

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Fish, Wildlife and Water Resources to which was
3 referred House Bill No. 586 entitled “An act relating to improving the quality
4 of State waters” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking all after the enacting clause
6 and inserting in lieu thereof the following:

7 * * * Agricultural Water Quality;

8 Small Farm Certification and Inspection * * *

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

10 § 4858a. SMALL FARM CERTIFICATION

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

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

15 (2) an “animal feeding operation,” as that term is defined in subdivision
16 4857(1) of this title, which houses:

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

18 (B) four to 150 horses or equines.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (d) Required assessment. The Secretary shall visit small farms in the State
2 for purposes of assessing compliance with the accepted agricultural practices
3 and for consistency with a certification issued under this section. The
4 Secretary may establish procedures by which visits to small farms in the State
5 are prioritized based on the potential water quality issue posed by a farm.

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

11 (2) Annually, the Secretary shall establish a priority ranking system for
12 small farms according to the risk of potential discharge or runoff to a water of
13 the State if the identified capital, structural, or technical needs on the farm are
14 not addressed.

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

19 (f) Annual training. Beginning July 1, 2014, the owner or operator of a
20 small farm shall complete over every five-year period eight hours of training
21 courses approved by the Secretary under section 4981 of this title.

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

2 § 4860. REVOCATION; ENFORCEMENT

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

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

1 continuing violation, each day's continuance may be deemed a separate
2 offense.

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

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

14 **§ 4810. AUTHORITY; COOPERATION; COORDINATION**

15 (a) **Agricultural land use practices. In accordance with 10 V.S.A.**
16 **§ 1259(i), the ~~secretary~~ Secretary shall adopt by rule, pursuant to 3 V.S.A.**
17 **chapter 25 of Title 3, and shall implement and enforce agricultural land use**
18 **practices in order to reduce the amount of agricultural pollutants entering the**
19 **waters of the ~~state~~ State. These agricultural land use practices shall be created**
20 **in two categories, pursuant to subdivisions (1) and (2) of this subsection.**

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

18 (2) “Best Management Practices” (BMPs) may be required by the
19 ~~secretary~~ Secretary on a ~~case-by-case~~ case-by-case basis. Before requiring
20 BMPs, the ~~secretary~~ Secretary shall determine that sufficient financial

1 assistance is available to assist farmers in achieving compliance with
2 applicable BMPs. BMPs shall be practical and cost effective to implement.

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

1 describe program administration, permit issuance, an appellate process, and
2 enforcement authority and implementation. The memorandum of
3 understanding shall be consistent with the federal National Pollutant Discharge
4 Elimination System permit regulations for discharges from concentrated
5 animal feeding operations. The allocation of duties under this chapter between
6 ~~the secretary of agriculture, food and markets~~ Secretary of Agriculture, Food
7 and Markets and the ~~secretary of natural resources~~ Secretary of Natural
8 Resources shall be consistent with the ~~secretary's~~ Secretary's duties,
9 established under the provisions of 10 V.S.A. § 1258(b), to comply with Public
10 Law 92-500. ~~The secretary of natural resources~~ Secretary of Natural
11 Resources shall be the ~~state~~ State lead person in applying for federal funds
12 under Public Law 92-500, but shall consult with the ~~secretary of agriculture,~~
13 ~~food and markets~~ Secretary of Agriculture, Food and Markets during the
14 process. The agricultural non-point source program may compete with other
15 programs for competitive watershed projects funded from federal funds. The
16 ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and
17 Markets shall be represented in reviewing these projects for funding. Actions
18 by the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture,
19 Food and Markets under this chapter concerning agricultural non-point source
20 pollution shall be consistent with the water quality standards and water
21 pollution control requirements of 10 V.S.A. chapter 47 ~~of Title 10~~ and the

1 federal Clean Water Act as amended. In addition, the ~~secretary of agriculture,~~
2 ~~food and markets~~ Secretary of Agriculture, Food and Markets shall coordinate
3 with the ~~secretary of natural resources~~ Secretary of Natural Resources in
4 implementing and enforcing programs, plans, and practices developed for the
5 proper management of composting facilities when those facilities are located
6 on a farm.

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

12 Sec. 3a. REPEAL

13 6 V.S.A. § 4858a (small farm certification) shall be repealed on January 1,
14 2016.

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

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

17 § 4812. CORRECTIVE ACTIONS

18 (a) When the ~~secretary of agriculture, food and markets~~ Secretary of
19 Agriculture, Food and Markets determines that a person engaged in farming is
20 managing a farm using practices which are ~~inconsistent with practices defined~~
21 ~~by of this chapter or rules adopted~~ under this subchapter, the secretary

1 Secretary may issue a written warning which shall be served in person or by
2 certified mail, return receipt requested. ~~The warning shall include a brief~~
3 ~~description of the alleged violation, identification of this statute and applicable~~
4 ~~rules, a recommendation for corrective actions that may be taken by the~~
5 ~~person, along with a summary of federal and state assistance programs which~~
6 ~~may be utilized by the person to remedy the violation and a request for an~~
7 ~~abatement schedule from the person according to which the practice shall be~~
8 ~~altered.~~ The person shall have 30 days to respond to the written warning and
9 shall provide an abatement schedule for curing the violation and a description
10 of the corrective action to be taken to cure the violation. If the person fails to
11 respond to the written warning within this period or to take corrective action to
12 change the practices ~~in order to protect water quality~~, the secretary Secretary
13 may act pursuant to subsection (b) of this section in order to protect water
14 quality.

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

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

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

20 (c) ~~Whenever the secretary~~ Secretary believes that any person engaged in
21 farming is in violation of this subchapter or rules adopted thereunder, an action

1 may be brought in the name of the ~~agency~~ Agency in a court of competent
2 jurisdiction to restrain by temporary or permanent injunction the continuation
3 or repetition of the violation. The court may issue temporary or permanent
4 injunctions, and other relief as may be necessary and appropriate to curtail any
5 violations.

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

9 [Repealed.]

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

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

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

17 Subchapter 8. Livestock Exclusion

18 § 4971. DEFINITIONS

19 As used in this subchapter:

20 (1) “Livestock” means cattle, sheep, goats, equines, fallow deer, red
21 deer, American bison, swine, water buffalo, poultry, pheasant, Chukar

1 partridge, Coturnix quail, camelids, ratites, and, as necessary, other animals
2 designated by the Secretary by rule.

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

4 § 4972. PURPOSE

5 The purpose of this subchapter is to authorize the Secretary of Agriculture,
6 Food and Markets to require exclusion of livestock from a water of the State
7 where continued access to the water by livestock poses a high risk of
8 negatively impacting water quality in the State.

9 § 4973. LIVESTOCK EXCLUSION

10 (a) Beginning January 1, 2014, the Secretary of Agriculture, Food and
11 Markets may:

12 (1) adopt by rule requirements for the exclusion of livestock from
13 certain waters of the State; and

14 (2) issue an order to the owner of livestock requiring that livestock be
15 excluded from entering a water of the State.

16 (b) The Secretary may:

17 (1) waive a requirement for livestock exclusion under subsection (a) of
18 this section when waiver will not negatively impact water quality; or

19 (2) authorize the owner of livestock to maintain stream crossings or
20 watering areas along waters from which livestock are excluded if the crossing

1 or watering area is designed and maintained to limit the risk of any negative
2 impact to water quality.

3 * * * Seasonal Exemption for Manure Application * * *

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

5 § 4816. SEASONAL EXEMPTION FOR MANURE APPLICATION

6 (a) The Secretary of Agriculture, Food and Market may adopt by procedure
7 an exemption to prohibition on the application of manure to land in the State
8 between December 15 and April 1 of any calendar year. The procedure may
9 authorize land application of manure on a weekly, monthly, or seasonal basis,
10 provided that the requirements of subsection (b) of this section are complied
11 with.

12 (b) Any procedure adopted under this section shall:

13 (1) prohibit application of manure:

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

16 (B) in nonharvested permanent vegetative buffers;

17 (C) in a nonfarmed wetland, as that term is defined in 10 V.S.A.
18 § 902(5);

19 (D) within 50 feet of a potable water supply, as that term is defined in
20 10 V.S.A. § 1972(6);

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

1 (F) to saturated soils;

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

4 (3) require manure to be applied according to a nutrient management
5 plan; and

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

8 (c) A person shall not apply manure to land in the State between
9 December 15 and April 1 of any calendar year unless authorized by the
10 procedure adopted by the Secretary of Agriculture, Food and Markets under
11 subsection (a) of this section.

12 * * * Agricultural Water Quality; Training* * *

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

14 Subchapter 9. Agricultural Water Quality Certification Training

15 § 4981. AGRICULTURAL WATER QUALITY CERTIFICATION

16 TRAINING

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

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

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

3 (b) The training program shall:

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

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

9 (3) require the owner or operator of each large farm, medium farm, or
10 small farm permitted or certified under this chapter to complete over every
11 five-year period eight hours of training courses approved by the Secretary
12 under this section.

13 * * * Agricultural Water Quality;

14 Certification of Custom Applicators * * *

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

16 Subchapter 10. Certification of Custom Manure Applicators

17 § 4987. DEFINITIONS

18 As used in this subchapter:

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

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

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

7 § 4988. CERTIFICATION OF CUSTOM MANURE APPLICATOR

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

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

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

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

1 broad participation; focuses upon the prevention of pollution; relies on
2 structural treatment only when necessary; establishes and maintains
3 accountability; tailors strategies to the region and the locale; assures an
4 adequate funding source; builds broadbased programs; provides for the
5 evaluation and appropriate evolution of programs; is consistent with the federal
6 Clean Water Act and the ~~state~~ State water quality standards; and accords
7 appropriate recognition to the importance of community benefits that
8 accompany an effective stormwater runoff management program. In
9 furtherance of these purposes, the ~~secretary~~ Secretary shall implement two
10 stormwater permitting programs. The first program is based on the
11 requirements of the federal National Pollutant Discharge Elimination System
12 (NPDES) permit program in accordance with section 1258 of this title. The
13 second program is a ~~state~~ State permit program based on the requirements of
14 this section for the discharge of “regulated stormwater runoff” as that term is
15 defined in subdivision (11) of this subsection. As used in this section:

16 (1) “2002 stormwater management manual” means the ~~agency of natural~~
17 ~~resources~~² Agency of Natural Resources’ stormwater management manual
18 dated April 2002, as amended from time to time by rule.

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

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

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

6 (5) “Expansion” and “the expanded portion of an existing discharge”
7 mean an increase or addition of impervious surface, such that the total resulting
8 impervious area is greater than the minimum regulatory threshold. Expansion
9 does not mean an increase or addition of impervious surface of less than 5,000
10 square feet.

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

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

18 (8) “Offset” means a ~~state-permitted or approved~~ State-permitted
19 or -approved action or project within a stormwater-impaired water that a
20 discharger or a third person may complete to mitigate the impacts that a

1 discharge of regulated stormwater runoff has on the stormwater-impaired
2 water.

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

6 (10) “Redevelopment” means the construction or reconstruction of an
7 impervious surface where an impervious surface already exists when such new
8 construction involves substantial site grading, substantial subsurface
9 excavation, or substantial modification of existing stormwater conveyance,
10 such that the total of impervious surface to be constructed or reconstructed is
11 greater than the minimum regulatory threshold. Redevelopment does not mean
12 the construction or reconstruction of impervious surface where impervious
13 surface already exists when the construction or reconstruction involves less
14 than 5,000 square feet. Redevelopment does not mean public road
15 management activities, including any crack sealing, patching, coldplaning,
16 resurfacing, reclaiming, or grading treatments used to maintain pavement,
17 bridges, and unpaved roads.

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

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

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

9 (14) “Stormwater runoff” means precipitation and snowmelt that does
10 not infiltrate into the soil, including material dissolved or suspended in it, but
11 does not include discharges from undisturbed natural terrain or wastes from
12 combined sewer overflows.

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

17 (16) “Water quality remediation plan” means a plan, other than a TMDL
18 or sediment load allocation, designed to bring an impaired water body into
19 compliance with applicable water quality standards in accordance with
20 40 C.F.R. § 130.7(b)(1)(ii) and (iii).

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

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

11 (19) “Net zero standard” means:

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

15 (B) A discharge from redevelopment; from an existing discharge
16 operating under an expired stormwater discharge permit where the property
17 owner applies for a new permit; or from any combination of development,
18 redevelopment, and expansion meets on-site the water quality, recharge, and
19 channel protection criteria set forth in Table 1.1 of the 2002 stormwater
20 management manual that are determined to be technically feasible by an
21 engineering feasibility analysis conducted by the ~~agency~~ Agency and if the

1 sediment load from the discharge approximates the natural runoff from an
2 undeveloped field or open meadow that is not used for agricultural activity.

3 (b) The ~~secretary~~ Secretary shall prepare a plan for the management of
4 collected stormwater runoff found by the ~~secretary~~ Secretary to be deleterious
5 to receiving waters. The plan shall recognize that the runoff of stormwater is
6 different from the discharge of sanitary and industrial wastes because of the
7 influence of natural events of stormwater runoff, the variations in
8 characteristics of those runoffs, and the increased stream flows and natural
9 degradation of the receiving water quality at the time of discharge. The plan
10 shall be cost effective and designed to minimize any adverse impact of
11 stormwater runoff to waters of the ~~state~~ State. By no later than February 1,
12 2001, the ~~secretary~~ Secretary shall prepare an enhanced stormwater
13 management program and report on the content of that program to the ~~house~~
14 ~~committees on fish, wildlife and water resources and on natural resources and~~
15 ~~energy and to the senate committee on natural resources and energy~~ House
16 Committees on Fish, Wildlife and Water Resources and on Natural Resources
17 and Energy and to the Senate Committee on Natural Resources and Energy. In
18 developing the program, the ~~secretary~~ Secretary shall consult with ~~the board,~~
19 affected municipalities, regional entities, other ~~state~~ State and federal agencies,
20 and members of the public. The ~~secretary~~ Secretary shall be responsible for

1 implementation of the program. The ~~secretary's~~ Secretary's stormwater
2 management program shall include, at a minimum, provisions that:

3 * * *

4 (12) Encourage municipal governments to utilize existing regulatory and
5 planning authority to implement improved stormwater management by
6 providing technical assistance, training, research and coordination with respect
7 to stormwater management technology, and by preparing and distributing a
8 model local stormwater management ordinance or bylaw. Beginning July 1,
9 2014, the Secretary annually shall provide municipalities with outreach and
10 education through published materials or training courses regarding the
11 environmental and municipal benefits of adoption of a local stormwater
12 management ordinance or bylaw. Any education and outreach conducted
13 under this subsection shall inform municipalities of available model
14 stormwater management ordinances or bylaws.

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

18 * * *

19 (d)(1) The ~~secretary~~ Secretary shall initiate rulemaking by October 15,
20 2004, and shall adopt a rule for a stormwater management program by June 15,

1 2005. The rule shall be adopted in accordance with 3 V.S.A. chapter 25 and
2 shall include:

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

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

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

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

1 § 1291. DEFINITIONS

2 As used in this subchapter:

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

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

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

8 (4) “Stormwater runoff” shall have the same meaning as in subdivision
9 1264(a)(14) of this title.

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

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

14 § 1292. WATER RESOURCES PRESERVATION PROGRAM;

15 ESTABLISHMENT

16 (a) There is established within the Agency of Natural Resources a Water
17 Resources Preservation Program to provide financial assistance and technical
18 support to projects or activities designed to achieve one or more of the
19 following:

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

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

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

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

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

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

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

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

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

18 (6) monitor or assess previous or ongoing water quality or flood
19 response programs;

20 (7) conduct education and outreach activities regarding the need for and
21 benefits of water quality restoration, BMPs to reduce water quality impacts, the

1 construction or repair of infrastructure related to water quality, and flood
2 hazard management, including activities necessary to fulfil the education and
3 outreach requirements or obligations of municipalities subject to the municipal
4 separate storm sewer requirements under the federal Clean Water Act.

5 (c) The Secretary shall develop standards for the collection and
6 management of data related to water quality, compliance with a
7 watershed-based plan, and management of water quality infrastructure. A
8 mandatory condition of all grants or loans awarded under this subchapter shall
9 be implementation of the Secretary's standards for collection and management
10 of data regarding water quality and the efficacy of the activities funded by the
11 grant or loan.

12 § 1293. WATER RESOURCES PRESERVATION FEE

13 (a)(1) The Secretary shall establish by rule a fee, known as the Water
14 Resources Preservation fee, on all developed property in the State for the
15 support of the Water Resources Preservation Program and its purposes as set
16 forth under section 1292 of this title. Property exempt from taxation under
17 32 V.S.A. § 3802, 32 V.S.A. chapter 135, or by municipal vote shall not be
18 exempt from assessment of the fee under this section. The fee on developed
19 property shall be assessed in proportion to the property's area of impervious
20 surface, provided that the Secretary may establish a default fee for residential
21 developed property based on the average estimated horizontal impervious

1 surface area for a single-family residential unit in Vermont. The default fee for
2 residential developed property shall not exceed \$50.00 per year per parcel of
3 property.

4 (2) Under the rules regarding the Water Resources Preservation fee, the
5 Secretary may:

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

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

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

14 (D) provide for exemptions from the fee.

15 (b)(1) Beginning on July 1, 2015, the Water Resources Preservation fee
16 shall be assessed and collected as part of the tax bill issued under 32 V.S.A.
17 § 5402(b). The treasurer of each municipality shall remit the collected Water
18 Resources Preservation fees to the State Treasurer in two payments due on
19 December 1 and June 1 of each year for deposit in the Water Resources
20 Preservation Fund. The Department of Taxes shall specify the form or format
21 for the remission of the collected fees.

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

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

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

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

14 § 1294. WATER QUALITY DATA COORDINATION; REMEDIATION
15 ASSESSMENT

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

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

- 1 (2) stream gauge data;
- 2 (3) stream mapping, including fluvial erosion hazard maps;
- 3 (4) water quality monitoring or sampling data; and
- 4 (5) any other data available to the Secretary.

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

- 7 (1) assess where additional data are needed and the best methods for
8 collection of such data;
- 9 (2) identify and map on a regional basis areas of the State that are
10 significant contributors to water quality problems or are in critical need of
11 water quality remediation or response.

12 § 1295. WATER RESOURCES PRESERVATION FUND

13 (a) There is hereby established in the State Treasury a special fund to be
14 known as the Water Resources Preservation Fund, to be administered and
15 expended by the Secretary to fund the Water Resources Preservation Program.
16 The Secretary may authorize disbursement or expenditures from the Fund for
17 the purposes of the Water Resources Preservation Program set forth in section
18 1292 of this title.

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

- 20 (1) The Water Resources Preservation fees remitted to the State under
21 section 1293 of this title;

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

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

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

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

7 (c) Interest earned by the Fund shall be credited and deposited to the Fund.

8 All balances in the Fund at the end of the fiscal year shall be carried forward
9 and remain a part of the Fund.

10 § 1296. AWARD OF FUNDS; PRIORITY AWARD

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

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

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

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

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

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

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

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

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

1 § 1297. ANNUAL REPORT

2 On or before January 1, 2014, and annually thereafter, the Secretary shall
3 report to the House Committee on Fish, Wildlife and Water Resources and the
4 Senate Committee on Natural Resources and Energy regarding implementation
5 and administration of the Water Resources Preservation Program. The report
6 shall:

7 (1) summarize the progress of the Secretary in implementing and
8 administering the program;

9 (2) provide an accounting of the funds in the Water Resources
10 Preservation Fund, including the source of the funds;

11 (3) list on a watershed basis the projects or activities funded by the
12 Water Resources Preservation Program in the preceding year;

13 (4) summarize any data or information identified as needed under
14 subdivision 1294(b)(1) of this title; and

15 (5) list areas of the State identified under subdivision 1294(b)(2) of this
16 title that are significant contributors to water quality problems or are in critical
17 need of water quality remediation or response.

18 * * * Shoreland Contractor Certification * * *

19 Sec. 12. 10 V.S.A. § 1429 is added to read:

20 § 1429. SHORELAND CONTRACTOR; CERTIFICATION

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

1 (1) “Impervious surface” shall have the same meaning as in section
2 1264 of this title.

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

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

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

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

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

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

1 Transportation Fund revenues, excluding the town highway appropriations for
2 that year. The funds appropriated shall be distributed to towns as follows:

3 (1) six percent of the ~~state's~~ State's annual town highway appropriation
4 shall be apportioned to class 1 town highways. The apportionment for each
5 town shall be that town's percentage of class 1 town highways of the total class
6 1 town highway mileage in the ~~state~~ State;

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

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

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

18 (5) each town shall use the monies apportioned to it solely for town
19 highway construction, improvement, and maintenance purposes or as the
20 nonfederal share for public transit assistance. These funds may also be used
21 for the establishment and maintenance of bicycle routes. The members of the

1 selectboard shall be personally liable to the ~~state~~ State, in a civil action brought
2 by the ~~attorney general~~ Attorney General, for making any unauthorized
3 expenditures from money apportioned to the town under this section.

4 (6) starting in fiscal year 2015, each town that has not adopted road and
5 bridge standards as required under section 303 of this title shall forfeit five
6 percent of the town's total State aid allocation under this subsection. Any
7 moneys forfeited under this subdivision shall be reallocated to towns that have
8 adopted road and bridge standards in accordance with subdivisions (1)–(3) of
9 this subsection, except that the forfeiting towns' class 1, 2, and 3 mileage shall
10 be subtracted from the statewide totals of class 1, 2, and 3 town highway
11 mileage.

12 * * *

13 Sec. 16. 10 V.S.A. § 8003(a) is amended to read:

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

17 * * *

18 (22) 10 V.S.A. chapter 164A, collection and disposal of
19 mercury-containing lamps; ~~and~~

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

2 Sec. 18. 32 V.S.A. § 5930mm is added to read:

3 § 5930mm. AGRICULTURAL BEST MANAGEMENT PRACTICES TAX

4 CREDIT

5 (a) A taxpayer of this State who is engaged in the business of farming or
6 who is implementing a nutrient management plan approved by the Secretary of
7 Agriculture, Food and Markets may claim a credit against his or her income
8 taxes imposed by this chapter in an amount equal to 25 percent of the first
9 \$70,000.00 expended by the taxpayer for an agricultural best management
10 practice approved by the Secretary of Agriculture, Food and Markets under
11 6 V.S.A. chapter 215, provided that that the credit shall not exceed the liability
12 of the taxpayer under this chapter for the year in which the credit is claimed.

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

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

16 § 761;

17 (2) control soil erosion;

18 (3) nutrient and sediment filtration and detention;

19 (4) nutrient management planning; and

20 (5) pest and pesticide handling.

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

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

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

16 (f) As used in this section, “engaged in the business of farming” means a
17 taxpayer earns at least one-half of his or her annual gross income from the
18 business of farming, as that term is defined in the Internal Revenue Code,
19 26 C.F.R. § 1.175-3.

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

2 Sec. 19. 32 V.S.A. chapter 242 is added to read:

3 CHAPTER 242. EXCISE TAXES

4 § 10401. EXCISE TAX ON BOTTLED WATER

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

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

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

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

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

1 (b) Imposition of excise tax.

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

6 (2) Beginning January 1, 2015, an excise tax is imposed on each
7 commercial bulk water extractor who sells in or into the State water in bulk to
8 a manufacturer for the purpose of filling or refilling a bottle with bottled water.
9 The excise tax is imposed at a rate of \$0.01 per gallon sold in or into the State.

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

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

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

20 (d) Deposit of excise tax. The Department of Taxes shall deposit the tax
21 collected under this section into the Water Resources Preservation Fund

1 established under 10 V.S.A. § 1295 for use according to the purposes of the
2 fund.

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

6 § 10402. EXCISE TAX ON FLUSHABLE PRODUCTS

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

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

11 (2) “Soap or detergent” means:

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

13 (B) cleaning detergents, such as laundry detergents and dishwashing
14 detergents;

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

16 (D) mouthwash and similar oral rinses.

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

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

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

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

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

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

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

15 (d) The Department of Taxes shall deposit the tax collected under this
16 section into the Water Resources Preservation Fund established under
17 10 V.S.A. § 1295 for use according to the purposes of the fund.

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

