

(**Committee Vote: 11-0-0**)

Consent Calendar

Concurrent Resolutions for Adoption Under Joint Rule 16a

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration before today's adjournment. Requests for floor consideration in either chamber should be communicated to the Secretary's office and/or the House Clerk's office, respectively. For text of resolutions, see Addendum to House Calendar and Senate Calendar of 4/10/2014.

H.C.R. 293

House concurrent resolution congratulating the Vermont Commission on Women on its 50th anniversary

H.C.R. 294

House concurrent resolution designating Saturday, November 1, 2014 as the Button Up Vermont Day of Action

H.C.R. 295

House concurrent resolution honoring World War II veteran Walter Berry of East Concord

H.C.R. 296

House concurrent resolution congratulating Judd Levine on being named a 2014 LifeChanger of the Year

H.C.R. 297

House concurrent resolution congratulating the Town of Hubbardton on its 250th anniversary

H.C.R. 298

House concurrent resolution congratulating the 2014 Essex High School Vermont National Education Scholars' Bowl championship team

H.C.R. 299

House concurrent resolution congratulating the 2014 Vermont Jr Iron Chef culinary competition winners

H.C.R. 300

House concurrent resolution congratulating Sam Boudreau on winning the 2014 Vermont Poetry Out Loud Competition

H.C.R. 301

House concurrent resolution congratulating the 2014 Black River High School girls' championship snowboarding team

H.C.R. 302

House concurrent resolution congratulating the Rutland High School cheerleading team on its third-place finish at the New England Interscholastic Spirit Championship

H.C.R. 303

House concurrent resolution congratulating the record-setting 2014 Mt. Anthony Union High School Patriots' State championship wrestling team

H.C.R. 304

House concurrent resolution congratulating Frank Pecora on his induction into the National High School Hall of Fame

H.C.R. 305

House concurrent resolution congratulating the 2014 Thetford Academy Panthers Division III championship girls' basketball team

H.C.R. 306

House concurrent resolution congratulating the 2013 Oxbow Union High School Lady Olympians Division III championship softball team

H.C.R. 307

House concurrent resolution recognizing April 2014 as Fair Housing Month in Vermont

H.C.R. 308

House concurrent resolution congratulating Ruth (Shattuck) Austin of Newport on her 100th birthday

S.C.R. 54

Senate concurrent resolution congratulating the Washington Electric Cooperative on its 75th anniversary