§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(3) Agriculture feeds, seed, plants, baler twine, silage bags, agricultural wrap, sheets of plastic for bunker covers, liming materials, breeding and other livestock, semen breeding fees, baby chicks, turkey poults, agriculture chemicals other than pesticides, veterinary supplies, and bedding; and fertilizers and pesticides for use and consumption directly in the production for sale of tangible personal property on farms, including stock, dairy, poultry, fruit and truck farms, orchards, nurseries, or in greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities for sale.

Amendment to be offered by Reps. Dickinson of St. Albans Town and Parent of St. Albans City to H. 35

<u>First</u>: In Sec. 37, by striking 10 V.S.A. §§ 1387 and 1388 (Clean Water Fund), including the reader assistance preceding Sec. 37, in their entirety and inserting in lieu thereof the following:

* * * Water Quality Funding; Clean Water Fund; Property Transfer Tax * * *

§ 1387. PURPOSE

The General Assembly establishes in this subchapter a Vermont Clean Water Fund as a mechanism for financing the improvement of water quality in the State. The Clean Water Fund shall be used to:

- (1) assist the State in complying with water quality requirements and construction or implementation of water quality projects or programs;
- (2) provide necessary funding for staff programs of the Agency of Natural Resources and the Agency of Agriculture, Food and Markets; and
- (3) provide funding to nonprofit organizations, regional associations, and other entities for implementation and administration of community-based water quality programs or projects.

§ 1388. CLEAN WATER FUND

(a) There is created a special fund to be known as the "Clean Water Fund."

Notwithstanding any contrary provisions of 32 V.S.A. chapter 7, subchapter 5:

- (1) the Fund shall be administered by the Clean Water Fund Board established under section 1389 of this title;
 - (2) the Fund shall consist of:
- (A) revenues dedicated for deposit into the Fund by the General Assembly, including 25 percent of the revenue from the property transfer tax deposited under 32 V.S.A. chapter 231; and
- (B) other gifts, donations, and impact fees received from any source, public or private, dedicated for deposit into the Fund and approved by the Board.
- (b) The Clean Water Fund Board shall make recommendations on expenditures from the Fund consistent with the following priorities:
- (A) First priority shall be given to proposed projects or programs to address areas of high risk of pollution or high loading of sediment in Lake Champlain.
- (B) Next priority shall be given to proposed projects or programs to address areas of high risk of pollution or high loading of sediment in other waters.
- (C) Next priority shall be given to projects identified by the Secretary as significant contributors to water quality problems or in critical need of water quality remediation or response.
- (D) Next priority shall be given to proposed projects or programs to address areas of high risk of pollution or high loading of sediment to a water listed as impaired on the list of waters required by 33 U.S.C. § 1313(d).
- (E) Next priority shall be given to other projects implementing a total maximum daily load plan in a water listed as impaired on the list of waters required by 33 U.S.C. § 1313(d).
- (F) Next priority shall be given to projects or programs to address areas of high risk or high loading of sediment to an unimpaired water.
- (c) In the first three years of its existence, the Clean Water Fund Board shall prioritize under subsection (b) of this section recommendation of awards or assistance to municipalities for municipal compliance with the water quality requirements.
- (d) Unexpended balances and any earnings shall remain in the Fund from year to year.

<u>Second</u>: By striking Secs. 38 and 39 in their entirety (Clean Water Surcharge; repeal) and inserting in lieu thereof the following:

- Sec. 38. 32 V.S.A. § 9610(c) is amended to read:
- (c) Prior to distributions of property transfer tax revenues under 10 V.S.A. §§ 312, and 1389, 24 V.S.A. § 4306(a), and 32 V.S.A. § subdivision 435(b)(10) of this title, two percent of the revenues received from the property

transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs. Up to one-half of the funds deposited in a special fund under this subsection shall be used for the purpose of administering the current use value program electronically.

Sec. 38a. 2011 Acts and Resolves No. 45, Sec. 35 is amended to read:

Sec. 35. 32 V.S.A. § 9610(c) is amended to read:

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. §§ 312, and 1389, 24 V.S.A. § 4306(a), and 32 V.S.A. § subdivision 435(b)(10) of this title, two one percent of the revenues received from the property transfer tax shall be deposited in a special fund in the tax department Department of Taxes for property valuation and review Property Valuation and Review administration costs. Up to one-half of the funds deposited in a special under this subsection shall be used for the purpose of administering the current use value program electronically.

Sec. 39. 10 V.S.A. § 312 is amended to read:

§ 312. CREATION OF VERMONT HOUSING AND CONSERVATION TRUST FUND

There is created a special fund in the state treasury State Treasury to be known as the "Vermont housing and conservation trust fund Housing and Conservation Trust Fund." The fund Fund shall be administered by the board Board and expenditures therefrom shall only be made to implement and effectuate the policies and purposes of this chapter. The fund Fund shall be comprised composed of 50 35 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 of Title 32 and any moneys monies from time to time appropriated to the fund Fund by the general assembly General Assembly or received from any other source, private or public, approved by the board Board. Unexpended balances and any earnings shall remain in the fund Fund for use in accord with the purposes of this chapter.

Sec. 39a. 24 V.S.A. § 4306(a) is amended to read:

- (a)(1) A Municipal and Regional Planning Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.
- (2) The Fund shall be comprised of 47 15 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

- (3) Of the revenues in the Fund, each year:
- (A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;
- (B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and
 - (C) 20 percent shall be disbursed to municipalities.

Sec. 39b. 32 V.S.A. § 435(b) is amended to read:

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

* * *

(10) 33 25 percent of the revenue from the property transfer taxes levied pursuant to chapter 231 of this title and the revenue from the gains taxes levied each year pursuant to chapter 236 of this title;

* * *

<u>Third</u>: In Sec. 4, in 6 V.S.A. 4871, by striking subsection (h) (small farm fees) in its entirety

<u>Fourth</u>: By striking Secs. 7 (small farm fee fiscal years 2016 and 2017), 8 (Agricultural Water Quality Special Fund), and 9 (large farm permit fee), including the reader assistance associated with these sections, in their entirety and inserting in lieu thereof the following:

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

<u>Fifth</u>: In Sec. 10, 6 V.S.A. § 4858, by striking out subsection (e) (medium farm permit fee) in its entirety

<u>Sixth</u>: By striking out Sec. 11 (commercial feed fee) in its entirety and inserting in lieu thereof the following:

Sec. 11. [Deleted.]

<u>Seventh</u>: By striking out Secs. 13 (nonagricultural fertilizer fee) and 14 (economic poison fee) in their entirety and inserting in lieu thereof the following:

Sec. 13. [Deleted.]

Sec. 14. [Deleted.]

<u>Eighth</u>: By striking out Sec. 15 (Agency of Agriculture, Food and Markets; appropriations) in its entirety and inserting in lieu thereof the following:

Sec. 15. APPROPRIATIONS FOR AGENCY OF AGRICULTURE, FOOD

AND MARKETS STAFF

In addition to any other funds appropriated to the Agency of Agriculture, Food and Markets in fiscal year 2016, there is appropriated from the Clean Water Fund created under 10 V.S.A. § 1388 to the Agency \$1,056,000.00 in fiscal year 2016 for the purpose of hiring seven positions for implementation and administration of agricultural water quality programs in the State.

<u>Ninth</u>: By striking out Secs. 41, 42, and 43 (DEC fees; appropriations) in their entirety, including the reader assistance associated with these sections, and inserting in lieu thereof the following:

* * * Agency of Natural Resources Appropriations and Staffing * * *

Sec. 41. APPROPRIATIONS FOR AGENCY OF NATURAL RESOURCES STAFF

In addition to any other funds appropriated to the Agency of Natural Resources in fiscal year 2016, there is appropriated from the Clean Water Fund created under 10 V.S.A § 1388 to the Agency of Natural Resources \$1,312,556.00 in fiscal year 2016 for the purpose of hiring 13 positions for implementation of the State water quality initiative, including implementation of the total maximum daily load plan for Lake Champlain.

Sec. 42. [Deleted.] Sec. 43. [Deleted.]

H. 367

An act relating to miscellaneous revisions to the municipal plan adoption, amendment, and update process

Rep. Forguites of Springfield, for the Committee on **Natural Resources** & Energy, recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 24 V.S.A. § 4350 is amended to read:

§ 4350. REVIEW AND CONSULTATION REGARDING MUNICIPAL PLANNING EFFORT

(a) A regional planning commission shall consult with its municipalities with respect to the municipalities' planning efforts, ascertaining the municipalities' needs as individual municipalities and as neighbors in a region, and identifying the assistance that ought to be provided by the regional planning commission. As a part of this consultation, the regional planning commission, after public notice, shall review the planning process of its member municipalities at least twice during an eight-year a 10-year period, or more frequently on request of the municipality, and shall so confirm when a municipality: