

[Draft Bill for Discussion Purposes Only]

1 Introduced by
2 Referred to Committee on
3 Date:
4 Subject: Conservation and development; agriculture; water quality
5 Statement of purpose of bill as introduced: This bill would adopt multiple
6 provisions related to the remediation and preservation of waters of the State.
7 Beginning January 1, 2019, livestock shall be excluded by fencing from
8 entering State waters. The Secretary of Agriculture, Food and Markets would
9 be required to adopt rules regulating when manure may be spread in the winter.
10 Farmers and custom applicators would be required to complete annual water
11 quality training. Under the bill, a permit issued by the Secretary of
12 Agriculture, Food and Markets for the application of a pesticide in a
13 right-of-way would be required to prohibit the application of pesticides within
14 50 feet of a surface water or a culvert. The bill also amends the definition of
15 watercourse under the stream alteration program. Beginning January 1, 2015,
16 the Secretary of Natural Resources would be required to permit discharges of
17 regulated stormwater runoff from the development, redevelopment, or
18 expansion of impervious surface equal to or greater than one-half acre. The
19 bill would also establish a Water Resources Preservation Program to fund
20 activities or projects to improve water quality, prevent or repair flood damage,
21 and provide reasonable assurance for implementation of Total Maximum Daily

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1 Load plans. The Water Resources Preservation Program would be funded, in
2 part, by a fee assed against all developed property. The bill also requires
3 municipalities to adopt road and bridge standards that include best
4 management practices to address water quality. In addition, the bill would
5 provide an income tax credit for implementation of best management practices
6 approved by the Secretary of Agriculture, Food and Markets. The bill would
7 also impose a one-cent-per-bottle excise tax on bottled water and 10 cent per
8 package excise tax on flushable products. The revenue generated from the
9 bottled water excise tax and the flushable products excise tax would be
10 deposited in a fund for implementation of the Water Resources Preservation
11 Program.

12 An act relating to agricultural water quality

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

14 * * * Agricultural Water Quality;

15 Small Farm Certification and Inspection * * *

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

17 § 4858a. SMALL FARM CERTIFICATION

18 (a) Definitions. As used in this section, “small farm” means:

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1 (1) a “small farm,” as that term is defined in subdivision 4857(3) of this
2 title, that is authorized to ship milk by the Secretary of Agriculture, Food and
3 Markets; or

4 (2) an “animal feeding operation,” as that term is defined in subdivision
5 4857(1) of this title, which houses:

6 (A) five to 299 mature beef cattle; or

7 (B) four to 150 horses or equines.

8 (b) Certification required. A person shall not operate a small farm in the
9 State without a certification from the Secretary of Agriculture, Food and
10 Markets.

11 (c) Content of certification. On or before January 1, 2015, and every five
12 years thereafter, the owner or operator of a small farm shall certify to the
13 Secretary of Agriculture, Food and Markets that the owner or operator
14 complies with the accepted agricultural practices adopted under section 4810
15 of this title. The certification shall identify the farm subject to the certification
16 and the person or persons who own or operate the farm. The owner or operator
17 of the farm shall certify that:

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

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

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

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

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

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

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

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

19 (9) Cropland on the farm is cultivated in a manner that results in an
20 average soil loss of less than or equal the soil loss tolerance for the prevalent

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1 soil, known as 1T, as calculated through application of the Revised Universal
2 Soil Loss Equation, or through the application of similarly accepted models.

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

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

11 (d) Required inspection. The Secretary shall inspect small farms in the
12 State for compliance with the accepted agricultural practices and for
13 consistency with a certification issued under this section.

14 (e)(1) Identification; ranking of water quality needs. During an inspection
15 of a small farm under subsection (d) of this section, the Secretary shall identify
16 areas where the farm could benefit from capital, structural, or technical
17 assistance that could reduce the risk of discharge or runoff of waste to surface
18 waters of the State.

19 (2) Annually, the Secretary shall establish a priority ranking system for
20 small farms according to the risk of potential discharge or runoff to a water of

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1 the State if the identified capital, structural, or technical needs on the farm are
2 not addressed.

3 (3) Notwithstanding the requirements of section 4823 of this title, a farm
4 identified under subdivision (2) of this subsection as a high risk of discharge or
5 runoff to a water of the State shall be given first priority for state financial
6 assistance under subchapter 3 of this chapter.

7 (f) Annual training. Annually, the owner or operator of a small farm shall
8 complete a training course approved by the Secretary under section 4981 of
9 this title.

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

11 § 4860. REVOCATION; ENFORCEMENT

12 (a) The ~~secretary~~ Secretary may revoke coverage under a general permit ~~or,~~
13 an individual permit, or a small farm certification issued under this subchapter
14 after following the same process prescribed by section 2705 of this title
15 regarding the revocation of a handler's license. The ~~secretary~~ Secretary may
16 also seek enforcement remedies under sections 1, 11, 12, 13, 16, and 17 of this
17 title as well as assess an administrative penalty under section 15 of this title
18 from any person who fails to comply with any permit provision as required by
19 this subchapter or who violates the terms or conditions of coverage under any
20 general permit ~~or,~~ any individual permit, or any small farm certification issued
21 under this subchapter. However, notwithstanding provisions of section 15 of

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1 this title to the contrary, the maximum administrative penalty assessed for a
2 violation of this subchapter shall not exceed \$5,000.00 for each violation, and
3 the maximum amount of any penalty assessed for separate and distinct
4 violations of this chapter shall not exceed \$50,000.00.

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

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

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

2 Sec. 3. 6 V.S.A. chapter 215, subchapter 8 is added to read:

3 Subchapter 8. Livestock Exclusion

4 § 4971. DEFINITIONS

5 As used in this subchapter:

6 (1) “Livestock” means cattle, sheep, goats, equines, fallow deer, red
7 deer, American bison, swine, water buffalo, poultry, pheasant, Chukar
8 partridge, Coturnix quail, camelids, and ratites.

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

10 § 4972. LIVESTOCK EXCLUSION

11 (a) On or before January 1, 2019, a person who owns livestock shall install
12 structures or fencing intended to exclude livestock from entering the waters of
13 the State.

14 (b) Beginning January 1, 2019, a person who owns livestock shall exclude
15 livestock from entering the waters of the State, unless:

16 (1) the Secretary grants the person who owns the livestock a waiver
17 from excluding livestock from a particular water of the State; or

18 (2) the Secretary determines limited access by livestock to a water is
19 required in order to control an invasive species of plants.

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1 § 4973. ENFORCEMENT; INCORPORATION INTO EXISTING PERMIT

2 Beginning January 1, 2019, the requirement under section 4972 of this title
3 to exclude livestock from waters of the State shall be incorporated as a
4 condition of and enforced according to the authority for:

5 (1) a large farm permit issued under section 4851 of this title;

6 (2) an animal waste permit issued under section 4858 of this title; or

7 (3) a small farm certification issued under section 4858a of this title.

8 Sec. 4. 6 V.S.A. § 4824a is added to read:

9 § 4824a. STATE FINANCIAL ASSISTANCE; LIVESTOCK EXCLUSION

10 (a) Notwithstanding the priorities for state financial assistance under
11 section 4823 of this title, construction of fencing in order to comply with the
12 requirement of section 4972 of this title to exclude livestock from entering the
13 waters of the State shall be given first priority for State financial assistance
14 under this subchapter.

15 (b) Prior to an award of State financial assistance under this subchapter to
16 construct livestock exclusion fencing as a best management practice, an
17 applicant shall be required to show proof that he or she or it applied to the
18 NRCS for assistance under the Environmental Quality Incentive Program or
19 the Conservation Reserve Enhancement Program but were deemed not eligible
20 to participate.

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1 (c) Notwithstanding the priority established under subsection (a) of this
2 section, the Secretary of Agriculture, Food and Markets may prioritize the
3 award of financial assistance for activities other than livestock exclusion
4 fencing when the Secretary of Agriculture, Food and Markets determines a
5 severe condition exists that threatens water quality and that requires immediate
6 abatement.

7 Sec. 5. SUNSET

8 6 V.S.A. § 4824a (priority; State financial assistance for livestock
9 exclusion) shall be repealed on January 1, 2019.

10 * * * Seasonal Application of Manure * * *

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

12 § 4816. SEASONAL APPLICATION OF MANURE

13 (a) On or before July 1, 2015, the Secretary of Agriculture, Food and
14 Market shall adopt rules regarding the application of manure to land in the
15 State between December 15 and April 1 of any calendar year. The rules shall:

16 (1) prohibit application of manure:

17 (A) in areas with established channels of concentrated stormwater
18 runoff to surface water;

19 (B) in nonharvested permanent vegetative buffers;

20 (C) in a nonfarmed wetland, as that term is defined in 10 V.S.A.

21 § 902(5);

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1 (D) within 50 feet of a potable water supply, as that term is defined in
2 10 V.S.A. § 1972(6);

3 (E) to fields exceeding tolerable soil loss; and

4 (F) to saturated soils;

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

7 (3) require manure to be applied according to a nutrient management
8 plan; and

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

11 (b) A person shall not apply manure to land in the State between December
12 15 and April 1 of any calendar year unless authorized by the rules adopted by
13 the Secretary of Agriculture, Food and Markets under subsection (a) of this
14 section.

15 * * * Agricultural Water Quality; Training* * *

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

17 Subchapter 9. Agricultural Water Quality Certification Training

18 § 4981. AGRICULTURAL WATER QUALITY CERTIFICATION

19 TRAINING

20 (a) The Secretary of Agriculture, Food and Markets annually shall conduct
21 or shall approve training classes or programs regarding:

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

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

5 (b) The training program shall address:

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

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

11 * * * Agricultural Water Quality;

12 Certification of Custom Applicators * * *

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

14 Subchapter 10. Certification of Custom Manure Applicators

15 § 4987. DEFINITIONS

16 As used in this subchapter:

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

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

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

5 § 4988. CERTIFICATION OF CUSTOM MANURE APPLICATOR

6 (a) On or before January 1, 2015, the Secretary of Agriculture, Food and
7 Markets shall adopt by procedure a process by which a custom applicator shall
8 be certified to operate within the State. The certification process shall require
9 a custom applicator to complete annual training regarding:

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

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

14 (b) Beginning January 1, 2015, a custom applicator shall not apply manure,
15 nutrients, or sludge unless certified by the Secretary of Agriculture, Food and
16 Markets.

17 * * * Right-of-Way Pesticide Permit * * *

18 Sec. 9. 6 V.S.A. § 1101 is amended to read:

19 § 1101. DEFINITIONS

20 As used in this chapter ~~unless the context clearly requires otherwise:~~

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1 (1) “Secretary” shall have the meaning stated in subdivision 911(4) of
2 this title.

3 (2) “Cumulative” when used in reference to a substance means that the
4 substance so designated has been demonstrated to increase twofold or more in
5 concentration if ingested or absorbed by successive life forms.

6 (3) “Dealer or pesticide dealer” means any person who regularly sells
7 pesticides in the course of business, but not including a casual sale.

8 (4) “Economic poison” shall have the meaning stated in subdivision
9 911(5) of this title.

10 (5) “Pest” means any insect, rodent, nematode, fungus, weed, or any
11 other form of terrestrial or aquatic plant or animal life or virus, bacteria, or
12 other ~~micro-organisms, which~~ microorganisms that the secretary ~~Secretary~~
13 declares as being injurious to health or environment. Pest shall not mean any
14 viruses, bacteria, or other micro-organisms on or in living ~~man~~ humans or
15 other living animals.

16 (6) “Pesticide” for the purposes of this chapter shall be used
17 interchangeably with “~~economic poison~~” poison.”

18 (7) “Right-of-way” means an interest in real property, above, on, or
19 below the ground, which entitles the holder of the interest to pass over the land
20 for the purpose of carrying, transmitting, or transporting liquids, gases,
21 electricity, communications, vehicles, or people. For the purposes of this

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1 chapter, it is immaterial whether the right-of-way is owned, leased, or an
2 easement. The term “right-of-way” includes properties owned or leased by
3 utilities where that property is used as a right-of-way.

4 Sec. 10. 6 V.S.A. § 1113 is added to read:

5 § 1113. PERMITS; RIGHT-OF-WAY

6 Beginning July 1, 2014, a permit issued under this chapter for the
7 application of pesticides in a right-of-way shall prohibit the application of
8 pesticides within 50 feet of either side of any surface water, within 50 feet of
9 any culvert, at the base of any signage post, or in any roadside ditches.

10 * * * Stream Alteration * * *

11 Sec. 11. 10 V.S.A. § 1002 is amended to read:

12 § 1002. DEFINITIONS

13 Wherever used or referred to in this chapter, unless a different meaning
14 clearly appears from the context:

15 * * *

16 (10) “Watercourse” means any perennial stream, as determined by the
17 Secretary, and shall include any stream in the State that the U.S. Geologic
18 Survey designated or mapped as a perennial stream. “Watercourse” shall not
19 include ditches or other constructed channels primarily associated with land
20 drainage or water conveyance through or around private or public
21 infrastructure.

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* * * Stormwater Management * * *

Sec. 12. 10 V.S.A. § 1264 is amended to read:

§ 1264. STORMWATER MANAGEMENT

(a) The ~~general assembly~~ General Assembly finds that the management of stormwater runoff is necessary to reduce stream channel instability, pollution, siltation, sedimentation, and local flooding, all of which have adverse impacts on the water and land resources of the ~~state~~ State. The ~~general assembly~~ General Assembly intends, by enactment of this section, to reduce the adverse effects of stormwater runoff. The ~~general assembly~~ General Assembly determines that this intent may best be attained by a process that: assures broad participation; focuses upon the prevention of pollution; relies on structural treatment only when necessary; establishes and maintains accountability; tailors strategies to the region and the locale; assures an adequate funding source; builds broadbased programs; provides for the evaluation and appropriate evolution of programs; is consistent with the federal Clean Water Act and the ~~state~~ State water quality standards; and accords appropriate recognition to the importance of community benefits that accompany an effective stormwater runoff management program. In furtherance of these purposes, the ~~secretary~~ Secretary shall implement two stormwater permitting programs. The first program is based on the

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1 requirements of the federal National Pollutant Discharge Elimination System
2 (NPDES) permit program in accordance with section 1258 of this title. The
3 second program is a ~~state~~ State permit program based on the requirements of
4 this section for the discharge of “regulated stormwater runoff” as that term is
5 defined in subdivision (11) of this subsection. As used in this section:

6 (1) “2002 stormwater management manual” means the ~~agency of natural~~
7 ~~resources~~² Agency of Natural Resources’ stormwater management manual
8 dated April 2002, as amended from time to time by rule.

9 (2) “Best management practice” (BMP) means a schedule of activities,
10 prohibitions of practices, maintenance procedures, and other management
11 practices to prevent or reduce water pollution.

12 (3) “Development” means the construction of impervious surface on a
13 tract or tracts of land where no impervious surface previously existed.

14 (4) “Existing stormwater discharge” means a discharge of regulated
15 stormwater runoff which first occurred prior to June 1, 2002 and that is subject
16 to the permitting requirements of this chapter.

17 (5) “Expansion” and “the expanded portion of an existing discharge”
18 mean an increase or addition of impervious surface, such that the total resulting
19 impervious area is greater than the minimum regulatory threshold. Expansion
20 does not mean an increase or addition of impervious surface of less than 5,000
21 square feet.

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1 (6) “Impervious surface” means those manmade surfaces, including
2 paved and unpaved roads, parking areas, roofs, driveways, and walkways, from
3 which precipitation runs off rather than infiltrates.

4 (7) “New stormwater discharge” means a new or expanded discharge of
5 regulated stormwater runoff, subject to the permitting requirements of this
6 chapter, which first occurs after June 1, 2002 and has not been previously
7 authorized pursuant to this chapter.

8 (8) “Offset” means a ~~state permitted or approved~~ State-permitted
9 or -approved action or project within a stormwater-impaired water that a
10 discharger or a third person may complete to mitigate the impacts that a
11 discharge of regulated stormwater runoff has on the stormwater-impaired
12 water.

13 (9) “Offset charge” means the amount of sediment load or hydrologic
14 impact that an offset must reduce or control in the stormwater-impaired water
15 in which the offset is located.

16 (10) “Redevelopment” means the construction or reconstruction of an
17 impervious surface where an impervious surface already exists when such new
18 construction involves substantial site grading, substantial subsurface
19 excavation, or substantial modification of existing stormwater conveyance,
20 such that the total of impervious surface to be constructed or reconstructed is
21 greater than the minimum regulatory threshold. Redevelopment does not mean

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1 the construction or reconstruction of impervious surface where impervious
2 surface already exists when the construction or reconstruction involves less
3 than 5,000 square feet. Redevelopment does not mean public road
4 management activities, including any crack sealing, patching, coldplaning,
5 resurfacing, reclaiming, or grading treatments used to maintain pavement,
6 bridges, and unpaved roads.

7 (11) “Regulated stormwater runoff” means precipitation, snowmelt, and
8 the material dissolved or suspended in precipitation and snowmelt that runs off
9 impervious surfaces and discharges into surface waters or into groundwater via
10 infiltration.

11 (12) “Stormwater impact fee” means the monetary charge assessed to a
12 permit applicant for the discharge of regulated stormwater runoff to a
13 stormwater-impaired water that mitigates a sediment load level or hydrologic
14 impact that the discharger is unable to control through on-site treatment or
15 completion of an offset on a site owned or controlled by the permit applicant.

16 (13) “Stormwater-impaired water” means a ~~state~~ State water that the
17 ~~secretary~~ Secretary determines is significantly impaired by discharges of
18 regulated stormwater runoff.

19 (14) “Stormwater runoff” means precipitation and snowmelt that does
20 not infiltrate into the soil, including material dissolved or suspended in it, but

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1 does not include discharges from undisturbed natural terrain or wastes from
2 combined sewer overflows.

3 (15) “Total maximum daily load” (TMDL) means the calculations and
4 plan for meeting water quality standards approved by the U.S. Environmental
5 Protection Agency (EPA) and prepared pursuant to 33 U.S.C. § 1313(d) and
6 federal regulations adopted under that law.

7 (16) “Water quality remediation plan” means a plan, other than a TMDL
8 or sediment load allocation, designed to bring an impaired water body into
9 compliance with applicable water quality standards in accordance with
10 40 C.F.R. § 130.7(b)(1)(ii) and (iii).

11 (17) “Watershed improvement permit” means a general permit specific
12 to a stormwater-impaired water that is designed to apply management
13 strategies to existing and new discharges and that includes a schedule of
14 compliance no longer than five years reasonably designed to assure attainment
15 of the Vermont water quality standards in the receiving waters.

16 (18) “Stormwater system” means the storm sewers; outfall sewers;
17 surface drains; manmade wetlands; channels; ditches; wet and dry bottom
18 basins; rain gardens; and other control equipment necessary and appurtenant to
19 the collection, transportation, conveyance, pumping, treatment, disposal, and
20 discharge of regulated stormwater runoff.

21 (19) “Net zero standard” means:

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1 (A) A new discharge or the expanded portion of an existing discharge
2 meets the requirements of the 2002 stormwater management manual and does
3 not increase the sediment load in the receiving stormwater-impaired water; or

4 (B) A discharge from redevelopment; from an existing discharge
5 operating under an expired stormwater discharge permit where the property
6 owner applies for a new permit; or from any combination of development,
7 redevelopment, and expansion meets on-site the water quality, recharge, and
8 channel protection criteria set forth in Table 1.1 of the 2002 stormwater
9 management manual that are determined to be technically feasible by an
10 engineering feasibility analysis conducted by the ~~agency~~ Agency and if the
11 sediment load from the discharge approximates the natural runoff from an
12 undeveloped field or open meadow that is not used for agricultural activity.

13 (b) The ~~secretary~~ Secretary shall prepare a plan for the management of
14 collected stormwater runoff found by the ~~secretary~~ Secretary to be deleterious
15 to receiving waters. The plan shall recognize that the runoff of stormwater is
16 different from the discharge of sanitary and industrial wastes because of the
17 influence of natural events of stormwater runoff, the variations in
18 characteristics of those runoffs, and the increased stream flows and natural
19 degradation of the receiving water quality at the time of discharge. The plan
20 shall be cost effective and designed to minimize any adverse impact of
21 stormwater runoff to waters of the ~~state~~ State. By no later than February 1,

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1 2001, the ~~secretary~~ Secretary shall prepare an enhanced stormwater
2 management program and report on the content of that program to the ~~house~~
3 ~~committees on fish, wildlife and water resources and on natural resources and~~
4 ~~energy and to the senate committee on natural resources and energy~~ House
5 Committees on Fish, Wildlife and Water Resources and on Natural Resources
6 and Energy and to the Senate Committee on Natural Resources and Energy. In
7 developing the program, the ~~secretary~~ Secretary shall consult with ~~the board,~~
8 affected municipalities, regional entities, other ~~state~~ State and federal agencies,
9 and members of the public. The ~~secretary~~ Secretary shall be responsible for
10 implementation of the program. The ~~secretary's~~ Secretary's stormwater
11 management program shall include, at a minimum, provisions that:

12 * * *

13 (12) Encourage municipal governments to utilize existing regulatory and
14 planning authority to implement improved stormwater management by
15 providing technical assistance, training, research and coordination with respect
16 to stormwater management technology, ~~and by preparing and distributing a~~
17 ~~model local stormwater management ordinance.~~ To fulfill this requirement,
18 the Secretary, on or before January 1, 2015, shall create and make available to
19 municipalities a model stormwater bylaw or ordinance for potential adoption
20 by municipalities pursuant to 24 V.S.A. chapters 97 and 101, as those chapters
21 define “sewage” and “sewage system” to include stormwater.

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1 (13) Promote public education and participation among citizens and
2 municipalities about cost-effective and innovative measures to reduce
3 stormwater discharges to the waters of the ~~state~~ State.

4 * * *

5 (d)(1) The ~~secretary~~ Secretary shall initiate rulemaking by October 15,
6 2004, and shall adopt a rule for a stormwater management program by June 15,
7 2005. The rule shall be adopted in accordance with 3 V.S.A. chapter 25 and
8 shall include:

9 (A) the regulatory elements of the program identified in subsection
10 (b) of this section, including the development and use of offsets and the
11 establishment and imposition of stormwater impact fees to apply when issuing
12 permits that allow regulated stormwater runoff to stormwater-impaired waters;

13 (B) requirements concerning the contents of permit applications that
14 include, at a minimum, for regulated stormwater runoff, the permit application
15 requirements contained in the ~~agency's~~ Agency's 1997 stormwater
16 management procedures;

17 (C) a system of notifying interested persons in a timely way of the
18 ~~agency's~~ Agency's receipt of stormwater discharge applications, provided any
19 alleged failures with respect to such notice shall not be relevant in any ~~agency~~
20 Agency permit decision or any appeals brought pursuant to section 1269 of this
21 chapter;

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1 (D)(i) requirements, to be implemented until January 1, 2015,
2 concerning a permit for discharges of regulated stormwater runoff from the
3 development, redevelopment, or expansion of impervious surfaces equal to or
4 greater than one acre or any combination of development, redevelopment, and
5 expansion of impervious surfaces equal to or greater than one acre; and

6 (ii) requirements, to be implemented, beginning January 1, 2015,
7 concerning a permit for discharges of regulated stormwater runoff from the
8 development, redevelopment, or expansion of impervious surfaces equal to or
9 greater than one-half acre or any combination of development, redevelopment,
10 and expansion of impervious surfaces equal to or greater than one-half
11 acre; and

12 (E) requirements concerning a permit for discharges of regulated
13 stormwater runoff from an impervious surface of any size to
14 stormwater-impaired waters if the ~~secretary~~ Secretary determines that
15 treatment is necessary to reduce the adverse impact of such stormwater
16 discharges due to the size of the impervious surface, drainage patterns,
17 hydraulic connectivity, existing stormwater treatment, or other factors
18 identified by the ~~secretary~~ Secretary.

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1 (2) Notwithstanding 3 V.S.A. § 840(a), the ~~secretary~~ Secretary shall
2 hold at least three public hearings in different areas of the ~~state~~ State regarding
3 the proposed rule.

4 * * *

5 * * * Water Resources Preservation Program * * *

6 Sec. 13. 10 V.S.A. chapter 47, subchapter 1A is added to read:

7 Subchapter 1A. Water Resources Preservation Program

8 § 1291. DEFINITIONS

9 As used in this subchapter:

10 (1) “Best management practices” or “BMPs” shall have the same
11 meaning as in subdivision 1264(a)(2) of this title.

12 (2) “Impervious surface” shall have the same meaning as in subdivision
13 1264(a)(6) of this title.

14 (3) “Secretary” means the Secretary of Natural Resources.

15 (4) “Stormwater runoff” shall have the same meaning as in subdivision
16 1264(a)(14) of this title.

17 (5) “Total maximum daily load” shall have the same meaning as in
18 subdivision 1264(15) of this title.

19 (6) “Waters” shall have the same meaning as in subdivision 1251(13) of
20 this title.

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1 § 1292. WATER RESOURCES PRESERVATION PROGRAM;

2 ESTABLISHMENT

3 (a) There is established within the Agency of Natural Resources a Water
4 Resources Preservation Program to provide financial assistance and technical
5 support to projects or activities designed to achieve one or more of the
6 following:

7 (1) improvement of the quality of waters of the State;

8 (2) prevention, mitigation against, or repair of flood damage; or

9 (3) provision of reasonable assurances regarding the implementation of
10 Total Maximum Daily Load plans.

11 (b) Under the Water Resources Preservation Program, the Secretary shall
12 provide grants or loans to municipalities or private entities to:

13 (1) implement BMPs designed to intercept, infiltrate, or evaporate
14 stormwater from the built environment;

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

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

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- 1 (4) construct, renovate, replace, or repair transportation and other
2 infrastructure in response to flood damage, to prevent future flood damage, to
3 address size or capacity limitations, or in order to improve water quality;
- 4 (5) implement river corridor protection measures, streambank
5 stabilization, and channel improvements to repair flood damage, reduce flood
6 threat, or improve water quality or flood resiliency;
- 7 (6) monitor or assess previous or ongoing water quality or flood
8 response programs;
- 9 (7) conduct education and outreach activities regarding the need for and
10 benefits of water quality restoration, BMPs to reduce water quality impacts, the
11 construction or repair of infrastructure related to water quality, and flood
12 hazard management, including activities necessary to fulfil the education and
13 outreach requirements or obligations of municipalities subject to the municipal
14 separate storm sewer requirements under the federal Clean Water Act.
- 15 (c) The Secretary shall develop standards for the collection and
16 management of data related to water quality, compliance with a
17 watershed-based plan, and management of water quality infrastructure. A
18 mandatory condition of all grants or loans awarded under this subchapter shall
19 be implementation of the Secretary’s standards for collection and management
20 of data regarding water quality and the efficacy of the activities funded by the
21 grant or loan.

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1 § 1293. WATER RESOURCES PRESERVATION FEE

2 (a)(1) The Secretary shall establish by rule a fee, known as the Water
3 Resources Preservation fee, on all developed property in the State for the
4 support of the Water Resources Preservation Program and its purposes as set
5 forth under section 1292 of this title. Property exempt from taxation under
6 32 V.S.A. § 3802, 32 V.S.A. chapter 135, or by municipal vote shall not be
7 exempt from assessment of the fee under this section. The fee on developed
8 property shall be assessed in proportion to the property's area of impervious
9 surface, provided that the Secretary may establish a default fee for residential
10 developed property based on the average estimated horizontal impervious
11 surface area for a single-family residential unit in Vermont. The default fee for
12 residential developed property shall not exceed \$50.00 per year per parcel of
13 property.

14 (2) Under the rules regarding the Water Resources Preservation fee, the
15 Secretary may:

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

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

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

3 (D) provide for exemptions from the fee.

4 (b)(1) Beginning on July 1, 2015, the Water Resources Preservation fee
5 shall be assessed and collected as part of the tax bill issued under 32 V.S.A.
6 § 5402(b). The treasurer of each municipality shall remit the collected Water
7 Resources Preservation fees to the State Treasurer in two payments due on
8 December 1 and June 1 of each year for deposit in the Water Resources
9 Preservation Fund. The Department of Taxes shall specify the form or format
10 for the remission of the collected fees.

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

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

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

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

4 § 1294. WATER QUALITY DATA COORDINATION; REMEDIATION

5 ASSESSMENT

6 (a) To facilitate attainment or accomplishment of the purposes of the Water
7 Resources Preservation Program as set forth under section 1292 of this title,
8 the Secretary shall coordinate and assess all available data and science
9 regarding the quality of the waters of the State, including:

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

12 (2) stream gauge data;

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

14 (4) water quality monitoring or sampling data; and

15 (5) any other data available to the Secretary.

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

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

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

4 § 1295. WATER RESOURCES PRESERVATION FUND

5 (a) There is hereby established in the State Treasury a special fund to be
6 known as the Water Resources Preservation Fund, to be administered and
7 expended by the Secretary to fund the Water Resources Preservation Program.
8 The Secretary may authorize disbursement or expenditures from the Fund for
9 the purposes of the Water Resources Preservation Program set forth in section
10 1292 of this title.

11 (b) There shall be deposited into the Fund:

12 (1) The Water Resources Preservation fees remitted to the State under
13 section 1293 of this title;

14 (2) The excise tax on bottled water imposed under 32 V.S.A. § 10401.

15 (3) The flushable products excise tax under 32 V.S.A. § 10402.

16 (4) private gifts, bequests, grants, or donations made to the State from
17 any public or private source for the purposes for which the Fund was
18 established; and

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

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

4 § 1296. AWARD OF FUNDS; PRIORITY AWARD

5 (a) The Secretary shall award grants or loans for activities in one of the 15
6 watersheds of the State. Awards from the Water Resources Preservation Fund
7 shall be allocated among the 15 watersheds of the State in proportion to the
8 amount of Water Resources Preservation fee collected from each watershed.

9 (b) Grants or loans from the Water Resources Preservation Fund shall be
10 awarded in each fiscal year according to the following priorities:

11 (1) First priority shall be given to projects to address projects identified
12 by the Secretary under section 1294 of this title as significant contributors to
13 water quality problems or are in critical need of water quality remediation or
14 response.

15 (2) Next priority shall be given to proposed projects to address or repair
16 riparian conditions that increase the risk of flooding or pose a threat to life or
17 property.

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

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

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

6 (c) The Secretary may award financial assistance under this subchapter for
7 a project or program which otherwise would not receive assistance under the
8 priorities established by this section when the Secretary determines a severe
9 risk to water quality or risk of discharge exists which requires immediate
10 abatement.

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

14 § 1297. ANNUAL REPORT

15 On or before January 1, 2014, and annually thereafter, the Secretary shall
16 report to the House Committee on Fish, Wildlife and Water Resources and the
17 Senate Committee on Natural Resources and Energy regarding implementation
18 and administration of the Water Resources Preservation Program. The report
19 shall:

20 (1) summarize the progress of the Secretary in implementing and
21 administering the program;

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1 (2) provide an accounting of the funds in the Water Resources

2 Preservation Fund, including the source of the funds;

3 (3) list on a watershed basis the projects or activities funded by the

4 Water Resources Preservation Program in the preceding year;

5 (4) summarize any data or information identified as needed under

6 subdivision 1294(b)(1) of this title; and

7 (5) list areas of the State identified under subdivision 1294(b)(2) of this

8 title that are significant contributors to water quality problems or are in critical

9 need of water quality remediation or response.

10 * * * Shoreland Contractor Certification * * *

11 Sec. 14. 10 V.S.A. § 1429 is added to read:

12 § 1429. SHORELAND CONTRACTOR; CERTIFICATION

13 (a) Definitions. As used in this section:

14 (1) “Impervious surface” shall have the same meaning as in section
15 1264 of this title.

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

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

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

3 (b) Required certification. Beginning January 1, 2015, a person shall not
4 disturb soil, clear vegetation, or construct impervious surface of more than 500
5 square feet in a shoreland area unless a person certified in erosion control
6 practices by the Secretary is:

7 (1) responsible for management of erosion and sediment control
8 practices at the site; and

9 (2) present at the site each day earth-moving activity, vegetation
10 clearing, or the construction of impervious surface occurs for a duration that is
11 sufficient to ensure that proper erosion and sedimentation control practices are
12 followed.

13 (c) The requirements of this section apply until:

14 (1) erosion control measures that shall permanently stay in place are
15 installed at the site; or

16 (2) if the site is to be revegetated, erosion control measures that shall
17 stay in place until the area is sufficiently covered with vegetation necessary to
18 prevent soil erosion are installed.

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1 safety, welfare, or the environment commits a civil violation and shall be
2 subject to a civil penalty of not more than \$5,000.00 per day. Each violation
3 may be a separate and distinct offense and, in the case of a continuing
4 violation, each day's continuance may be deemed a separate and distinct
5 offense. The maximum penalty for a continuing violation shall not exceed
6 \$25,000.00.

7 (3) A violation of this subsection shall be enforceable under 10 V.S.A.
8 chapter 201.

9 Sec. 17. 19 V.S.A. § 306 is amended to read:

10 § 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

11 (a) General ~~state~~ State aid to town highways. An annual appropriation to
12 class 1, 2, and 3 town highways shall be made. This appropriation shall
13 increase or decrease over the previous year's appropriation by the same
14 percentage as any increase or decrease in the ~~transportation agency's~~ Agency
15 of Transportation's total appropriations funded by ~~transportation fund~~
16 Transportation Fund revenues, excluding the town highway appropriations for
17 that year. The funds appropriated shall be distributed to towns as follows:

18 (1) six percent of the ~~state's~~ State's annual town highway appropriation
19 shall be apportioned to class 1 town highways. The apportionment for each
20 town shall be that town's percentage of class 1 town highways of the total class
21 1 town highway mileage in the ~~state~~ State;

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1 (2) forty-four percent of the ~~state's~~ State's annual town highway
2 appropriation shall be apportioned to class 2 town highways. The
3 apportionment for each town shall be that town's percentage of class 2 town
4 highways of the total class 2 town highway mileage in the ~~state~~ State;

5 (3) fifty percent of the ~~state's~~ State's annual town highway
6 appropriation shall be apportioned to class 3 town highways. The
7 apportionment for each town shall be that town's percentage of class 3 town
8 highways of the total class 3 town highway mileage in the ~~state~~ State;

9 (4) ~~moneys~~ monies apportioned under subdivisions (1), (2), and (3) of
10 this subsection shall be distributed to each town in quarterly payments
11 beginning July 15 in each year;

12 (5) each town shall use the monies apportioned to it solely for town
13 highway construction, improvement, and maintenance purposes or as the
14 nonfederal share for public transit assistance. These funds may also be used
15 for the establishment and maintenance of bicycle routes. The members of the
16 selectboard shall be personally liable to the ~~state~~ State, in a civil action brought
17 by the ~~attorney general~~ Attorney General, for making any unauthorized
18 expenditures from money apportioned to the town under this section.

19 (6) starting in fiscal year 2015, each town that has not adopted road and
20 bridge standards as required under section 303 of this title shall forfeit five
21 percent of the town's total State aid allocation under this subsection. Any

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1 moneys forfeited under this subdivision shall be reallocated to towns that have
2 adopted road and bridge standards in accordance with subdivisions (1)–(3) of
3 this subsection, except that the forfeiting towns’ class 1, 2, and 3 mileage shall
4 be subtracted from the statewide totals of class 1, 2, and 3 town highway
5 mileage.

6 * * *

7 Sec. 18. 10 V.S.A. § 8003(a) is amended to read:

8 (a) The ~~secretary~~ Secretary may take action under this chapter to enforce
9 the following statutes and rules, permits, assurances, or orders implementing
10 the following statutes:

11 * * *

12 (22) 10 V.S.A. chapter 164A, collection and disposal of
13 mercury-containing lamps; ~~and~~

14 (23) 24 V.S.A. § 2202a, relating to a municipality’s adoption and
15 implementation of a solid waste implementation plan that is consistent with the
16 ~~state~~ State solid waste plan; and

17 (24) 19 V.S.A. § 303 (mandatory town road and bridge standards).

18 Sec. 19. 10 V.S.A. § 8503 is amended to read:

19 § 8503. APPLICABILITY

20 (a) This chapter shall govern all appeals of an act or decision of the
21 ~~secretary~~ Secretary, excluding enforcement actions under chapters 201 and 211

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1 of this title and rulemaking, under the following authorities and under the rules
2 adopted under those authorities:

3 (1) The following provisions of this title:

4 * * *

5 (2) 29 V.S.A. chapter 11 (management of lakes and ponds).

6 (3) 24 V.S.A. chapter 61, subchapter 10 (relating to salvage yards).

7 (4) 19 V.S.A. § 303 (mandatory town road and bridge standards).

8 * * *

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

10 Sec. 20. 32 V.S.A. § 5930mm is added to read:

11 § 5930mm. AGRICULTURAL BEST MANAGEMENT PRACTICES TAX

12 CREDIT

13 (a) A taxpayer of this State who is engaged in the business of farming or
14 who is implementing a nutrient management plan approved by the Secretary of
15 Agriculture, Food and Markets may claim a credit against his or her income
16 taxes imposed by this chapter in an amount equal to 25 percent of the first
17 \$70,000.00 expended by the taxpayer for an agricultural best management
18 practice approved by the Secretary of Agriculture, Food and Markets under
19 6 V.S.A. chapter 215, provided that that the credit shall not exceed the liability
20 of the taxpayer under this chapter for the year in which the credit is claimed.

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

3 (1) manage the waste from livestock, as that term is defined in 6 V.S.A.
4 § 761;

5 (2) control soil erosion;

6 (3) nutrient and sediment filtration and detention;

7 (4) nutrient management planning; and

8 (5) pest and pesticide handling.

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

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

19 (e) The amount of any credit claimed under this section attributable to
20 agricultural best management practices by a pass-through entity such as a
21 partnership, limited liability company, or electing small business corporation

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1 (S Corporation) shall be allocated to the individual partners, members, or
2 shareholders in proportion to their ownership or interest in such entity.

3 (f) As used in this section, “engaged in the business of farming” means a
4 taxpayer earns at least one-half of his or her annual gross income from the
5 business of farming, as that term is defined in the Internal Revenue Code,
6 26 C.F.R. § 1.175-3.

7 * * * Excise Taxes; Bottled Water; Flushable Products * * *

8 Sec. 21. 32 V.S.A. chapter 242 is added to read:

9 CHAPTER 242. EXCISE TAXES

10 § 10401. EXCISE TAX ON BOTTLED WATER

11 (a) Definitions. As used in this section:

12 (1) “Bottle” means any closed container of five gallons or less which is
13 labeled by a manufacturer of bottled water and used to contain or convey
14 bottled water.

15 (2) “Bottled water” means all water that is sealed in bottles and offered
16 for sale for human consumption and includes flavored water, vitamin water,
17 and carbonated water.

18 (3) “Commercial bulk water extractor” means a person, except for
19 municipalities as defined in 1 V.S.A. § 126 or a consolidated water district
20 established under 24 V.S.A. § 3342, who sells water in bulk to a manufacturer
21 for the purpose of filling or refilling a bottle with bottled water.

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1 (4) “Manufacturer” means any processor, bottler, or other person who
2 fills or refills a bottle with bottled water and others engaged in purifying,
3 filtrating, or any other alteration of water for the purpose of selling or reselling
4 bottled water.

5 (b) Imposition of excise tax.

6 (1) Beginning January 1, 2015, an excise tax is imposed on each
7 manufacturer of bottled water who sells bottled water in or into the State. The
8 excise tax is imposed at a rate of five cents per bottle of water sold in or into
9 the State.

10 (2) Beginning January 1, 2015, an excise tax is imposed on each
11 commercial bulk water extractor who sells in or into the State water in bulk to
12 a manufacturer for the purpose of filling or refilling a bottle with bottled water.
13 The excise tax is imposed at a rate of \$0.0? per gallon sold in or into the State.

14 (c) Collection of excise tax. On or before the 25th day of each month, a
15 manufacturer of bottled water sold in or into the State or a commercial bulk
16 water extractor who sells in or into the State water in bulk to a manufacturer
17 for the purpose of filling or refilling a bottle with bottled water shall:

18 (1) report to the Department of Taxes the number of bottles of bottled
19 water or the number of gallons of bulk water sold in or into the State during the
20 preceding month; and

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1 (2) pay to the Department of Taxes the tax for each bottle of bottled
2 water sold by the manufacture or for each gallon of bulk water sold by the
3 commercial bulk water extractor in or into the State in the preceding month.

4 (d) Deposit of excise tax. The Department of Taxes shall deposit the tax
5 collected under this section into the Water Resources Preservation Fund
6 established under 10 V.S.A. § 1295 for use according to the purposes of the
7 fund.

8 (e) Implementation and rulemaking. The Department of Taxes may adopt
9 rules, procedures, and forms necessary to implement the requirements of this
10 section.

11 § 10402. EXCISE TAX ON FLUSHABLE PRODUCTS

12 (a) Definitions. As used in this section:

13 (1) “Flushable product” means an individual package of soap or
14 detergent, toiletries, toilet tissue, or water softener intended for retail sale in its
15 packaged form.

16 (2) “Soap or detergent” means:

17 (A) body soap or hand soap in liquid or bar form;

18 (B) cleaning detergents, such as laundry detergents and dishwashing
19 detergents;

20 (C) toothpaste, tooth gels, and tooth powders; and

21 (D) mouthwash and similar oral rinses.

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1 (3) “Toiletries” means a toilet preparation such as a perfume, shaving
2 preparation, hair preparation, face cream, lotion (including sunscreen), and
3 other cosmetic preparations within the meaning of North American Industry
4 Classification System code 325620.

5 (4) “Toilet tissue” means toilet tissue within the meaning of North
6 American Industry Classification System code 32229153 or 32229154.

7 (5) “Water softener” means a farm, household, commercial, or industrial
8 water softener within the meaning of North American Industry Classification
9 System codes 333319A116 and 333319A111.

10 (b) Imposition of excise tax. Beginning January 1, 2015, there is imposed
11 on the seller of a flushable product an excise tax of \$0.10 for each flushable
12 product sold by the seller at wholesale in or into the State.

13 (c) Collection of excise tax. On or before the 25th day of each month, a
14 seller of a flushable product sold at wholesale in the State shall:

15 (1) report to the Department of Taxes the number of flushable products
16 that the seller sold at wholesale in or into the State in the preceding month; and

17 (2) pay to the Department of Taxes the tax for each flushable product
18 sold by the seller at wholesale in or into the State in the preceding month:

19 (d) The Department of Taxes shall deposit the tax collected under this
20 section into the Water Resources Preservation Fund established under
21 10 V.S.A. § 1295 for use according to the purposes of the fund.

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1 (e) Implementation and rulemaking. The Department of Taxes may adopt
2 rules, procedures, and forms necessary to implement the requirements of this
3 section.

4 Sec. **22**. EFFECTIVE DATES

5 (a) This section and Secs. **1–2 (small farm certification)**, 3–5 (livestock
6 exclusion), 8 (custom applicator certification), **11** (stream alteration), **12**
7 (stormwater permitting; model bylaw), **13** (Water Resources Preservation
8 Program), **14** (shoreland contractor certification), **15** (financing; technical
9 assistance for forestry), **20** (agricultural best management practices tax credit),
10 **21** (bottled water excise tax and flushable products excise tax) shall take effect
11 on passage.

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

14 (c) Secs. 9–10 (right-of-way pesticide permits) and **16–19** (town road and
15 bridge standards) shall take effect on July 1, 2015.