1	TO THE HOUSE OF REPRESENTATIVES:
2	The Committee on Fish, Wildlife and Water Resources to which was
3	referred House Bill No. 590 entitled "An act relating to the safety and
4	regulation of dams" respectfully reports that it has considered the same and
5	recommends that the bill be amended by striking out all after the enacting
6	clause and inserting in lieu thereof the following:
7	* * * Registration and Inspection of Dams * * *
8	Sec. 1. 10 V.S.A. chapter 43 is amended to read:
9	CHAPTER 43. DAMS
10	§ 1080. DEFINITIONS
11	As used in this chapter:
12	(1) "Department" means the department of environmental conservation
13	Department of Environmental Conservation.
14	(2) "Person" means any individual; partnership; company; corporation;
15	association; joint venture; trust; municipality; the state State of Vermont or any
16	agency, department, or subdivision of the state State, any federal agency, or
17	any other legal or commercial entity.
18	(3) "Person in interest" means, in relation to any dam, a person who has
19	riparian rights affected by that dam, a substantial interest in economic or
20	recreational activity affected by the dam, or whose safety would be endangered
21	by a failure of the dam.

1	(4) "Engineer" means a professional engineer registered <u>licensed</u> under
2	Title 26 who has experience in the design and investigation of dams.
3	(5) "Time" shall be reckoned in the manner prescribed by 1 V.S.A.
4	§ 138.
5	(6) "Abandoned dam" means a dam that has no identifiable owner or a
6	dam for which the owner fails to comply with the requirements of section 1104
7	of this title.
8	(7) "Dam" means any artificial barrier, impoundment, or structure and
9	its appurtenant works that are, were, or will be capable of impounding water or
10	other liquid after construction or alteration, except for waste management
11	systems constructed and operated according to the accepted agricultural
12	practices as administered by the Agency of Agriculture, Food and Markets.
13	(8) "Pond" means a natural body of water with a volume exceeding
14	500,000 cubic feet.
15	§ 1081. JURISDICTION OF DEPARTMENT AND PUBLIC SERVICE
16	BOARD
17	(a) Unless otherwise provided, the powers and duties authorized by this
18	chapter shall be exercised by the department, except that the public service
19	board Department, except that the Public Service Board shall exercise those
20	powers and duties over dams and projects that relate to or are incident to the

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1	generation of electric energy for public use or as a part of a public utility
2	system.
3	(b) Transfer of jurisdiction. Jurisdiction over a dam is transferred from the
4	department Department to the public service board Public Service Board
5	whenever the Federal Energy Regulatory Commission grants a license to
6	generate electricity at the dam or whenever the public service board Public
7	Service Board receives an application for a certificate of public good for
8	electricity generation at that dam. Jurisdiction is transferred from the public
9	service board Public Service Board to the department Department whenever
10	such a federal license expires or is otherwise lost, whenever such a certificate
11	of public good is revoked or otherwise lost, or whenever the public service
12	board Public Service Board denies an application for a certificate of public
13	good.
14	(c) Upon transfer of jurisdiction as set forth above and upon written
15	request, the state agency having former jurisdiction shall transfer copies of all
16	records pertaining to the dam to the agency acquiring jurisdiction.
17	§ 1082. AUTHORIZATION

- breach, or otherwise lessen the capacity of an existing dam that is or was capable of impounding more than 500,000 cubic feet within or along the borders of this state State where land in this state State is proposed to be overflowed, or at the outlet of any body of water within this state State, unless authorized by the state agency having jurisdiction so to do Department or the Public Service Board. However, in the matter of flood control projects where cooperation with the federal government is provided for by the provisions of section 1100 of this title, that section shall control.
- (b) For the purposes of this chapter, the volume a dam or other structure is capable of impounding is the volume of water or other liquid, including any accumulated sediments, controlled by the structure with the water or liquid level at the top of the nonoverflow part of the structure.

## § 1083. APPLICATION

- (a) Any person who proposes to undertake an action subject to regulation pursuant to section 1082 of this title shall apply in writing to the state agency having jurisdiction, Department or the Public Service Board and shall give notice thereof to the governing body of the municipality or municipalities in which the dam or any part of the dam is to be located. The application shall set forth:
- (1) the location, the height, length and other dimensions, and any proposed changes to any existing dam;

1	(2) the approximate area to be overflowed and the approximate number
2	of, or any change in the number of cubic feet of water to be impounded;
3	(3) the plans and specifications to be followed in the construction,
4	remodeling, reconstruction, altering, lowering, raising, removal, breaching, or
5	adding to;
6	(4) any change in operation and maintenance procedures; and
7	(5) other information that the state agency having jurisdiction
8	Department or the Public Service Board considers necessary to properly
9	review the application.
10	(b) The plans and specifications shall be prepared under the supervision of
11	an engineer.
12	§ 1083a. AGRICULTURAL DAMS
13	(a) Notwithstanding the provisions of sections 1082, 1083, 1084, and 1086
14	of this title, the owners of an agricultural enterprise who propose, as an integral
15	and exclusive part of the enterprise, to construct or alter any dam, pond or
16	impoundment or other structure requiring a permit under section 1083 shall
17	apply to the natural resources conservation district in which his land is located.
18	The natural resources conservation districts created under the provisions of
19	chapter 31 of this title shall be the state agency having jurisdiction and shall
20	review and approve the applications in the same manner as would the
21	department. The districts may request the assistance of the department for any

1	investigatory work necessary for a determination of public good and for any
2	review of plans and specifications as provided in section 1086.
3	(b) As used in this section, "agricultural enterprise" means any farm,
4	including stock, dairy, poultry, forage crop and truck farms, plantations,
5	ranches and orchards, which does not fall within the definition of "activities
6	not engaged in for a profit" as defined in Section 183 of the Internal Revenue
7	Code and regulations relating thereto. The growing of timber does not in itself
8	constitute farming.
9	(c) Notwithstanding the provisions of this section, jurisdiction shall revert
10	to the department when there is a change in use or when there is a change in
11	ownership which affects use. In those cases the department may, on its own
12	motion, hold meetings in order to determine the effect on the public good and
13	public safety. The department may issue an order modifying the terms and
14	conditions of approval.
15	(d) The natural resources conservation districts may adopt any rules
16	necessary to administer this chapter. The districts shall adhere to the
17	requirements of chapter 25 of Title 3 in the adoption of those rules.
18	(e) Notwithstanding the provisions of chapter 7 of Title 3, the attorney
19	general shall counsel the districts in any case where a suit has been instituted
20	against the districts for any decision made under the provisions of this chapter.
21	[Repealed.]

1	§ 1084. DEPARTMENT OF FISH AND WILDLIFE; INVESTIGATION
2	The eommissioner of fish and wildlife Commissioner of Fish and Wildlife
3	shall investigate the potential effects on fish and wildlife habitats of any
4	proposal subject to section 1082 of this title and shall certify the results to the
5	state agency having jurisdiction Department or the Public Service Board prior
6	to any hearing or meeting relating to the determination of public good and
7	public safety.
8	§ 1085. NOTICE OF APPLICATION
9	Upon receipt of the application required by section 1082 of this title, the
10	state agency having jurisdiction Department or the Public Service Board shall
11	give notice to all persons interested.
12	(1) For any project subject to its jurisdiction under this chapter, on On
13	the petition of 25 or more persons, the department Department or the Public
14	Service Board shall, or on its own motion it may, hold a public information
15	meeting in a municipality in the vicinity of the proposed project to hear
16	comments on whether the proposed project serves the public good and
17	provides adequately for the public safety. Public notice shall be given by
18	posting in the municipal offices of the towns in which the project will be
19	completed and by publishing in a local newspaper at least 10 days before the
20	meeting.

(2) For any project subject to its jurisdiction under this chapter, the
public service board shall hold a hearing on the application. The purpose of
the hearing shall be to determine whether the project serves the public good as
defined in section 1086 of this title and provides adequately for the public
safety. The hearing shall be held in a municipality in the vicinity of the
proposed project and may be consolidated with other hearings, including
hearings under 30 V.S.A. § 248 concerning the same project. Notice shall be
given at least 10 days before the hearing to interested persons by posting in the
municipal offices of the towns in which the project will be completed and by
publishing in a local newspaper.
§ 1086. DETERMINATION OF PUBLIC GOOD; CERTIFICATES
(a) "Public good" means the greatest benefit of the people of the State. In
determining whether the public good is served, the state agency having
jurisdiction Department or the Public Service Board shall give due
consideration to, among other things, to the effect the proposed project will
have on:
(1) the quantity, kind, and extent of cultivated agricultural land that may
be rendered unfit for use by or enhanced by the project, including both the
immediate and long range long-range agricultural land use impacts;
(2) scenic and recreational values;
(3) fish and wildlife;

1	(4) forests and forest programs;
2	(5) the need for a minimum water discharge flow rate schedule to
3	protect the natural rate of flow and the water quality of the affected waters;
4	(6) the existing uses of the waters by the public for boating, fishing,
5	swimming, and other recreational uses;
6	(7) the creation of any hazard to navigation, fishing, swimming, or other
7	public uses;
8	(8) the need for cutting clean and removal of all timber or tree growth
9	from all or part of the flowage area;
10	(9) the creation of any public benefits;
11	(10) consistency with the Vermont water quality standards and the
12	classification, if any, of the affected waters under chapter 47 of this title;
13	(11) any applicable state State, regional or municipal plans;
14	(12) municipal grand lists and revenues;
15	(13) public safety; and
16	(14) in the case of proposed removal of a dam that formerly related to or
17	was incident to the generation of electric energy, but which was not subject to
18	a memorandum of understanding dated prior to January 1, 2006 relating to its
19	removal, the potential for and value of future power production.
20	(b) If the State agency having jurisdiction Department or the Public Service
21	Board finds that the proposed project will serve the public good, and, in case of

1	any waters designated by the Secretary as outstanding resource waters, will
2	preserve or enhance the values and activities sought to be protected by
3	designation, the agency Department or the Public Service Board shall issue its
4	order approving the application. The order shall include conditions for
5	minimum stream flow to protect fish and instream aquatic life, as determined
6	by the Agency of Natural Resources, and such other conditions as the agency
7	having jurisdiction Department or the Public Service Board considers
8	necessary to protect any element of the public good listed above. Otherwise it
9	shall issue its order disapproving the application.
10	(c) The agency Department or the Public Service Board shall provide the
11	applicant and interested parties with copies of its order.
12	(d) In the case of a proposed removal of a dam that is under the jurisdiction
13	of the department and that formerly related to or was incident to the generation
14	of electric energy but that was not subject to a memorandum of understanding
15	dated before January 1, 2006 relating to its removal, the department shall
16	consult with the department of public service regarding the potential for and
17	value of future power production at the site. [Repealed.]
18	§ 1087. REVIEW OF PLANS AND SPECIFICATIONS
19	Upon receipt of an application, the state agency having jurisdiction
20	Department or the Public Service Board shall employ a registered licensed
21	engineer experienced in the design and investigation of dams to investigate the

1	property, review the plans and specifications, and make additional
2	investigations as it considers necessary to ensure that the project adequately
3	provides for the public safety. The engineer shall report his or her findings to
4	the agency Department or the Public Service Board.
5	§ 1089. EMPLOYMENT OF HYDRAULIC ENGINEER
6	With the approval of the governor Governor, the state agency having
7	jurisdiction Department or the Public Service Board may employ a competent
8	hydraulic engineer to investigate the property, review the plans and
9	specifications, and make such additional investigation as such agency the
10	Department or the Public Service Board shall deem necessary, and such
11	engineer shall report to the agency Department or the Public Service Board his
12	or her findings in respect thereto.
13	§ 1090. CONSTRUCTION SUPERVISION
14	The construction, alteration, or other action authorized in section 1086 of
15	this title shall be supervised by a registered licensed engineer employed by the
16	applicant. Upon completion of the authorized project, the engineer shall
17	certify to the agency having jurisdiction Department or the Public Service
18	Board that the project has been completed in conformance with the approved
19	plans and specifications.

- § 1095. UNSAFE DAM; PETITION; HEARING; EMERGENCY
- (a) On receipt of a petition signed by not less no fewer than ten persons in interest or the legislative body of a municipality, the agency having jurisdiction Department or the Public Service Board shall, or upon its own motion it may, institute investigations by an engineer as described in section 1087 of this title regarding the safety of any existing dam or portion of a dam, of any size. The agency Department or the Public Service Board may fix a time and place for hearing and shall give notice in the manner it directs to all parties interested. The engineer shall present his or her findings and recommendations at the hearing. After the hearing, if the agency Department or the Public Service Board finds that the dam or portion of the dam as maintained or operated is unsafe or is a menace to people or property above or below the dam, it shall issue an order directing reconstruction, repair, removal, breaching, draining, or other action it considers necessary to make the dam safe.
  - (b) If, upon the expiration of such date as may be ordered, the owner of such dam has not complied with the order directing the reconstruction, repair, breaching, removal, draining, or other action of such unsafe dam, the state agency having jurisdiction Department or the Public Service Board may petition the superior court Superior Court in the county in which the dam is located to enforce its order or exercise the right of eminent domain to acquire such rights as may be necessary to effectuate a remedy as the public safety or

1	public good may require. If the order has been appealed, the court may
2	prohibit the exercise pending disposition of the appeal.
3	(c) If, upon completion of the investigation described in subsection (a) of
4	this section, the state agency having jurisdiction Department or the Public
5	Service Board considers the dam to present an imminent threat to human life or
6	property it shall take whatever action it considers necessary to protect life and
7	property and subsequently conduct the hearing described in subsection (a).
8	* * *
9	§ 1098. REMOVAL OF OBSTRUCTIONS; APPROPRIATION
10	The department Department may contract for the removal of sandbars,
11	debris, or other obstructions from streams which the department Department
12	finds that while so obstructed may be a menace in time of flood, or endanger
13	property or life below, or the property of riparian owners. The expense of
14	investigation and removal of the obstruction shall be paid by the state State
15	from funds provided for that purpose.
16	§ 1099. APPEALS
17	(a) Appeals of any act or decision of the department Department under this
18	chapter shall be made in accordance with chapter 220 of this title.
19	(b) Appeals from actions or orders of the public service board Public
20	Service Board may be taken in the supreme court Supreme Court in accord
21	with 30 V.S.A. § 12.

1	* * *
2	§ 1104. DAM REGISTRATION
3	(a) Application of section. The requirements of this section shall apply to
4	all dams in the State within the jurisdiction of the Department, regardless of
5	whether the dam is permitted or approved under this chapter. The rules of the
6	Public Service Board shall control the regulation and inspection of dams and
7	projects over which the Public Service Board has jurisdiction.
8	(b) Dam registration. On or before January 1, 2015 and annually
9	thereafter, the owner of property on which a dam is located or the owner of the
10	dam, if that person is not the owner of the property, shall, on a form provided
11	by the Department, register the dam with the Department.
12	(c) Department identification of dam.
13	(1) The Department shall post the location and hazard potential
14	classification of every dam in the State on the Agency of Natural Resources'
15	website.
16	(2) The standards for hazard classification shall be equivalent to the
17	standards for low, significant, and high hazard dams under the U.S. Army
18	Corps of Hazard Potential Classification of Dams, under 33 C.F.R. § 222.6.
19	The Department may designate a dam as an unknown hazard dam when it
20	lacks information sufficient to classify it as a low, significant, or high
21	<mark>hazard dam.</mark>

1	(d) Failure to submit registration. If the Department identifies the owner of
2	an unregistered dam, the Department shall notify the owner of the requirement
3	to register the dam under this section. The owner of a dam who receives notice
4	of required registration under this subsection shall have 60 days from the date
5	of the Department's notice to submit a complete dam registration form to the
6	Department.
7	(e) Dam safety inspection. Fees collected under 3 V.S.A. § 2822(j)(12)(B)
8	shall be deposited into the Environmental Permit Fund under 3 V.S.A. § 2805
9	and shall be used to implement the requirements of this chapter.
10	(f) Designation of dam as abandoned. If an owner of a dam classified as an
11	unknown hazard fails to submit to the Department the dam registration form
12	required by this section, the dam may be designated an abandoned dam subject
13	to the provisions of section 1104a of this title.
14	(g) Failure to file dam evaluation report. If an owner of a dam fails to
15	submit the dam registration form as required under subsection (b) of this
16	section, the Department may inspect, or retain a licensed professional engineer
17	to inspect, the dam. The cost to the Department of the inspection shall be
18	assessed against the owner of the dam.
19	§ 1104a. ABANDONED DAMS
20	(a) Designation of dam as abandoned. The Department may designate a
21	dam as abandoned if the Department:

1	(1) has identified an owner of the dam, but the owner fails to comply
2	with the requirements of section 1104 of this title or the owner fails to comply
3	with an action or order required under this chapter; or
4	(2) cannot identify an owner of the dam; and
5	(3) publishes notice of a pending determination of abandonment of the
6	dam in a newspaper of general circulation in the county in which the dam is
7	located; and after 45 days from the date of publication of pending
8	determination of abandonment, no person has asserted ownership or control of
9	the dam.
10	(b) Inspection of abandoned dam. Upon designation of a dam as
11	abandoned, the Department shall conduct an inspection of the dam according
12	to its inspection authority under section 1105 of this title.
13	(c) Lien on property on which dam is situated. When the Department takes
14	action under this section to inspect an abandoned dam or when the Department
15	takes any action under this chapter to alleviate or address a risk to life or
16	property from an abandoned dam, the costs of the action shall be a lien in favor
17	of the State on the property on which the dam is located and on the buildings
18	and structures located on that property in order to secure repayment of the
19	State of inspection or other action.
20	(d) Assumption of ownership of an abandoned dam. A person may assume
21	ownership of a dam designated by the Department as abandoned by:

1	(1) notifying the Department, where applicable, of the intent to assume
2	ownership;
3	(2) submission of the dam registration form required under section 1104
4	of this title;
5	(3) payment of costs or liabilities due the Department; and
6	(4) submission of indicia of ownership of the dam.
7	* * *
8	* * * Disclosure of Dam at Conveyance * * *
9	Sec. 2. 27 V.S.A. § 617 is added to read:
10	§ 617. DISCLOSURE OF DAM ON PROPERTY AT CONVEYANCE
11	(a) Definitions. As used in this section, "dam" shall have the same
12	meaning as provided for in 10 V.S.A. § 1080(7).
13	(b) Seller; disclosure of dam on property. A seller of real property on
14	which a dam is located shall:
15	(1) prior to the execution of a contract for the conveyance of real
16	property:
17	(A) disclose to the buyer the presence and location of the dam on the
18	property; and
19	(B) provide the buyer with an inspection report for the dam that was
20	completed no later than one year prior to the sale by an independent licensed
21	engineer experienced in the design and investigation of dams; and

1	(2) submit to the Department a notice of property transfer of the dam no
2	later than 15 days from execution of the contract for the conveyance of the real
3	property.
4	(c) Buyer; registration with Department. No later than 15 days from
5	execution of a contract for the conveyance of real property on which a dam is
6	located, the buyer of the real property shall, on a form provided by the
7	Department, notify the Department and the municipality or municipalities in
8	which the dam is located of the property transfer. The notification form shall
9	include:
10	(1) a copy of the current dam safety inspection report provided by the
11	seller prior to execution of the contract for the conveyance; and
12	(2) the name, mailing address, and telephone number of the buyer.
13	(d) Marketability of title. Noncompliance with the requirements of this
14	section shall not affect the marketability of title of a property.
15	(e) Penalty; liability. Liability for failure to provide the informational
16	materials required by this section shall be limited to a civil penalty, imposed by
17	the Agency of Natural Resources under 10 V.S.A. chapter 201, of no less than
18	\$100.00 and no more than \$250.00 for each day in violation.

1	* * * Dam Registration Fees * * *
2	Sec. 3. 3 V.S.A. § 2805 is amended to read:
3	§ 2805. ENVIRONMENTAL PERMIT FUND
4	(a) There is hereby established a special fund to be known as the
5	Environmental Permit Fund. Within the Fund, there shall be two accounts: the
6	Environmental Permit Account and the Air Pollution Control Account. Unless
7	otherwise specified, fees collected in accordance with subsections 2822(i) and
8	(j) of this title, and 10 V.S.A. § 2625 and gifts and appropriations shall be
9	deposited in the Environmental Permit Account. Fees collected in accordance
10	with subsections 2822(j)(1), (k), (l), and (m) of this title shall be deposited in
11	the Air Pollution Control Account. The Environmental Permit Fund shall be
12	used to implement the programs specified under section 2822 of this title. The
13	Secretary of Natural Resources shall be responsible for the fund and shall
14	account for the revenues and expenditures of the Agency of Natural Resources
15	The Environmental Permit Fund shall be subject to the provisions of 32 V.S.A
16	chapter 7, subchapter 5. The Environmental Permit Fund shall be used to
17	cover a portion of the costs of administering the Environmental Division
18	established under 4 V.S.A. chapter 27. The amount of \$143,000.00 per fiscal
19	year shall be disbursed for this purpose.
20	(b) Any fee required to be collected under subdivision 2822(j)(1) of this
21	title shall be utilized solely to cover all reasonable (direct or indirect) costs

1	required to support the operating permit program authorized under 10 V.S.A.
2	chapter 23. Any fee required to be collected under subsection 2822(k), (l), or
3	(m) of this title for air pollution control permits or registrations or motor
4	vehicle registrations shall be utilized solely to cover all reasonable (direct or
5	indirect) costs required to support the programs authorized under 10 V.S.A.
6	chapter 23. Fees collected pursuant to subsections 2822(k), (l), and (m) of this
7	title shall be used by the Secretary to fund activities related to the Secretary's
8	hazardous or toxic contaminant monitoring programs and motor
9	vehicle-related programs.
10	(c) Any fee required to be collected under subdivision 2822(j)(12) of this
11	title for dam registrations shall be used solely to cover all reasonable (direct or
12	indirect) costs required to support the programs authorized under 10 V.S.A.
13	chapter 43. When the fees collected under subdivision 2822(j)(12) of this title
14	exceed the annual funding needs of 10 V.S.A. chapter 43, the excess funds
15	shall be deposited into the Unsafe Dam Revolving Loan Fund under 10 V.S.A.
16	<u>§ 1106.</u>
17	Sec. 4. 3 V.S.A. § 2822(j)(12) is amended to read:
18	(12)(A) For dam permits issued under 10 V.S.A. chapter 43: 0.525
19	percent of construction costs, minimum fee of \$200.00.
20	(B) For dam registration forms submitted under 10 V.S.A.
21	chapter 43, a person registering a dam shall pay to the Department an annual

1	registration fee. The annual fee shall be based on the hazard classification of
2	the dam as follows:
3	(i) Low hazard dam \$200.00;
4	(ii) Unknown hazard dam \$200.00;
5	(iii) Significant hazard dam \$350.00; and
6	(iv) High hazard dam \$1,000.00.
7	* * * Effective Date * * *
8	Sec. 5. EFFECTIVE DATE
9	This act shall take effect on July 1, 2014.
10	
11	
12	(Committee vote:)
13	
14	Representative [surname]
15	FOR THE COMMITTEE