

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 Legacy 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 Water Quality Legacy fee under 32 V.S.A. chapter
19 245.

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 Water Quality Legacy fee under
15 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 LEGACY FEE**

13 **(a) Water Quality Legacy fee.**

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

16 **(2)(A) The Water Quality Legacy 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 Water Quality Legacy 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 Legacy Fee.” The Water Quality
9 Legacy 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 Water
13 Quality Legacy 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 Water Quality Legacy fee by a
2 taxpayer to a municipality, the municipality shall not be required to remit to
3 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 Water Quality Legacy fee,
6 a municipal treasurer shall credit all payment made by the taxpayer to the tax
7 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 Water Quality Legacy
10 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 Water Quality
7 Legacy 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 Water Quality Legacy fee, including how
10 frequently a municipality may remit to the Department fees collected under
11 this section. The Department also shall include in the procedure guidance for
12 municipalities regarding whether a fee paid under this section is tax deductible.

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

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

18

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 Water Quality Legacy
15 fee assessed under section 10502 of this title; collector's deed, \$30.00; which
16 fees and costs, together with the collector's fee of eight percent shall be in lieu
17 of any or all other fees and costs permitted or allowed by law.

18 Sec. 40. REPEAL OF WATER QUALITY LEGACY FEE

19 32 V.S.A. § 10502 (Water Quality Legacy fee) shall be repealed on July 1,
20 2021.

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 \$1,312,556.00 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.

20 * * * Commissioner of Taxes; Water Quality Legacy Fee Report***

21 Sec. 43. COMMISSIONER OF TAXES REPORT ON IMPLEMENTATION

1 OF THE WATER QUALITY LEGACY FEE

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

6 (1) a summary of implementation, collection, and enforcement of the
7 Water Quality Legacy fee by municipalities and the Department of Taxes;

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

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

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

17 (B) a recommendation of whether the amount of the Water Quality
18 Legacy fee established under 32 V.S.A. chapter 245 should be adjusted for
19 individual parcels or parcel types due to presence of impervious surface on the
20 parcel or due to the water quality impacts of the parcel;

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

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

7 (7) any other information that the Commissioner of Taxes determines is
8 relevant to the implementation of the Water Quality Legacy fee.

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

11 (h) Fees. A person required to submit a certification under this section
12 shall submit an annual operating fee of \$250.00 to the Secretary. The fees
13 collected under this section shall be deposited in the Agricultural Water
14 Quality Special Fund under section 4803 of this title. The Secretary may
15 waive or reduce the fee required under this subsection based on farm type or
16 the income or ability to pay of a person required to submit a certification under
17 this section.

18 Third: By adding a new section to be Sec. 5a after the reader assistance

19 *** Agricultural Water Quality; Permit Fees *** and before Sec. 6 to read:

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

21 § 4803. AGRICULTURAL WATER QUALITY SPECIAL FUND

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

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

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

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

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

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

19 (e) A person required to obtain a permit or coverage under this section shall
20 submit an annual operating fee of \$1,500.00 to the Secretary. The fees

1 collected under this section shall be deposited in the Agricultural Water
2 Quality Special Fund under section 4803 of this title.

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

5 (b) A person shall not distribute in this State a commercial feed that has not
6 been registered pursuant to the provisions of this chapter. Application shall be
7 in a form and manner to be prescribed by rule of the Secretary. The
8 application for registration of a commercial feed shall be accompanied by a
9 registration fee of ~~\$85.00~~ \$100.00 per product. ~~The~~ Of the registration fees
10 collected, \$85.00 of each collected fee, along with any surcharges collected
11 under subsection (c) of this section, shall be deposited in the special fund
12 created by subsection 364(e) of this title. Funds deposited in this account shall
13 be restricted to implementing and administering the provisions of this title and
14 any other provisions of the law relating to fertilizer, lime, or seeds. Of the
15 registration fees collected, \$15.00 of each collected fee shall be deposited in
16 the Agricultural Water Quality Special Fund under section 4803 of this title. If
17 the Secretary so requests, the application for registration shall be accompanied
18 by a label or other printed matter describing the product.

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

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

4 § 366. TONNAGE FEES

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

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

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

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

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

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

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

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

11 (1) Persons distributing any fertilizer in the State shall report annually
12 on or before January 15 for the previous year ending December 31 to the
13 Secretary revealing the amounts of each grade of fertilizer and the form in
14 which the fertilizer was distributed within this State. Each report shall be
15 accompanied with payment of the fees under this section and written
16 permission allowing the Secretary to examine the person's books for the
17 purpose of verifying tonnage reports.

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

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

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

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

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

10 (b) The registrant shall pay an annual fee of ~~\$110.00~~ \$125.00 for each
11 product registered, and \$110.00 of that amount shall be deposited in the special
12 fund created in section 929 of this title, of which \$5.00 from each product
13 registration shall be used for an educational program related to the proper
14 purchase, application, and disposal of household pesticides, and \$5.00 from
15 each product registration shall be used to collect and dispose of obsolete and
16 unwanted pesticides. Of the registration fees collected under this subsection,
17 \$15.00 of the amount collected shall be deposited in the Agricultural Water
18 Quality Special Fund under section 4803 of this title. The annual registration
19 year shall be from December 1 to November 30 of the following year.

20 Ninth: By striking Sec. 54 in its entirety and inserting in lieu thereof the
21 following:

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* * * Effective Dates* * *

Sec. 54. EFFECTIVE DATES

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

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

(1) Sec. 3 (small farm certification) shall take effect on July 1, 2017;

(2) 6 V.S.A. § 4988(b) of Sec. 16 (custom applicator certification) shall take effect 45 days after the effective date of rules adopted under 6 V.S.A. § 4988(a).

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

(Committee vote: _____)

Senator _____

FOR THE COMMITTEE