

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 35  
3 entitled “An act relating to improving the quality of State waters” respectfully  
4 reports that it has considered the same and recommends that the Senate  
5 propose to the House that the bill be amended as follows:

6 First: By striking out Secs. 37–43 in their entirety, including all reader  
7 assistance preceding the sections, and inserting in lieu thereof the following:

8 \* \* \* Water Quality Funding; Clean Water Legacy Fund;  
9 Statewide Water Quality Fee \* \* \*

10 Sec. 37. 10 V.S.A. chapter 47, subchapter 7 is added to read:

11 Subchapter 7. Vermont Clean Water Legacy Fund

12 § 1387. PURPOSE

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

16 (1) assist the State in complying with water quality requirements and  
17 construction or implementation of water quality projects or programs,  
18 including implementation of total maximum daily load cleanup plans for Lake  
19 Champlain, the Connecticut River, Lake Memphremagog, and over 200 other  
20 water segments across the State;

1           (2) fund staff positions at the Agency of Natural Resources, Agency of  
2           Agriculture, Food and Markets, or Agency of Transportation when the  
3           positions are necessary to achieve or maintain compliance with water quality  
4           requirements and existing revenue sources are inadequate to fund the necessary  
5           positions;

6           (3) provide funding to nonprofit organizations, regional associations,  
7           and other entities for implementation and administration of community-based  
8           water quality programs or projects; and

9           (4) provide transparency in the collection and administration of funding  
10           the improvement of water quality in the State.

11           § 1388. CLEAN WATER LEGACY FUND

12           (a) There is created a special fund in the State treasury to be known as the  
13           “Clean Water Legacy Fund.” Notwithstanding any contrary provisions of  
14           32 V.S.A. chapter 7, subchapter 5, the Fund shall be administered by the Clean  
15           Water Legacy Fund Board established under section 1389 of this title;

16           (b) The Clean Water Legacy Fund shall consist of:

17           (1) revenues dedicated for deposit into the Fund by the General  
18           Assembly, including the Statewide Water Quality fee under 32 V.S.A.  
19           chapter 245.

1           (2) other gifts, donations, and impact fees received from any source,  
2           public or private, dedicated for deposit into the Fund and approved by the  
3           Board.

4           (c) Unexpended balances and any earnings shall remain in the Fund from  
5           year to year.

6           § 1389. CLEAN WATER LEGACY FUND BOARD

7           (a) Creation. There is created a Clean Water Legacy Fund Board which  
8           shall be attached to the Agency of Administration for administrative purposes.

9           (b) Organization of the Board. The Clean Water Legacy Fund Board shall  
10          be composed of:

11           (1) the Secretary of Administration or designee;

12           (2) the Secretary of Natural Resources or designee;

13           (3) the Secretary of Agriculture, Food and Markets or designee;

14           (4) the Secretary of Commerce and Community Development or  
15          designee;

16           (5) the Secretary of Transportation or designee;

17           (6) a representative of the Lake Champlain Basin Program, to be  
18          appointed by the Governor;

19           (7) a representative of a regional or community-based watershed or  
20          water quality organization to be appointed by the Committee on Committees;

1           (8) a farmer or representative of an organization that represents farmers,  
2           to be appointed by the Speaker of the House;

3           (9) a person with expertise in financial lending or investment, to be  
4           appointed by the Committee on Committees; and

5           (10) a representative of a municipality or organization representing  
6           municipalities, to be appointed by the Speaker of the House.

7           (c) Officers; committees; rules. The Secretary of Administration or  
8           designee shall serve as Chair of the Clean Water Legacy Fund Board. The  
9           Clean Water Legacy Fund Board may elect additional officers from its  
10           members, establish committees or subcommittees, and adopt procedural rules  
11           as necessary and appropriate to perform its work.

12           (d) Member terms. The members of the Clean Water Legacy Fund Board  
13           appointed by the Governor, Committee on Committees, or Speaker of the  
14           House shall serve staggered terms. The member appointed by the Governor  
15           shall serve an initial term of three years. Members appointed by the  
16           Committee on Committees shall serve initial terms of two years. The members  
17           appointed by the Speaker of the House shall serve initial terms of one year.  
18           Thereafter, each of the appointed members shall serve a term of three years. A  
19           vacancy shall be filled by the appointing authority for the remainder of the  
20           unexpired term. An appointed member shall not serve more than three  
21           consecutive three-year terms.

1       (e) Compensation. Members of the Clean Water Legacy Fund Board who  
2       are not employees of the State of Vermont and who are not otherwise  
3       compensated or reimbursed for their attendance shall be entitled to per diem  
4       compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010, to  
5       be paid from the budget of the Agency of Administration.

6       (f) Powers and duties of the Clean Water Legacy Fund Board.

7             (1) The Clean Water Legacy Fund Board shall:

8                     (A) Receive proposals from the Secretaries of Agriculture, Food and  
9                     Markets, of Commerce and Community Development, of Natural Resources,  
10                    and of Transportation regarding expenditures of the Fund.

11                    (B) Make recommendations to the Secretary of Administration  
12                    regarding the appropriate allocation of funds from the Clean Water Legacy  
13                    Fund for the purposes of developing the State budget. The Board shall  
14                    structure its recommendations to achieve the greatest water quality gain for the  
15                    investment.

16                    (C) Pursue and accept grants, gifts, donations, or other funding from  
17                    any public or private source and administer such grants, gifts, donations, or  
18                    funding consistent with the terms of the grant, gift, or donation.

19                    (D) Beginning on July 15, 2016, and every five years thereafter,  
20                    develop a five-year plan for the disbursement of monies from the Clean Water  
21                    Legacy Fund, including the type of projects to be funded, the management

1 strategies to prioritize, and the methods or measurements to ensure  
2 accountability of funded projects or programs. An initial priority for  
3 disbursements under the Fund shall be for management within the Lake  
4 Champlain watershed.

5 (E) Develop an annual revenue estimate and proposed budget for the  
6 Clean Water Legacy Fund.

7 (F) Issue the annual clean water investment report required under  
8 section 1389a of this title.

9 (G) Solicit public comment and consult with organizations interested  
10 in improving water quality in Vermont regarding recommendations under this  
11 subsection for the allocation of funds from the Clean Water Legacy Fund.

12 (H) Submit to the General Assembly recommended amendments or  
13 changes to requirements or administration of the Clean Water Legacy Fund,  
14 including the assessment and collection of the Statewide Water Quality fee  
15 under 32 V.S.A. chapter 245.

16 (I) After consultation with the State Treasurer, submit to the General  
17 Assembly on or before January 15, 2020, a recommendation as to whether  
18 revenue deposited into the Clean Water Legacy Fund could be used to support  
19 the issuance of bonded indebtedness for the purposes of financing water  
20 quality programs and projects in the State.

1           (2) The Clean Water Legacy Fund Board may pursue and accept grants  
2           or other funding from any public or private source in order to administer loans  
3           or grants under this section.

4           (g) Priorities.

5           (1) In making recommendations under subsection (f) of this section  
6           regarding the appropriate allocation of funds from the Clean Water Legacy  
7           Fund, the Board shall prioritize:

8           (A) funding to programs and projects that address sources of water  
9           pollution in waters listed as impaired on the list of waters established by  
10          33 U.S.C. § 1313(d);

11          (B) funding to projects that address areas identified as a significant  
12          source of water quality pollution, including financial assistance to grant  
13          recipients at the initiation of a funded project;

14          (C) funding to programs or projects that address or repair riparian  
15          conditions that increase the risk of flooding or pose a threat to life or property;

16          (D) assistance required for State and municipal compliance with  
17          stormwater requirements for highways and roads;

18          (E) funding for education, outreach, demonstration, and access to  
19          tools for the implementation of the Acceptable Management Practices for  
20          Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the  
21          Commissioner of Forests, Parks and Recreation; and

1           (F) funding for innovative nutrient removal technologies and  
2           community-based methane digesters that utilize manure, wastewater, and food  
3           residuals to produce energy.

4           (2) In making recommendations under subsection (f) of this section  
5           from the Clean Water Legacy Fund, the Clean Water Legacy Fund Board shall,  
6           during the first three years of its existence and within the priorities established  
7           under subdivision (1) of this subsection, prioritize award or assistance to  
8           municipalities for municipal compliance with water quality requirements.

9           (3) In making recommendations under subsection (f) of this section  
10           from the Clean Water Legacy Fund, the Board shall, after satisfaction of the  
11           priorities established under subdivision (1) of this subsection, attempt to  
12           provide for equitable apportionment of awards from the Fund to all regions of  
13           the State and for control of all sources of point and nonpoint sources of  
14           pollution in the State.

15           (h) Staff support. The Clean Water Legacy Fund Board shall have the  
16           administrative, technical, and legal assistance of the Agency of Administration,  
17           the Agency of Natural Resources, the Agency of Agriculture, Food and  
18           Markets, the Agency of Transportation, and the Agency of Commerce and  
19           Community Development for those issues or services within the jurisdiction of  
20           the respective agency. The cost of the services provided by agency staff shall  
21           be paid from the budget of the agency providing the staff services.

1     § 1389a. CLEAN WATER INVESTMENT REPORT

2           (a) Beginning on January 15, 2017, and annually thereafter, the Clean  
3     Water Legacy Fund Board shall publish a clean water investment report. The  
4     report shall summarize all investments, including their cost-effectiveness,  
5     made by the Clean Water Legacy Fund Board and other State agencies for  
6     clean water restoration over the past calendar year. The report shall include  
7     expenditures from the Clean Water Legacy Fund, the General Fund, the  
8     Transportation Fund, and any other State expenditures for clean water  
9     restoration, regardless of funding source. The report shall document progress  
10    or shortcomings in meeting established indicators for clean water restoration.  
11    The report shall include a summary of additional funding sources pursued by  
12    the Board, including: whether those funding sources were attained; if funding  
13    was not attained, why it was not attained; and how additional sources of money  
14    were allocated from the Fund. The report may also provide an overview of  
15    additional funding necessary to meet objectives established for clean water  
16    restoration and recommendations for additional revenue to meet those  
17    restoration objectives. The provisions of 2 V.S.A. § 20(d) (expiration of  
18    required reports) shall not apply to the report required by this section.

19           (b) The Clean Water Legacy Fund Board shall develop and use a  
20    results-based accountability process in publishing the annual report required by  
21    subsection (a) of this section

1       § 1389b. CLEAN WATER LEGACY FUND AUDIT

2           (a) On or before January 15, 2021, the Secretary of Administration shall  
3       submit to the Senate Committee on Finance, the House Committee on Ways  
4       and Means, the House and Senate Committees on Appropriations, the Senate  
5       Committee on Agriculture, the House Committee on Agriculture and Forest  
6       Products, the Senate Committee on Natural Resources and Energy, and the  
7       House Committee on Fish, Wildlife and Water Resources a program audit of  
8       the Clean Water Legacy Fund. The report shall include:

9           (1) a summary of the expenditures from the Clean Water Legacy Fund,  
10       including the water quality projects and programs that received funding;

11          (2) an analysis and summary of the efficacy of the water quality projects  
12       and programs funded from the Clean Water Legacy Fund or implemented by  
13       the State;

14          (3) an evaluation of whether water quality projects and programs funded  
15       or implemented by the State are achieving the intended water quality benefits;

16          (4) an assessment of the capacity of the Agency of Agriculture, Food  
17       and Markets to effectively administer and enforce agricultural water quality  
18       requirements on farms in the State; and

19          (5) a recommendation of whether the General Assembly should  
20       authorize the continuation of the Clean Water Legacy Fund and, if so, at what  
21       funding level.

1        (b) The audit required by this section shall be conducted by a qualified,  
2        independent environmental consultant or organization with knowledge of the  
3        federal Clean Water Act, State water quality requirements and programs, the  
4        Lake Champlain Total Maximum Daily Load plan, and the program elements  
5        of the State clean water initiative.

6        (c) Notwithstanding provisions of section 1389 of this title to the contrary,  
7        the Secretary of Administration shall pay for the costs of the audit required  
8        under this section from the Clean Water Legacy Fund, established under  
9        section 1388 of this title.

10       Sec. 38. 32 V.S.A. chapter 245 is added to read:

11                                CHAPTER 245. WATER QUALITY

12        § 10502. STATEWIDE WATER QUALITY FEE

13        (a) Statewide Water Quality fee.

14                (1) An annual Statewide Water Quality fee shall be imposed on every  
15        parcel in the State.

16                (2)(A) The Statewide Water Quality fee shall be as follows:

17                        (i) \$0.50 per acre of forestland enrolled in use value appraisal  
18        under chapter 124 of this title; and

19                        (ii) \$1.00 per acre for all other land.

20                (B) The minimum fee assessed under this section shall be \$15.00.

1           (3) In calculating the Statewide Water Quality fee for properties of more  
2           than 15 acres, parcels shall be rounded down to the nearest whole acre.

3           (b) Assessment and collection of fee.

4           (1) Beginning on July 1, 2015, the Clean Water Legacy Fund fee shall  
5           be assessed and collected as part of the tax bill issued under subsection 5402(b)  
6           of this title, and may be prorated according to the number of tax bills assessed  
7           by a municipality. A municipality shall list the fee assessed under this section  
8           on a tax bill as the “Statewide Water Quality Fee.” The Statewide Water  
9           Quality fee shall be listed separately from the tax collected under subsection  
10           5402(b) of this title, provided that the payment for both the tax and fee shall be  
11           made in one form of payment.

12           (2) The treasurer of each municipality shall remit the collected  
13           Statewide Water Quality fee to the Department of Taxes:

14           (A) in one payment due on December 1 of each year; or

15           (B) as authorized by the Department procedure adopted under  
16           subsection (e) of this section.

17           (3) Municipalities may use all authority under chapter 133 of this title  
18           for the assessment and collection of the fee, including collection of fees and  
19           costs under section 5288 of this title.

1           (4) In case of insufficient payment of the Statewide Water Quality fee  
2           by a taxpayer to a municipality, the municipality shall not be required to remit  
3           to the State the amount of full liability for all parcels within the municipality.

4           (5) In the case of a taxpayer who pays only a portion of the full tax  
5           under subsection 5402(b) and the full amount of the Statewide Water Quality  
6           fee, a municipal treasurer shall credit all payment made by the taxpayer to the  
7           tax liability under subsection 5402(b) of this title before remitting fees to the  
8           Department of Taxes under subdivision (2) of this subsection.

9           (c) Exemption. A municipality shall not assess the Statewide Water  
10          Quality fee established under subsection (a) of this section to:

11           (1) a parcel exempt from taxation under State or federal law;

12           (2) a parcel composed entirely of a railroad track right-of-way, provided  
13           that the Commissioner shall assess the fee on parcels on which railroad  
14           stations, maintenance buildings, or other developed land used for railroad  
15           purposes is located; or

16           (3) a parcel of land for which the State lacks authority to impose the fee  
17           established by this section.

18           (d) Refund. A person who in any one year pays more than \$10,000.00 in  
19           fees under this section for a parcel or parcels they own shall, upon application  
20           to the Department of Taxes, be eligible for a refund of all fees paid in excess of  
21           \$10,000.00 a year.

1       (e) Disposition. The Commissioner of Taxes shall deposit all fees collected  
2       under this section in the Clean Water Legacy Fund, established under  
3       10 V.S.A. § 1388, for the authorized uses of that Fund.

4       (f) Department procedure. The Department of Taxes shall, after  
5       consultation with municipal officials or representatives of municipal officials,  
6       issue a procedure regarding the process for collection of the Statewide Water  
7       Quality fee as part of the tax bill issued under subsection 5402(b) of this title.  
8       In the procedure, the Department shall address how parcels are assessed,  
9       remittance, and enforcement of the Statewide Water Quality fee, including  
10       how frequently a municipality may remit to the Department fees collected  
11       under this section. The Department also shall include in the procedure  
12       guidance for municipalities regarding whether a fee paid under this section is  
13       tax deductible.

14       (g) Abatement. A person may seek and a municipality may grant under  
15       24 V.S.A. § 1535 abatement of a fee assessed under this section.

16       (h) Education and outreach. The Department shall hold educational  
17       meetings or prepare education materials for municipal officials regarding the  
18       requirements of this section.

1       Sec. 39. 32 V.S.A. § 5258 is amended to read:

2       § 5258. FEES AND COSTS ALLOWED AFTER WARRANT AND LEVY

3                       RECORDED

4               The fees and costs allowed after the warrant and levy for delinquent taxes  
5       have been recorded shall be as follows: Levy and extending of warrant,  
6       \$10.00; recording levy and extending of warrant in town clerk's office, \$10.00,  
7       to be paid the town clerk; notices and publication of notice, actual costs  
8       incurred; and expenses actually and reasonably incurred by the tax collector for  
9       legal assistance in the preparation for or conduct of said sale when authorized  
10      by the selectboard, provided that such expenses shall not exceed 15 percent of  
11      the uncollected tax; travel, reimbursement at the rate established by the  
12      contract governing State employees; attending and holding sale, \$10.00;  
13      making return \$10.00 and recording same in town clerk's office, to be paid the  
14      town clerk \$10.00; \$10.00 for collection of a delinquent Statewide Water  
15      Quality fee assessed under section 10502 of this title; collector's deed, \$30.00;  
16      which fees and costs, together with the collector's fee of eight percent shall be  
17      in lieu of any or all other fees and costs permitted or allowed by law.

18      Sec. 40. REPEAL OF STATEWIDE WATER QUALITY FEE

19              32 V.S.A. § 10502 (Water Quality Legacy fee) shall be repealed on July 1,  
20      2026.

1                                   \* \* \* Appropriations of Agency Staff \* \* \*

2       Sec. 41. APPROPRIATIONS FOR AGENCY OF AGRICULTURE, FOOD  
3                                   AND MARKETS STAFF

4               Notwithstanding provisions of 10 V.S.A. § 1389 to the contrary, in addition  
5       to any other funds appropriated to the Agency of Agriculture, Food and  
6       Markets in fiscal year 2016, there is appropriated from the Agricultural Water  
7       Quality Special Fund created under 6 V.S.A. § 4803 to the Agency of  
8       Agriculture, Food and Markets \$786,000.00 in fiscal year 2016 for the purpose  
9       of hiring eight positions for implementation and administration of agricultural  
10       water quality programs in the State.

11       Sec. 42. APPROPRIATIONS FOR DEPARTMENT OF ENVIRONMENTAL  
12                                   CONSERVATION STAFF

13               In addition to any other funds appropriated to the Department of  
14       Environmental Conservation in fiscal year 2016, there is appropriated from the  
15       Environmental Permit Fund created under 3 V.S.A § 2805 to the Department  
16       of Environmental Conservation \$1,545,116.00 in fiscal year 2016 for the  
17       purpose of hiring 13 positions for implementation and administration of water  
18       quality programs in the State and for contracting with regional planning  
19       commissions as authorized by 10 V.S.A. § 1253.

1           \* \* \* Commissioner of Taxes; Statewide Water Quality Fee Report\*\*\*

2           Sec. 43. COMMISSIONER OF TAXES REPORT ON IMPLEMENTATION  
3                                   OF THE STATEWIDE WATER QUALITY FEE

4           On or before January 15, 2016, the Commissioner of Taxes shall submit to  
5           the Senate Committee on Finance and the House Committee on Ways and  
6           Means a report regarding implementation of the Statewide Water Quality fee  
7           established under 32 V.S.A. chapter 245. The report shall include:

8                   (1) a summary of implementation, collection, and enforcement of the  
9           Statewide Water Quality fee by municipalities and the Department of Taxes;

10                   (2) any identified issues in assessment, collection, and enforcement of  
11           the Statewide Water Quality fee, and proposed recommendations for  
12           addressing each issue.

13                   (3) after consultation with the Secretary of Natural Resources:

14                           (A) proposed alternatives for reducing the amount of the Statewide  
15           Water Quality fee to be paid by owners of parcels who: provide treatment that  
16           exceeds the minimum regulatory requirement; utilize innovative approaches to  
17           the management of stormwater; or pay a similar fee assessed at the municipal  
18           level; and

19                           (B) a recommendation of whether the amount of the Statewide Water  
20           Quality fee established under 32 V.S.A. chapter 245 should be adjusted for

1 individual parcels or parcel types due to presence of impervious surface on the  
2 parcel or due to the water quality impacts of the parcel;

3 (4) a recommendation as to whether and how the Statewide Water  
4 Quality fee should be collected from parcels that are exempt from taxation  
5 under 32 V.S.A. § 3802;

6 (5) proposed legislation necessary to implement any of the  
7 recommendations submitted by the Commissioner of Taxes in the report  
8 required by this section; and

9 (6) any other information that the Commissioner of Taxes determines is  
10 relevant to the implementation of the Statewide Water Quality fee.

11 Second: In Sec. 3, 6 V.S.A. § 4871, by striking out subsection (b) in its  
12 entirety and inserting in lieu thereof the following:

13 (b) Required small farm certification. Beginning on July 1, 2017, a person  
14 who owns or operates a small farm shall, on a form provided by the Secretary,  
15 certify compliance with the required agricultural practices. The Secretary of  
16 Agriculture, Food and Markets shall establish the requirements and manner of  
17 certification of compliance with the required agricultural practices, provided  
18 that the Secretary shall require an owner or operator of a farm to submit an  
19 annual certification of compliance with the required agricultural practices.

20 and by striking out subsection (h) in its entirety and inserting in lieu thereof the  
21 following:

1       (h) Fees. A person required to submit a certification under this section  
2       shall submit an annual operating fee of \$250.00 to the Secretary. The fees  
3       collected under this section shall be deposited in the Agricultural Water  
4       Quality Special Fund under section 4803 of this title. The Secretary may  
5       waive or reduce the fee required under this subsection based on farm type or  
6       the income or ability to pay of a person required to submit a certification under  
7       this section.

8       Third: By adding a new section to be Sec. 5a after the reader assistance  
9       \*\*\* Agricultural Water Quality; Permit Fees \*\*\* and before Sec. 6 to read:

10      Sec. 5a. 6 V.S.A. § 4803 is added to read:

11      § 4803. AGRICULTURAL WATER QUALITY SPECIAL FUND

12      (a) There is created an Agricultural Water Quality Special Fund to be  
13      administered by the Secretary of Agriculture, Food and Markets. Fees  
14      collected under this chapter, including fees for permits or certifications issued  
15      under the chapter, shall be deposited in the Fund.

16      (b) The Secretary may use monies deposited in the Fund for the Secretary's  
17      implementation and administration of agricultural water quality programs or  
18      requirements established by this chapter, including to pay salaries of Agency  
19      staff necessary to implement the programs and requirements of this chapter.

20      (c) Notwithstanding the requirements of 32 V.S.A. § 588(3), interest earned  
21      by the Fund shall be retained in the Fund from year to year.

1        Fourth: In Sec. 6, 6 V.S.A. § 4851 (large farm fee), by striking out  
2 subsection (i) in its entirety and inserting in lieu thereof the following:

3        (i) A person required to obtain a permit under this section shall submit an  
4 annual operating fee of \$2,500.00 to the Secretary. The fees collected under  
5 this section shall be deposited in the Agricultural Water Quality Special Fund  
6 under section 4803 of this title.

7        Fifth: In Sec. 7, 6 V.S.A. § 4858 (medium farm fee), by striking out  
8 subsection (e) in its entirety and inserting in lieu thereof the following:

9        (e) A person required to obtain a permit or coverage under this section shall  
10 submit an annual operating fee of \$1,500.00 to the Secretary. The fees  
11 collected under this section shall be deposited in the Agricultural Water  
12 Quality Special Fund under section 4803 of this title.

13        Sixth: In Sec. 8, 6 V.S.A. § 324 (commercial feed fee), by striking out  
14 subsection (b) in its entirety and inserting in lieu thereof the following:

15        (b) A person shall not distribute in this State a commercial feed that has not  
16 been registered pursuant to the provisions of this chapter. Application shall be  
17 in a form and manner to be prescribed by rule of the Secretary. The  
18 application for registration of a commercial feed shall be accompanied by a  
19 registration fee of ~~\$85.00~~ \$100.00 per product. ~~The~~ Of the registration fees  
20 collected, \$85.00 of each collected fee, along with any surcharges collected  
21 under subsection (c) of this section, shall be deposited in the special fund

1 created by subsection 364(e) of this title. Funds deposited in this account shall  
2 be restricted to implementing and administering the provisions of this title and  
3 any other provisions of the law relating to fertilizer, lime, or seeds. Of the  
4 registration fees collected, \$15.00 of each collected fee shall be deposited in  
5 the Agricultural Water Quality Special Fund under section 4803 of this title. If  
6 the Secretary so requests, the application for registration shall be accompanied  
7 by a label or other printed matter describing the product.

8 Seventh: By striking out Sec. 10 (fertilizer fee) in its entirety and inserting  
9 in lieu thereof the following:

10 Sec. 10. 6 V.S.A. § 366 is amended to read:

11 § 366. TONNAGE FEES

12 (a) There shall be paid annually to the ~~secretary~~ Secretary for all fertilizers  
13 distributed to a nonregistrant consumer in this ~~state~~ State an annual ~~inspection~~  
14 fee at a rate of \$0.25 cents per ton.

15 (b) Persons distributing fertilizer shall report annually by January 15 for the  
16 previous year ending December 31 to the ~~secretary~~ Secretary revealing the  
17 amounts of each grade of fertilizer and the form in which the fertilizer was  
18 distributed within this ~~state~~ State. Each report shall be accompanied with  
19 payment and written permission allowing the ~~secretary~~ Secretary to examine  
20 the person's books for the purpose of verifying tonnage reports.

1 (c) No information concerning tonnage sales furnished to the ~~secretary~~  
2 Secretary under this section shall be disclosed in such a way as to divulge the  
3 details of the business operation to any person unless it is necessary for the  
4 enforcement of the provisions of this chapter.

5 (d) ~~A \$50.00 minimum tonnage fee shall be assessed on all distributors~~  
6 ~~who distribute fertilizers in this state.~~ [Repealed.]

7 (e) Agricultural limes, including agricultural lime mixed with wood ash,  
8 are exempt from the tonnage fees required in this section.

9 (f) Lime and wood ash mixtures may be registered as agricultural liming  
10 materials and guaranteed for potassium or potash provided that the wood ash  
11 totals less than 50 percent of the mixture.

12 (g) All fees collected under subsection (a) of this section shall be deposited  
13 in the revolving fund created by section 364(e) of this title and used in  
14 accordance with its provisions.

15 (h) There shall be paid annually to the Secretary for all nonagricultural  
16 fertilizers distributed to a nonregistrant consumer in this State an annual fee at  
17 a rate of \$30.00 per ton of nonagricultural fertilizer for the purpose of  
18 supporting agricultural water quality programs in Vermont.

19 (1) Persons distributing any fertilizer in the State shall report annually  
20 on or before January 15 for the previous year ending December 31 to the  
21 Secretary revealing the amounts of each grade of fertilizer and the form in

1 which the fertilizer was distributed within this State. Each report shall be  
2 accompanied with payment of the fees under this section and written  
3 permission allowing the Secretary to examine the person's books for the  
4 purpose of verifying tonnage reports.

5 (2) No information concerning tonnage sales furnished to the Secretary  
6 under this section shall be disclosed in such a way as to divulge the details of  
7 the business operation to any person unless it is necessary for the enforcement  
8 of the provisions of this chapter.

9 (3) A \$150.00 minimum tonnage fee shall be assessed on all distributors  
10 who distribute nonagricultural fertilizers in this State.

11 (4) Agricultural limes, including agricultural lime mixed with wood ash,  
12 are exempt from the tonnage fees required under this subsection.

13 (5) All fees collected under this subsection shall be deposited in the  
14 Agricultural Water Quality Special Fund created under section 4803 of  
15 this title.

16 Eighth: In Sec. 11, 6 V.S.A. § 918 (economic poisons fee), by striking out  
17 subsection (b) in its entirety and inserting in lieu thereof the following:

18 (b) The registrant shall pay an annual fee of ~~\$110.00~~ \$125.00 for each  
19 product registered, and \$110.00 of that amount shall be deposited in the special  
20 fund created in section 929 of this title, of which \$5.00 from each product  
21 registration shall be used for an educational program related to the proper

1 purchase, application, and disposal of household pesticides, and \$5.00 from  
2 each product registration shall be used to collect and dispose of obsolete and  
3 unwanted pesticides. Of the registration fees collected under this subsection,  
4 \$15.00 of the amount collected shall be deposited in the Agricultural Water  
5 Quality Special Fund under section 4803 of this title. The annual registration  
6 year shall be from December 1 to November 30 of the following year.

7 Ninth: By striking out Sec. 54 in its entirety and inserting in lieu thereof the  
8 following:

9 \* \* \* Effective Dates\* \* \*

10 Sec. 54. EFFECTIVE DATES

11 (a) This section and Secs. 37 (Clean Water Legacy Fund) and 38  
12 (Statewide Water Quality fee) shall take effect on passage.

13 (b) The remainder of the bill shall take effect on July 1, 2015, except that:

14 (1) 6 V.S.A. § 4988(b) of Sec. 16 (custom applicator certification) shall  
15 take effect 45 days after the effective date of rules adopted under 6 V.S.A.  
16 § 4988(a).

17 (2) In Sec. 31, the permit requirements under 10 V.S.A. § 1264(h)(2) for  
18 discharges of regulated stormwater to Lake Champlain or to a water that  
19 contributes to the impairment of Lake Champlain shall take effect on  
20 October 1, 2015.

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3 (Committee vote: \_\_\_\_\_)

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\_\_\_\_\_

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Senator \_\_\_\_\_

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FOR THE COMMITTEE