

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: March 25, 2014

Prepared by: Daniel Dickerson

H.590 – An Act Relating to the Safety and Regulation of Dams

(As amended by the House Committee on Ways and Means)

Summary

H.590, as amended by the House Committee on Ways and Means, would establish a new dam safety program operation fee for registering a dam with the Department of Environmental Conservation (DEC). The fee would be levied on an annual basis on dams capable of impounding water with more than one acre of surface area or on dams capable of impounding over 500,000 cubic feet of water. Registration fees collected under the bill would be deposited into the Environmental Permit Fund.

DEC classifies dams according to their potential for causing loss of life and property damage in the area downstream of the dam if it were to fail. Low hazard dams are estimated to cause minimal economic loss and no potential loss of life. Significant hazard dams are estimated to cause appreciable economic loss and few losses of lives. High hazard dams are estimated to cause excessive economic loss and more than a few losses of lives. Currently, DEC inspects jurisdictional dams (those impounding in excess of 500,000 cubic feet of water) on a variable basis dependent on the hazard class of the dam. With its current staffing, DEC has trouble keeping up with inspections of low hazard dams. The additional revenue from this bill would allow DEC to bring on an additional engineer for dam inspections and to cover the administrative costs of the dam registration program.

Fiscal Impact

Under the bill, dams in the State capable of impounding water with over 1 acre of surface area or capable of impounding over 500,000 cubic meters of water would be assessed an annual dam safety program operation fee based on the dam's hazard classification. New dam registration fee revenues in FY15 would be approximately **\$142,150**.

Table of Estimated Annual Dam Registration Fee Revenues¹

Size and Hazard Level	Fee	Number of Dams	FY15 Revenue
Low	\$200	313	\$62,600
Significant	\$350	113	\$39,550
High	\$1,000	40	\$40,000
Total		466	\$142,150

¹ Data on number of dams in the State was provided by the Department of Environmental Conservation.