	(Draft No. 1.2 – S.49) 4/1/2015 - MOG - 1:28 PM Gray highlighting = Flagged issue or change requested by SNRE Committee
1	TO THE HONORABLE SENATE:
2	The Committee on Natural Resources & Energy to which was referred
3	Senate Bill No. 49 entitled "An act relating to improving the quality of State
4	waters" respectfully reports that it has considered the same and recommends
5	that the bill be amended by striking out all after the enacting clause and
6	inserting in lieu thereof the following:
7	* * * Findings and Purpose * * *
8	Sec. 1. FINDINGS AND PURPOSE
9	(a) Findings. The General Assembly finds that:
10	(1) Within the borders of Vermont there are 7,100 miles of rivers and
11	streams and 812 lakes and ponds of at least five acres in size.
12	(2) Vermont's surface waters are vital assets that provide the citizens of
13	the State with clean water, recreation, and economic opportunity.
14	(3) The federal Clean Water Act and the Vermont Water Quality
15	Standards require that waters in the State shall not be degraded and instead
16	shall be managed to protect, maintain and improve water quality;
17	(4) To prevent degradation of waters and to preserve the uses, benefits,
18	and values of the lakes, rivers, and streams of Vermont, the Vermont Water
19	Quality Standards provide that it is the policy of the State to prevent, abate, or
20	control all activities harmful to water;

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1	(5) Despite the State and federal mandates to maintain and prevent
2	degradation of State waters, multiple lakes, rivers, and streams in all regions of
3	the State are impaired, at risk of impairment, or subject to water quality
4	stressors, as indicated by the fact that:
5	(A) There are 81 waters or segments of waters in the State that are
6	impaired and require a total maximum daily load (TMDL) plan;
7	(B) There are 114 waters or segments of waters in the State that are
8	impaired and that have been issued a TMDL;
9	(C) There are at least 115 waters or water segments in the State that
10	are stressed, meaning that there is one or more factor or influence that prohibits
11	the water from maintaining a higher quality;
12	(D) there are at least 56 waters in the State that are altered due to
13	aquatic nuisance species, meaning that one or more of the designated uses of
14	the water is prohibited due to the presence of aquatic nuisance species; and
15	(E) there are 73 waters or water segments in the State that are altered
16	by flow regulation, meaning aquatic habitat or designated uses in the waters
17	have been altered due to the occurrence or presence of flow fluctuation,
18	obstructions or other manipulation of water levels;
19	(4) Impairments and other alterations of water can significantly limit
20	how a water is used and whether it can maintained for traditional uses. For
21	example:

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1	(A) Aquatic life is only fully supported in 59 percent of the State's
2	inland lakes, and
3	(B) Swimming is only fully supported on 76 percent of the State's
4	inland lakes.
5	(5) Without State action to improve the quality of State waters and
6	prevent further degradation of the quality of existing waters, the State of
7	Vermont will be at risk of losing the valuable, if not necessary functions and
8	uses that the State's waters provide;
9	(6) Sufficiently addressing, improving, and forestalling degradation of
10	water quality in the State in a sustainable and effective manner will be
11	expensive and the burden of the expense will be felt by all citizens of the State,
12	but without action the economic, cultural, and environmental losses to the State
13	will be immeasurable;
14	(7) To protect the waters of the State and preserve the quality of life of
15	the citizens of Vermont, the State of Vermont should:
16	(A) fully implement the antidegradation implementation policy in the
17	Vermont Water Quality Standards;
18	(B) Enhance, implement, and enforce regulatory requirements for
19	water quality, and
20	(C) Sufficiently and sustainably financing all water quality programs
21	within the State.

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1	(b) Purpose. It is the purpose of this act to:
2	(1) manage and regulate the waters of the State so that water quality is
3	improved and not degraded;
4	(2) manage and plan for the use of State waters and development in
5	proximity to State waters in manner that minimizes damage from and allows
6	for rapid recovery from flooding events;
7	(4) authorize and prioritize proactive measures designed to implement
8	and meet the impending total maximum daily load (TMDL) plan for Lake
9	Champlain, meet impending TMDL plans for other State waters, and improve
10	water quality across the State;
11	(5) identify and prioritize areas in the State where there is the greatest
12	need to act in order to protect, maintain, or improve water quality; and
13	(6) engage more municipalities, agricultural operations, businesses, and
14	other interested parties as part of the State's efforts to improve the quality of
15	the waters of the State.
16	(7) provide mechanisms, staffing, and financing necessary for State
17	waters to achieve and maintain compliance with the Vermont water quality
18	standards.
19	* * * Agricultural Water Quality;
20	Definitions * * *
21	Sec. 2. 6 V.S.A. § 4802 is amended to read:

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1	§ 4802. DEFINITION DEFINITIONS
2	For purposes of As used in this chapter, the word "secretary," when used by
3	itself, means the secretary of agriculture, food and markets:
4	(1) "Agency" means the Agency of Agriculture, Food and Markets.
5	(2) "Farming" shall have the same meaning as used in 10 V.S.A.
6	<u>§ 6001(22).</u>
7	(3) "Secretary" means the Secretary of Agriculture, Food and Markets.
8	(4) "Top of bank" means the point along the bank of a stream where an
9	abrupt change in slope is evident, and where the stream is generally able to
10	overflow the banks and enter the adjacent floodplain during an annual flood
11	event. Annual flood event shall be determined according to the Agency of
12	Natural Resources' Flood Hazard Area and River Corridor Protection
13	Procedure.
14	(5) "Waste" or "agricultural waste" means material originating or
15	emanating from a farm that is determined by the Secretary or the Secretary of
16	Natural Resources to be harmful to the waters of the State, including:
17	sediments; minerals, including heavy metals; plant nutrients; pesticides;
18	organic wastes, including livestock waste, animal mortalities, compost, feed
19	and crop debris; waste oils; pathogenic bacteria and viruses; thermal pollution:
20	silage runoff; untreated milkhouse waste; and any other farm waste as the term
21	"waste" is defined in 10 V.S.A. § 1251 (12).

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1	(6) "Water" shall have the same meaning as used in 10 V.S.A.
2	<u>§ 1251(13)</u> .
3	* * * Agricultural Water Quality;
4	Small Farm Certification and Inspection * * *
5	Sec. 3. 6 V.S.A. subchapter 5a is added to read:
6	Subchapter 5a. Small Farm Certification
7	§ 4871. SMALL FARM CERTIFICATION
8	(a) Small farm definition. As used in this section, "small farm" means a
9	parcel or parcels of land used for farming that:
10	(1) includes 10 or more tillable acres of land;
11	(2) houses no more than the number of animals specified under section
12	4857 of this title; and
13	(3)(A) houses five or more livestock; or
14	(B) produced an annual gross income of \$10,000.00 or more from the
15	sale of farm crops or farm products in one of the two, or three of the five,
16	preceding calendar years.
17	(b) Required small farm certification. A person who owns or operates a
18	small farm shall, on a form provided by the Secretary, certify compliance with
19	the required agricultural practices. The Secretary of Agriculture, Food and
20	Markets shall establish the requirements and manner of certification of
21	compliance with the required agricultural practices, provided that the Secretary

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1	shall require an owner or operator of a farm to submit a certification of
2	compliance with the required agricultural practices at least once every five
3	<u>years.</u>
4	(c) Rulemaking; small farm certification. On or before January 1, 2017,
5	the Secretary of Agriculture, Food and Markets shall adopt by rule
6	requirements for a small farm certification of compliance with the required
7	agricultural practices. The rules required by this subsection shall be adopted as
8	part of the required agricultural practices under section 4810 of this title.
9	(d) Small farm inspection. The Secretary may inspect a small farm in the
10	State at any time, but no less than once every three years, for the purposes of
11	assessing compliance by the small farm with the required agricultural practices
12	and determining consistency with a certification of compliance submitted by
13	the person who owns or operates the small farm. The Secretary may prioritize
14	inspections of small farms in the State based on identified water quality issues
15	posed by a small farm.
16	(e) Notice of change of ownership or change of lease. A person who owns
17	or leases a small farm shall notify the Secretary of a change of ownership or
18	change of lessee of a small farm within 30 days of the change. The
19	notification shall include the certification of small farm compliance required
20	under subsection (a) of this section.

4/1/2015 - MOG - 1:28 PM Gray highlighting = Flagged issue or change requested by SNRE Committee 1 (f)(1) Identification; ranking of water quality needs. During an inspection 2 of a small farm under this section, the Secretary shall identify areas where the 3 farm could benefit from capital, structural, or technical assistance in order to 4 improve or come into compliance with the required agricultural practices and 5 any applicable State water quality permit or certification required under this 6 chapter. 7 (2) Notwithstanding the priority system established under section 4823 8 of this title, the Secretary annually shall establish a priority ranking system for 9 small farms according to the water quality benefit associated with the capital, 10 structural, or technical improvements identified as needed by the Secretary 11 during an inspection of the farm. 12 (3) Notwithstanding the priority system established by subdivision (2) of 13 this subsection, the Secretary may provide financial assistance to a small farm 14 at any time, regardless of the priority ranking system, if the Secretary 15 determines that the farm needs assistance to address a water quality issue that 16 requires immediate abatement. 17 (g) Fees. A person required to submit a certification under this section 18 shall submit an annual operating fee of \$250.00 to the Secretary. The fees collected under this section shall be deposited in the Agricultural Water 19 20 Quality Special Fund under section 4803 of this title.

Sec. 4. 6 V.S.A. § 4810a is added to read:

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1	§ 4810a. REQUIRED AGRICULTURAL PRACTICES; REVISION
2	(a) On or before July 1, 2016, the Secretary of Agriculture, Food, and
3	Markets shall amend by rule the required agricultural practices in order to
4	improve water quality in the State, assure practices on all farms eliminate
5	adverse impacts to water quality, and implement the small farm certification
6	program required by section 4858a of this title. At a minimum, the
7	amendments to the required agricultural practices shall:
8	(1) Specify those farms that:
9	(A) are required to comply with the small certification requirements
10	under section 4858a of this title; and
11	(B) shall be subject to the required agricultural practices, but shall not
12	be required to comply with small farm certification requirements under section
13	4858a of this title.
14	(2)(A) Prohibit a farm from stacking manure, storing fertilizer, or
15	storing other nutrients on the farm:
16	(i) in a manner and location that presents a threat of discharge to a
17	water of the State or presents a threat of contamination to groundwater; or
18	(ii) on lands in a floodway or otherwise subject to annual flooding.
19	(B) In no case shall manure stacking sites, fertilizer storage, or other
20	nutrient storage be located within 100 feet of a private well or within 100 feet
21	of a water of the State.

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(3) Require the construction and management of barnyard	ds, waste

management systems, animal holding areas, and production areas in a manner to prevent runoff of waste to a surface water, to groundwater, or across property boundaries.

- (4) Establish standards for nutrient management on farms, including required nutrient management planning on all farms that manage agricultural wastes.
- (5) Require cropland on the farm to be cultivated in a manner that results in an average soil loss of less than or equal to the soil loss tolerance for the prevalent soil, known as 1T, as calculated through application of the Revised Universal Soil Loss Equation, or through the application of similarly accepted models.
 - (6) Require a farm to comply with standards established by the

 Secretary for maintaining a vegetative buffer zone of perennial vegetation

 between annual croplands and the top of the bank of an adjoining water of the

 State. At a minimum the vegetative buffer standards established by the

 Secretary shall prohibit the application of manure on the farm within 25 feet of the top of the bank of an adjoining water of the State or within 10 feet of a ditch.

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1	(7) Prohibit the construction or siting of a farm structure for the storage
2	of manure, fertilizer, or pesticide storage within a floodway area identified on a
3	National Flood Insurance Program Map on file with a town clerk.
4	(8) Regulate, in a manner consistent with the Agency of Natural
5	Resources' flood hazard area and river corridor rules, the construction or siting
6	of a farm structure or the storage of manure, fertilizer, or pesticides storage
7	within a river corridor designated by the Secretary of Natural Resources.
8	(9) Establish standards for the exclusion of livestock from the waters of
9	the State to prevent erosion and adverse water quality impacts.
10	(10) Establish standards for the management of subsurface agriculture
11	tile drainage consistent with subsection (b) of this section.
12	(b) On or before January 15, 2018, the Secretary of Agriculture, Food and
13	Markets shall amend by rule the required agricultural practices in order to
14	include requirements for reducing nutrient contribution to waters of the State
15	from subsurface tile drainage. Upon adoption of requirements for subsurface
16	tile drainage, the Secretary may require an existing subsurface tile drain to
17	comply with the requirements of the RAPs for subsurface tile drainage upon a
18	determination that compliance is necessary to reduce adverse impacts to water
19	quality from the subsurface tile drain.
20	Sec. 5. REPORT ON MANAGEMENT OF SUBSURFACE TILE
21	DRAINAGE

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

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1	§ 4803. AGRICULTURAL WATER QUALITY SPECIAL FUND
2	(a) There is created an Agricultural Water Quality Special Fund to be
3	administered by the Secretary of Agriculture, Food and Markets. Fees
4	collected under this chapter, including fees for permits or certifications issued
5	under the chapter, shall be deposited in the Fund.
6	(b) The Secretary may use monies deposited in the Fund for the Secretary's
7	implementation and administration of agricultural water quality programs or
8	requirements established by this chapter, including to pay salaries of Agency
9	staff necessary to implement the programs and requirements of this chapter.
10	(c) Notwithstanding the requirements of 32 V.S.A. § 588(3), interest earned
11	by the Fund shall be retained in the Fund from year to year.
12	Sec. 7. 6 V.S.A. § 4851 is amended to read:
13	§ 4851. PERMIT REQUIREMENTS FOR LARGE FARM OPERATIONS
14	(a) No person shall, without a permit from the secretary Secretary,
15	construct a new barn, or expand an existing barn, designed to house more than
16	700 mature dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal calves,
17	2,500 swine weighing over 55 pounds, 10,000 swine weighing less than 55
18	pounds, 500 horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying hens
19	or broilers with a liquid manure handling system, 82,000 laying hens without a
20	liquid manure handling system, 125,000 chickens other than laying hens
21	without a liquid manure handling system, 5,000 ducks with a liquid manure

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1	* * *
2	(h) A person required to obtain a permit under this section shall submit an
3	annual operating fee of \$2,500.00 to the Secretary. The fees collected under
4	this section shall be deposited in the Agricultural Water Quality Special Fund
5	under section 4803 of this title.
6	Sec. 8. 6 V.S.A. § 4858 is amended to read:
7	§ 4858. ANIMAL WASTE PERMITS MEDIUM FARM OPERATION
8	<u>PERMITS</u>
9	(a) No person shall operate a medium farm without authorization from the
10	secretary Secretary pursuant to this section. Under exceptional conditions,
11	specified in subsection (e)(d) of this section, authorization from the secretary
12	Secretary may be required to operate a small farm.
13	(b) Rules; general and individual permits. The secretary Secretary shall
14	establish by rule, pursuant to 3 V.S.A. chapter 25 of Title 3, requirements for a
15	"general permit" and "individual permit" to ensure assure that medium and
16	small farms generating animal waste comply with the water quality standards
17	of the state State.

administration, public notice and hearing, permit enforcement, permit

* * *

(2) The rules adopted under this section shall also address permit

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(c)(1) Medium farm general permit. The owner or operator of a medium farm seeking coverage under a general permit adopted pursuant to this section shall certify to the secretary Secretary within a period specified in the permit, and in a manner specified by the secretary, that the medium farm does comply with permit requirements regarding an adequately sized and designed manure management system to accommodate the wastes generated and a nutrient management plan to dispose of wastes in accordance with accepted required agricultural practices adopted under this chapter. Any certification or notice of intent to comply submitted under this subdivision shall be kept on file at the agency of agriculture, food and markets Agency of Agriculture, Food and Markets. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets, in consultation with the secretary of natural resources Secretary of Natural Resources, shall review any certification or notice of intent to comply submitted under this subdivision with regard to the water quality impacts of the medium farm for which the owner or operator is seeking coverage, and, within 18 months of receiving the certification or notice of intent to comply, shall verify whether the owner or operator of the medium farm has established that there will be no unpermitted

discharge to waters of the state State pursuant to the federal regulations for concentrated animal feeding operations. If upon review of a medium farm granted coverage under the general permit adopted pursuant to this subsection, the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets determines that the permit applicant may be discharging to waters of the state State, the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets and the secretary of natural resources Secretary of Natural Resources shall respond to the discharge in accordance with the memorandum of understanding regarding concentrated animal feeding operations under subsection 4810(b) section 4810 of this title.

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- (e) A person required to obtain a permit or coverage under this section shall
 submit an annual operating fee of \$1,500.00 to the Secretary. The fees
 collected under this section shall be deposited in the Agricultural Water
- Sec. 9. 6 V.S.A. § 324 is amended to read:

Quality Special Fund under section 4803 of this title.

- 17 § 324. REGISTRATION AND FEES
 - (a) No person shall manufacture a commercial feed in this State unless that person has first filed with the Vermont Agency of Agriculture, Food and Markets, in a form and manner to be prescribed by rules by the Secretary:
 - (1) the name of the manufacturer;

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- 1 (2) the manufacturer's place of business;
 - (3) the location of each manufacturing facility; and
 - (4) any other information which the Secretary considers to be necessary.
 - (b) A person shall not distribute in this State a commercial feed that has not been registered pursuant to the provisions of this chapter. Application shall be in a form and manner to be prescribed by rule of the Secretary. The application for registration of a commercial feed shall be accompanied by a registration fee of \$85.00 \$100.00 per product. The Of the registration fees collected, \$85.00 of each collected fee, along with any surcharges collected under subsection (c) of this section, shall be deposited in the special fund created by subsection 364(e) of this title. Funds deposited in this account shall be restricted to implementing and administering the provisions of this title and any other provisions of the law relating to fertilizer, lime, or seeds. Of the registration fees collected, \$15.00 of each collected fee shall be deposited in the Agricultural Water Quality Special Fund created under section 4803 of this title. If the Secretary so requests, the application for registration shall be accompanied by a label or other printed matter describing the product.
 - (c) No person shall distribute in this State any feed required to be registered under this chapter upon which the Secretary has placed a withdrawal from distribution order because of nonregistration. A surcharge of \$10.00, in addition to the registration fee required by subsection (b) of this section, shall

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1	accompany the application for registration of each product upon which a
2	withdrawal from distribution order has been placed for reason of
3	nonregistration, and must be received before removal of the withdrawal from
4	distribution order.
5	Sec. 10. 6 V.S.A. § 328 is amended to read:
6	§ 328. TONNAGE REPORTING
7	(a) Every person who registers a commercial feed pursuant to the
8	provisions of this chapter shall report to the agency of agriculture, food and
9	markets Agency of Agriculture, Food and Markets annually the total amount of
10	combined feed which is distributed within the state and which is intended for
11	use within the state State. The report shall be made on forms and in a manner
12	to be prescribed by rules by the secretary Secretary for calendar years 1986
13	<u>2016</u> and <u>1987</u> <u>2017</u> .
14	(b) This reporting requirement shall not apply to pet foods, within the
15	meaning of subdivisions 323(16) and (19) of this title, and shall not apply to
16	feeds intended for use outside of the state.
17	Sec. 11. 6 V.S.A. § 366 is amended to read:
18	§ 366. TONNAGE FEES
19	(a) There shall be paid annually to the secretary Secretary for all fertilizers
20	distributed to a nonregistrant consumer in this state State an annual inspection
21	fee at a rate of \$0.25 cents per ton.

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- (b) Persons distributing fertilizer shall report annually by January 15 for the previous year ending December 31 to the secretary Secretary revealing the amounts of each grade of fertilizer and the form in which the fertilizer was distributed within this state State. Each report shall be accompanied with payment and written permission allowing the secretary Secretary to examine the person's books for the purpose of verifying tonnage reports.
 - (c) No information concerning tonnage sales furnished to the secretary

 Secretary under this section shall be disclosed in such a way as to divulge the details of the business operation to any person unless it is necessary for the enforcement of the provisions of this chapter.
- (d) A \$50.00 minimum tonnage fee shall be assessed on all distributors who distribute fertilizers in this state. [Repealed.]
- (e) Agricultural limes, including agricultural lime mixed with wood ash, are exempt from the tonnage fees required in this section.
- (f) Lime and wood ash mixtures may be registered as agricultural liming materials and guaranteed for potassium or potash provided that the wood ash totals less than 50 percent of the mixture.
- (g) All fees <u>collected under subsection</u> (a) of this section shall be deposited in the revolving fund created by section 364(e) of this title and used in accordance with its provisions.

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1	(h) There shall be paid annually to the Secretary for all fertilizers
2	distributed to a nonregistrant consumer in this State an annual fee at a rate of
3	\$15.00 per ton for the purpose of supporting agricultural water quality
4	programs in Vermont.
5	(1) Persons distributing fertilizer shall report annually on or before
6	January 15 for the previous year ending December 31 to the Secretary
7	revealing the amounts of each grade of fertilizer and the form in which the
8	fertilizer was distributed within this State. Each report shall be accompanied
9	with payment and written permission allowing the Secretary to examine the
10	person's books for the purpose of verifying tonnage reports.
11	(2) No information concerning tonnage sales furnished to the Secretary
12	under this section shall be disclosed in such a way as to divulge the details of
13	the business operation to any person unless it is necessary for the enforcement
14	of the provisions of this chapter.
15	(3) A \$150.00 minimum tonnage fee shall be assessed on all distributors
16	who distribute fertilizers in this State.
17	(4) Agricultural limes, including agricultural lime mixed with wood ash,
18	are exempt from the tonnage fees required under this subsection.
19	(5) All fees collected under this subsection shall be deposited in the
20	deposited in the Agricultural Water Quality Special Fund created under section

4803 of this title.

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1 Sec. 12. 6 V.S.A. § 918 is amended to read:

§ 918. REGISTRATION

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- (a) Every economic poison which is distributed, sold, or offered for sale within this State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State shall be registered in the Office of the Secretary, and such registration shall be renewed annually; provided, that products which have the same formula, are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same economic poison may be registered as a single economic poison; and additional names and labels shall be added by supplement statements during the current period of registration. It is further provided that any economic poison imported into this State, which is subject to the provisions of any federal act providing for the registration of economic poisons and which has been duly registered under the provisions of this chapter, may, in the discretion of the Secretary, be exempted from registration under this chapter, when sold or distributed in the unbroken immediate container in which it was originally shipped. The registrant shall file with the Secretary a statement including:
- (1) The name and address of the registrant and the name and address of the person whose name will appear on the label, if other than the registrant.

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- (2) The name of the economic poison.
 - (3) A complete copy of the labeling accompanying the economic poison and a statement of all claims to be made for it, including directions for use.
 - (4) If requested by the Secretary, a full description of the tests made and the results thereof upon which the claims are based. In the case of renewal of registration, a statement shall be required only with respect to information which is different from that furnished when the economic poison was registered or last re-registered.
 - (b) The registrant shall pay an annual fee of \$110.00 \$125.00 for each product registered, and \$110.00 of that amount shall be deposited in the special fund created in section 929 of this title, of which \$5.00 from each product registration shall be used for an educational program related to the proper purchase, application, and disposal of household pesticides, and \$5.00 from each product registration shall be used to collect and dispose of obsolete and unwanted pesticides. Of the registration fees collected under this subsection, \$15.00 of the amount collected shall be deposited in the Agricultural Water Quality Special Fund created under section 4803 of this title. The annual registration year shall be from December 1 to November 30 of the following year.

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and nursery operations and on-farm or agricultural fairground, registered

pursuant to 20 V.S.A. § 3902, livestock and poultry slaughter and processing

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(c) Enhanced Practices.

(1) As used in this subsection:

(A) "Enhanced practices" mean management standards for persons engaged in farming that exceed the requirements of the RAPs, and shall include cover cropping, conservation tillage, vegetative buffer zones adjacent to waters of the State based on site-specific conditions, and other management practices required by the Secretary.

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1	(B) "Nutrient impaired watershed" means the watershed of a water of
2	the State that is listed as impaired pursuant to 33 U.S.C. § 1313(d) and to
3	which agricultural nutrients are a significant contributor of the impairment.
4	(2) The Secretary shall require a person engaged in farming to
5	implement enhanced practices if, during inspection of a large farm, medium
6	farm, or small farm located in a nutrient impaired watershed, the Secretary
7	identifies areas on the farm with potential for the release, discharge, or runoff
8	of nutrients or other pollutants to the waters of the State.
9	(2)(d) Best Management Practices. "Best Management Practices"
10	(BMPs) may be required by the secretary on a case by case basis. Before
11	requiring BMPs, the secretary shall determine that sufficient financial
12	assistance is available to assist farmers in achieving compliance with
13	applicable BMPs. Best management practices (BMPs) are site-specific
14	on-farm remedies implemented in order to address water quality problems and
15	in order to achieve compliance with the requirements of this chapter or State
16	water quality standards. The Secretary may require any person engaged in
17	farming to implement a BMP. When requiring implementation of a BMP, the
18	Secretary shall inform a person engaged in farming of the resources available
19	to assist the person in implementing BMPs and complying with the
20	requirements of this chapter. BMPs shall be practical and cost effective to

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(b)(e) Cooperation and coordination. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets shall coordinate with the secretary of natural resources Secretary of Natural Resources in implementing and enforcing programs, plans, and practices developed for reducing and eliminating agricultural non-point source pollutants and discharges from concentrated animal feeding operations. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets and the secretary of natural resources Secretary of Natural Resources shall develop a memorandum of understanding for the non-point program describing program administration, grant negotiation, grant sharing, and how they will coordinate watershed planning activities to comply with Public Law 92-500. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets and the secretary of the agency of natural resources Secretary of Natural Resources shall also develop a memorandum of understanding according to the public notice and comment process of 10 V.S.A. § 1259(i) regarding the implementation of the federal concentrated animal feeding operation program and the relationship between the requirements of the federal program and the state State agricultural water quality requirements for large, medium, and small farms under this chapter 215 of this title. The memorandum of understanding

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1	federal Clean Water Act as amended. In addition, the secretary	of agriculture,
2	food and markets Secretary of Agriculture, Food and Markets sl	nall coordinate
3	with the secretary of natural resources Secretary of Natural Resources	ources in
4	implementing and enforcing programs, plans, and practices deve	eloped for the
5	proper management of composting facilities when those facilities	es are located
6	on a farm.	
7	Sec. 14. 6 V.S.A. § 4813 is amended to read:	
8	§ 4813. BASIN MANAGEMENT; APPEALS TO THE WATE	ER
9	RESOURCES BOARD ENVIRONMENTAL DIVISIO	<u>ON</u>
10	(a) The secretary of agriculture, food and markets Secretary	of Agriculture,
11	Food and Markets shall cooperate with the secretary of natural r	esources
12	Secretary of Natural Resources in the basin planning process wi	th regard to the
13	agricultural non-point source waste component of each basin pla	an. Any person
14	with an interest in the agricultural non-point source component	of the basin
15	planning process may petition the secretary of agriculture, food	and markets
16	Secretary of Agriculture, Food and Markets to require, and the	ecretary
17	Secretary may require, best management practices in the individual	lual basin
18	beyond accepted required agricultural practices adopted by rule.	in order to
19	achieve compliance with the water quality goals in 10 V.S.A. §	1250 and any
20	duly adopted basin plan. The secretary of agriculture, food and	markets

Secretary of Agriculture, Food and Markets shall hold a public hearing within

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1	60 days and shall issue a timely written decision that sets forth the facts and
2	reasons supporting the decision.
3	(b) Any person engaged in farming that has been required by the secretary
4	of agriculture, food and markets Secretary of Agriculture, Food and Markets to
5	implement best management practices or any person who has petitioned the
6	secretary of agriculture, food and markets Secretary of Agriculture, Food and
7	Markets under subsection (a) of this section may appeal the secretary of
8	agriculture, food and market's Secretary of Agriculture, Food and Markets'
9	decision to the environmental division Environmental Division de novo.
10	(c) Before requiring best management practices under this section, the
11	secretary of agriculture, food and markets or the board shall determine that
12	sufficient financial assistance is available to assist farmers in achieving
13	compliance with applicable best management practices When requiring
14	implementation of a best management practice, the Secretary shall inform a
15	farmer of the resources available to assist the farmer in implementing the best
16	management practice and complying with the requirements of this chapter.
17	* * * Agricultural Water Quality; Training * * *
18	Sec. 15. 6 V.S.A. chapter 215, subchapter 8 is added to read:

Subchapter 8. Agricultural Water Quality Training

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1	§ 4981. AGRICULTURAL WATER QUALITY TRAINING
2	(a) The Secretary of Agriculture, Food and Markets shall adopt by
3	procedure requirements for training classes or programs for owners or
4	operators of small farms, medium farms, or large farms certified or permitted
5	under this chapter regarding:
6	(1) the prevention of discharges, as that term is defined in 10 V.S.A.
7	§ 1251(3); and
8	(2) the mitigation and management of stormwater runoff, as that term is
9	defined in 10 V.S.A. § 1264, from farms.
10	(b) Any training required by procedure under this section shall address:
11	(1) the existing statutory and regulatory requirements for operation of a
12	large, medium, or small farm in the State;
13	(2) the management practices and technical and financial resources
14	available to assist in compliance with statutory or regulatory agricultural
15	requirements; and
16	(3) the land application of manure, nutrients, septage, or sludge;
17	methods or techniques to minimize the runoff of land-applied manure,
18	nutrients, septage, or sludge to waters of the State; and identification of
19	weather or soil conditions that increase the risk of runoff of land-applied
20	manure, nutrients, septage, or sludge to waters of the State.

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1	(c) The Secretary shall include the training required by this section as a
2	condition of a large farm permit, medium farm permit, or small farm
3	certification required under this chapter. The Secretary may phase in training
4	requirements under this section based on farm size, permit or certification
5	category, or available staffing. On or before January 1, 2016 the Secretary
6	shall establish a schedule by which all owners or operators of small farms,
7	medium farms, or large farms shall complete the training required by this
8	section.
9	* * * Agricultural Water Quality;
10	Certification of Custom Applicators * * *
11	Sec. 16. 6 V.S.A. chapter 215, subchapter 9 is added to read:
12	Subchapter 9. Certification of Custom Applicators of Manure,
13	Nutrients, Septage, or Sludge
14	§ 4987. DEFINITIONS
15	As used in this subchapter:
16	(1) "Custom applicator" means the owner of a company engaged in the
17	business of applying manure, nutrients, septage, or sludge to land and who
18	charges or collects other consideration for the service. "Custom applicator"

shall include employees of a custom applicator, when the employees apply

manure, nutrients, septage, or sludge to land.

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1	(2) "Manure" means livestock waste that may also contain bedding,
2	spilled feed, water, or soil.
3	(3) "Septage" means the liquid and solid materials pumped from a septic
4	tank or cesspool during cleaning.
5	(4) "Sludge" means any solid, semisolid, or liquid generated from a
6	municipal, commercial, or industrial wastewater treatment plant or process,
7	water supply treatment plant, air pollution control facility, or any other such
8	waste having similar characteristics and effects.
9	§ 4988. CERTIFICATION OF CUSTOM APPLICATOR
10	(a) The Secretary of Agriculture, Food and Markets shall adopt by rule a
11	process by which a custom applicator shall be certified to operate within the
12	State. The certification process shall require a custom applicator to complete
13	eight hours of training over each five-year period regarding:
14	(1) application methods or techniques to minimize the runoff of
15	land-applied manure, nutrients, septage, or sludge to waters of the State; and
16	(2) identification of weather or soil conditions that increase the risk of
17	runoff of land-applied manure, nutrients, septage, or sludge to waters of the
18	State.
19	(b) A custom applicator shall not apply manure, nutrients, septage, or
20	sludge unless certified by the Secretary of Agriculture, Food and Markets.

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1	(c) The requirements of this section shall not apply to an owner or operator
2	of a farm applying manure, nutrients, septage, or sludge to a field that he or she
3	owns or controls, provided that the owner or operator has completed the
4	agricultural water quality training required under section 4981 of this title.
5	* * * Agricultural Water Quality; Enforcement; Corrective Actions * * *
6	Sec. 17. 6 V.S.A. chapter 215, subchapter 10 is added to read:
7	Subchapter 10. Enforcement
8	<u>§ 4991. PURPOSE</u>
9	The purpose of this subchapter is to provide the Secretary of Agriculture,
10	Food and Markets with the necessary authority to enforce the agricultural
11	water quality requirements of this chapter. When the Secretary of Agriculture,
12	Food and Markets determines that a person subject to the requirements of the
13	chapter is violating a requirement of this chapter, the Secretary shall respond to
14	and require discontinuance of the violation. The Secretary may respond to a
15	violation of the requirements of this chapter by:
16	(1) issuing a corrective action order under section 4992 of this title;
17	(2) issuing a cease and desist order under section 4993 of this title;
18	(3) issuing an emergency order under section 4993 of this title;
19	(4) revoking or conditioning coverage under a permit or certification
20	under section 4994 of this title;
21	(5) bringing a civil enforcement action under section 4995 of this title;

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1	(6) referring the violation to the Secretary of Natural Resources for
2	enforcement under 10 V.S.A. chapter 201; or
3	(7) pursuing other action, such as consulting with a farmer, within the
4	authority of the Secretary to assure discontinuance of the violation and
5	remediation of any harm caused by the violation.
6	§ 4992. CORRECTIVE ACTIONS; ADMINISTRATIVE ENFORCEMENT
7	(a) When the Secretary of Agriculture, Food and Markets determines that a
8	person is violating the requirements of this chapter, rules adopted under this
9	chapter, or a permit or certification issued under this chapter, the Secretary
10	may issue a written warning that shall be served in person or by certified mail,
11	return receipt requested. A warning issued under this subsection shall include
12	(1) a description of the alleged violation;
13	(2) identification of this section;
14	(3) identification of the applicable statute, rule, or permit condition
15	violated;
16	(4) the required corrective actions that the person shall take to correct
17	the violation; and
18	(5) a summary of federal and State assistance programs that may be
19	utilized by the person to assist in correcting the violation.
20	(b) A person issued a warning under this section shall have 30 days to
21	respond to the written warning and shall provide an abatement schedule for

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1	curing the violation and a description of the corrective action to be taken to
2	cure the violation.
3	(c) If a person who receives a warning under this subsection fails to
4	respond in a timely manner to the written warning or to take corrective action,
5	the Secretary may act pursuant to section 4993 or section 4995 of this section
6	in order to protect water quality.
7	§ 4993. ADMINISTRATIVE ENFORCEMENT; CEASE AND DESIST
8	ORDERS; EMERGENCY ORDERS
9	(a) Notwithstanding the requirements of section 4992 of this title, the
10	Secretary at any time may pursue one or more of the following enforcement
11	actions:
12	(1) Issue a cease and desist order in accordance with the requirements of
13	subsection (b) of this section to a person the Secretary believes to be in
14	violation of the requirements of this chapter.
15	(2) Issue emergency administrative orders to protect water quality when
16	an alleged violation, activity, or farm practice:
17	(A) presents an immediate threat of substantial harm to the
18	environment or immediate threat to the public health or welfare;
19	(B) is likely to result in an immediate threat of substantial harm to the
20	environment or immediate threat to the public health or welfare; or

1	(C) requires a permit or amendment to a permit issued under this
2	chapter and a farm owner or operator has commenced an activity or is
3	continuing an activity without a permit or permit amendment.
4	(3) Institute appropriate proceedings on behalf of the Agency of
5	Agriculture, Food and Markets to enforce the requirements of this chapter,
6	rules adopted under this chapter, or a permit or certification issued under this
7	chapter.
8	(4) Order mandatory corrective actions, including a requirement to
9	remove livestock from a farm or production area when the volume of waste
10	produced by livestock on the farm exceeds the infrastructure capacity of the
11	farm or the production area to manage the waste or waste leachate and prevent
12	runoff or leaching of wastes to waters of the State or groundwater, as required
13	by this chapter.
14	(5) Seek administrative or civil penalties in accordance with the
15	requirements of section 15, 16, 17, or 4995 of this title. Notwithstanding the
16	requirements of section 15 of this title to the contrary, the maximum
17	administrative penalty issued by the Secretary under this section shall not
18	exceed \$5,000.00 for each violation, and the maximum amount of any
19	administrative penalty assessed for separate and distinct violations of this
20	chapter shall not exceed \$50,000.00.

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1	(b) A person may request that the Secretary hold a hearing on a cease and	<u>d</u>
2	desist order or an emergency order issued under this section within five days	<u>s of</u>
3	receipt of the order. Upon receipt of a request for a hearing, the Secretary	
4	promptly shall set a date and time for a hearing. A request for a hearing on a	<u>a</u>
5	cease and desist order or emergency order issued under this section shall not	<u>-</u>
6	stay the order.	
7	§ 4994. PERMIT OR CERTIFICATION; REVOCATION; ENFORCEMEN	<u>17</u>
8	The Secretary may, after due notice and hearing, revoke or condition	
9	coverage under a general permit, an individual permit, a small farm	
10	certification, or other permit or certification issued under this chapter or rule	<u>:S</u>
11	adopted under this chapter when the person subject to the permit or	
12	certification fails to comply with a requirement of this chapter or any term,	
13	provision, or requirements of a permit or certification required by this chapte	er.
14	The Secretary may also seek enforcement remedies and penalties under this	
15	subchapter against any person who fails to comply with any term, provision,	<u>or</u>
16	requirements of a permit or certification required by this chapter or who	
17	violates the terms or conditions of coverage under any general permit, any	
18	individual permit, or any certification issued under this chapter.	
19	§ 4995. CIVIL ENFORCEMENT	
20	(a) The Secretary may bring an action in the Civil Division of the Superior	<u>or</u>

Court to enforce the requirements of this chapter, or rules adopted under this

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1	chapter, or any permit or certification issued under this chapter, to assure
2	compliance, and to obtain penalties in the amounts described in subsection (b)
3	of this section. The action shall be brought by the Attorney General in the
4	name of the State.
5	(b) The court may grant temporary and permanent injunctive relief,
6	and may:
7	(1) Enjoin future activities.
8	(2) Order corrective actions to be taken to mitigate or curtail any
9	violation and to protect human health or the environment, including the
10	removal of livestock from the farm or production area when the volume of
11	wastes produced by livestock exceeds the infrastructure capacity of the farm or
12	its production area to manage the waste or waste leachate to prevent runoff or
13	leaching of wastes to waters of the State or groundwater as required by the
14	standards in this chapter.
15	(3) Order the design, construction, installation, operation, or
16	maintenance of facilities designed to mitigate or prevent a violation of this
17	chapter or to protect human health or the environment or designed to assure
18	compliance.
19	(4) Fix and order compensation for any public or private property
20	destroyed or damaged.

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1	(5) Revoke coverage under any permit or certification issued under this
2	<u>chapter.</u>
3	(6) Order reimbursement from any person who caused governmental
4	expenditures for the investigation, abatement, mitigation, or removal of a
5	hazard to human health or the environment.
6	(7) Levy a civil penalty as provided in this subdivision. A civil penalty
7	of not more than \$85,000.00 may be imposed for each violation. In addition,
8	in the case of a continuing violation, a penalty of not more than \$42,500.00
9	may be imposed for each day the violation continues. In fixing the amount of
10	the penalty, the court shall apply the criteria set forth in subsections (e) and (f)
11	of this section. The cost of collection of penalties or other monetary awards
12	shall be assessed against and added to a penalty assessed against a respondent.
13	(c)(1) In any civil action brought under this section in which a temporary
14	restraining order or preliminary injunction is sought, relief shall be obtained
15	upon a showing that there is the probability of success on the merits and that:
16	(A) a violation exists; or
17	(B) a violation is imminent and substantial harm is likely to result.
18	(2) In a civil action brought under this section in which a temporary
19	restraining order or preliminary injunction is sought, the Secretary need not

demonstrate immediate and irreparable injury, loss, or damage.

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1	(d) Any balancing of the equities in actions under this section may affect
2	the time by which compliance shall be attained, but not the necessity of
3	compliance within a reasonable period of time.
4	(e) In determining the amount of the penalty provided in subsection (b) of
5	this section, the court shall consider the following:
6	(1) the degree of actual or potential impact on public health, safety,
7	welfare, and the environment resulting from the violation;
8	(2) the presence of mitigating circumstances, including unreasonable
9	delay by the Secretary in seeking enforcement;
10	(3) whether the respondent knew or had reason to know the violation
11	existed;
12	(4) the respondent's record of compliance;
13	(5) the deterrent effect of the penalty;
14	(6) the State's actual costs of enforcement; and
15	(7) the length of time the violation has existed.
16	(f) In addition to any penalty assessed under subsection (b) of this section,
17	the Secretary may also recapture economic benefit resulting from a violation.
18	§ 4996. APPEALS; ENFORCEMENT
19	(a) Any person subject, under this subchapter, to an administrative
20	enforcement order, an administrative penalty, or revocation of a permit or
21	certification who is aggrieved by a final decision of the Secretary may appeal

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1	to the Superior Court within 30 days of the decision. The administrative judge
2	may specially assign an environmental judge to Superior Court for the purpose
3	of hearing an appeal.
4	(b) If the Secretary issues an emergency order under this chapter, the
5	person subject to the order may request a hearing before the Superior Court.
6	Notice of the request for hearing under this subdivision shall be filed with the
7	Superior Court and the Secretary within five days of receipt of the order. A
8	hearing on the emergency order shall be held at the earliest possible time and
9	shall take precedence over all other hearings. The hearing shall be held within
10	five days of receipt of the notice of the request for hearing. A request for
11	hearing on an emergency order shall not stay the order. The Superior Court
12	shall issue a decision within five days from the conclusion of the hearing, and
13	no later than 30 days from the date the notice of request for hearing was
14	received by the person subject to the order.
15	Sec. 18. 6 V.S.A. § 4812 is amended to read:
16	§ 4812. CORRECTIVE ACTIONS
17	(a) When the Secretary of Agriculture, Food and Markets determines that a
18	person engaged in farming is managing a farm using practices which are
19	inconsistent with the requirements of this chapter or rules adopted under this
20	subchapter, the Secretary may issue a written warning which shall be served in

person or by certified mail, return receipt requested. The warning shall include

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(b) The Secretary may:

- (1) issue cease and desist orders and administrative penalties in accordance with the requirements of sections 15, 16, and 17 of this title; and
- (2) institute appropriate proceedings on behalf of the Agency to enforce
 this subchapter.
 - (c) Whenever the Secretary believes that any person engaged in farming is in violation of this subchapter or rules adopted thereunder, an action may be brought in the name of the Agency in a court of competent jurisdiction to restrain by temporary or permanent injunction the continuation or repetition of the violation. The court may issue temporary or permanent injunctions, and other relief as may be necessary and appropriate to curtail any violations.

1 /	(b)	[Repealed]	ı
1 7	u,	repeared.	Г

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- (e) Any person subject to an enforcement order or an administrative

 penalty who is aggrieved by the final decision of the Secretary may appeal to

 the Superior Court within 30 days of the decision. The administrative judge

 may specially assign an Environmental judge to Superior Court for the purpose

 of hearing an appeal. [Repealed.]
- 7 Sec. 19. 6 V.S.A. § 4854 is amended to read:
- 8 § 4854. REVOCATION: ENFORCEMENT
 - The secretary may revoke a permit issued under this subchapter after following the same process prescribed by section 2705 of this title regarding the revocation of a handler's license. The secretary may also seek enforcement remedies under sections 1, 12, 13, 16, and 17 of this title as well as assess an administrative penalty under section 15 of this title to any person who fails to apply for a permit as required by this subchapter, or who violates the terms or conditions of a permit issued under this subchapter. However, notwithstanding the provisions of section 15 of this title to the contrary, the maximum administrative penalty assessed for a violation of this subchapter shall not exceed \$5,000.00 for each violation, and the maximum amount of any penalty assessed for separate and distinct violations of this chapter shall not exceed \$50,000.00. [Repealed.]

- 1 Sec. 20. 6 V.S.A. § 4860 is amended to read:
- 2 § 4860. REVOCATION; ENFORCEMENT

- individual permit issued under this subchapter after following the same process prescribed by section 2705 of this title regarding the revocation of a handler's license. The secretary may also seek enforcement remedies under sections 1, 11, 12, 13, 16, and 17 of this title as well as assess an administrative penalty under section 15 of this title from any person who fails to comply with any permit provision as required by this subchapter or who violates the terms or conditions of coverage under any general permit or any individual permit issued under this subchapter. However, notwithstanding provisions of section 15 of this title to the contrary, the maximum administrative penalty assessed for a violation of this subchapter shall not exceed \$5,000.00 for each violation, and the maximum amount of any penalty assessed for separate and distinct violations of this chapter shall not exceed \$50,000.00.
 - (b) Any person who violates any provision of this subchapter or who fails to comply with any order or the terms of any permit issued in accordance with this subchapter shall be fined not more than \$10,000.00 for each violation.

 Each violation may be a separate offense and, in the case of a continuing violation, each day's continuance may be deemed a separate offense.

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(c) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained by this subchapter or by any permit, rule, regulation, or order issued under this subchapter, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained by this subchapter or by any permit, rule, regulation, or order issued under this subchapter shall upon conviction be punished by a fine of not more than \$5,000.00 for each violation. Each violation may be a separate offense and, in the case of a continuing violation, each day's continuance may be deemed a separate offense. [Repealed.] * * * Stream Alteration; Agricultural Activities * * * Sec. 21. 10 V.S.A. § 1021 is amended to read: § 1021. ALTERATION PROHIBITED; EXCEPTIONS (a) A person shall not change, alter, or modify the course, current, or cross section of any watercourse or of designated outstanding resource waters, within or along the boundaries of this State either by movement, fill, or excavation of ten cubic yards or more of instream material in any year, unless authorized by the Secretary. A person shall not establish or construct a berm in a flood hazard area or river corridor, as those terms are defined in subdivisions 752(3) and (11) of this title, unless permitted by the Secretary or constructed as

an emergency protective measure under subsection (b) of this section.

1	* * *
2	(f) This subchapter shall not apply to:
3	(1) accepted agricultural or silvicultural practices, as defined by the
4	Secretary of Agriculture, Food and Markets, or silvicultural practices,
5	including the acceptable management practices for maintaining water quality
6	on logging jobs in Vermont, as adopted by the Commissioner of Forests, Parks
7	and Recreation, respectively; or
8	(2) a farm that is implementing an approved U.S. Department of
9	Agriculture Natural Resource Conservation Service streambank stabilization
10	project or a streambank stabilization project approved by the Secretary of
11	Agriculture, Food and Markets that is consistent with policies adopted by the
12	Secretary of Natural Resources to reduce fluvial erosion hazards.
13	* * *
14	* * * Use Value Appraisal; Compliance with Agricultural Water Quality
15	Requirements * * *
16	Sec. 22. 32 V.S.A. § 3756(i) is amended to read:
17	(i)(1) The Director shall remove from use value appraisal an entire parcel
18	of managed forest land forestland and notify the owner in accordance with the
19	procedure in subsection (b) of this section when the Department Commissioner
20	of Forests, Parks and Recreation has not received a management activity report
21	or has received an adverse inspection report, unless the lack of conformance

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1	consists solely of the failure to make prescribed planned cutting	. In that case,
2	the Director may delay removal from use value appraisal for a p	period of one
3	year at a time to allow time to bring the parcel into conformance	e with the plan.
4	(2)(A) The Director shall remove from use value appraisa	al an entire
5	parcel or parcels of agricultural land and farm buildings identifi	ed by the
6	Secretary of Agriculture, Food and Markets as being used by a p	<u>person:</u>
7	(i) found, after administrative hearing, or contested	judicial
8	hearing or motion, to be in violation of water quality requirement	nts established
9	under 6 V.S.A. chapter 215, or any rules adopted or any permit	or certification
10	issued under 6 V.S.A. chapter 215; or	
11	(ii) who is not in compliance with the terms of an a	<u>dministrative</u>
12	or court order issued under 6 V.S.A. chapter 215, subchapter 10	to remedy a
13	violation of the requirements of 6 V.S.A. chapter 215 or any rul	es adopted or
14	any permit or certification issued under 6 V.S.A. chapter 215.	
15	(B) The Director shall notify the owner that agricultur	al land or a
16	farm building has been removed from use value appraisal by ma	niling
17	notification of removal to the owner or operator's last and usual	place of
18	abode. After removal of agricultural land or a farm building from	m use value
19	appraisal under this section, the Director shall not consider a ne	w application
20	for use value appraisal for the agricultural land or farm building	until the

Secretary of Agriculture, Food and Markets submits to the Director a

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1	certification that the owner or operator of the agricultural land or farm building
2	is complying with the water quality requirements of 6 V.S.A. chapter 215 or an
3	order issued under 6 V.S.A. chapter 215. After submission of a certification by
4	the Secretary of Agriculture, Food and Markets, an owner or operator shall be
5	eligible to apply for enrollment of the agricultural land or farm building
6	according to the requirements of section 3756 of this title.
7	Sec. 23. 32 V.S.A. § 3758 is amended to read:
8	§ 3758. APPEALS
9	(a) Whenever the Director denies in whole or in part any application for
10	classification as agricultural land or managed forestland or farm buildings, or
11	grants a different classification than that applied for, or the Director or
12	assessing officials fix a use value appraisal or determine that previously
13	classified property is no longer eligible or that the property has undergone a
14	change in use, the aggrieved owner may appeal the decision of the Director to
15	the Commissioner within 30 days of the decision, and from there to Superior
16	Court in the county in which the property is located.
17	* * *
18	(e) When the Director removes agricultural land or a farm building

(e) When the Director removes agricultural land or a farm building pursuant to notification from the Secretary of Agriculture, Food and Markets under section 3756 of this title, the exclusive right of appeal shall be as provided in 6 V.S.A. § 4996(a).

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1 Sec. 24. 32 V.S.A. § 3752(5) is amended to read:

> (5) "Development" means, for the purposes of determining whether a land use change tax is to be assessed under section 3757 of this chapter, the construction of any building, road, or other structure, or any mining, excavation, or landfill activity. "Development" also means the subdivision of a parcel of land into two or more parcels, regardless of whether a change in use actually occurs, where one or more of the resulting parcels contains less than 25 acres each; but if subdivision is solely the result of a transfer to one or more of a spouse, parent, grandparent, child, grandchild, niece, nephew, or sibling of the transferor, or to the surviving spouse of any of the foregoing, then "development" shall not apply to any portion of the newly created parcel or parcels which qualifies for enrollment and for which, within 30 days following the transfer, each transferee or transferor applies for reenrollment in the use value appraisal program. "Development" also means the cutting of timber on property appraised under this chapter at use value in a manner contrary to a forest or conservation management plan as provided for in subsection 3755(b) of this title during the remaining term of the plan, or contrary to the minimum acceptable standards for forest management if the plan has expired; or a change in the parcel or use of the parcel in violation of the conservation management standards established by the Commissioner of Forests, Parks and Recreation. "Development" also means notification of the Director by the

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1	Secretary of Agriculture, Food and Markets under section 3756 of this title that
2	the owner or operator of agricultural land or a farm building is violating the
3	water quality requirements of 6 V.S.A. chapter 215 or is failing to comply with
4	the terms of an order issued under 6 V.S.A. chapter 215, subchapter 10. The
5	term "development" shall not include the construction, reconstruction,
6	structural alteration, relocation, or enlargement of any building, road, or other
7	structure for farming, logging, forestry, or conservation purposes, but shall
8	include the subsequent commencement of a use of that building, road, or
9	structure for other than farming, logging, or forestry purposes.
10	* * * Agency of Natural Resources Basin Planning * * *
11	Sec. 25. 10 V.S.A. § 1253 is amended to read:
12	§ 1253. CLASSIFICATION OF WATERS DESIGNATED,
13	RECLASSIFICATION
14	* * *
15	(d)(1) The Through the process of basin planning, the Secretary shall
16	determine what degree of water quality and classification should be obtained
17	and maintained for those waters not classified by the Board before 1981
18	following the procedures in sections 1254 and 1258 of this title. Those waters
19	shall be classified in the public interest. The Secretary shall prepare and
20	maintain an overall surface water management plan to assure that the State
21	water quality standards are met in all State waters. The surface water

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1	management plan shall include a schedule for updating the basin plans. The
2	Secretary, in consultation with regional planning commissions and natural
3	resource conservation districts, shall revise all 47 15 basin plans by January 1,
4	2006, and update them every five years thereafter the basin plans on a
5	<u>five-year rotating basis</u> . On or before January 4 <u>15</u> of each year, the Secretary
6	shall report to the House Committees on Agriculture and Forest Products, on
7	Natural Resources and Energy, and on Fish, Wildlife and Water Resources,
8	and to the Senate Committees on Agriculture and on Natural Resources and
9	Energy regarding the progress made and difficulties encountered in revising
10	basin plans. By January 1, 1993, the Secretary shall prepare an overall
11	management plan to ensure that the water quality standards are met in all State
12	waters. The report shall include a schedule for the production of basin plans in
13	the subsequent calendar year and a summary of actions to be taken over the
14	subsequent three years. The provisions of 2 V.S.A. § 20(d) (expiration of
15	required reports) shall not apply to the report to be made under this subsection.
16	(2) In developing a basin plan under this subsection, the Secretary shall:
17	(A) assure that municipal officials, citizens, watershed groups, and
18	other interested groups and individuals are involved in the basin planning
19	process;
20	(B) assure regional and local input in State water quality policy
21	development and planning processes;

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1	(C) provide education to municipal officials and citizens regarding
2	the basin planning process; and
3	(D) develop, in consultation with the applicable regional planning
4	commission, an analysis and formal recommendation on conformance with the
5	goals and objectives of applicable regional plans.
6	(3) The Secretary may contract with a regional planning commission to
7	assist in or to produce a basin plan under the schedule set forth in subdivision
8	(1) of this subsection. When contracting with a regional planning commission
9	to assist in or produce a basin plan, the Secretary may require the regional
10	planning commission to:
11	(A) conduct any of the activities required under subdivision (2) of
12	this subsection;
13	(B) provide technical assistance and data collection activities to
14	inform municipal officials and the State in making water quality investment
15	decisions;
16	(C) coordinate municipal planning and adoption or implementation of
17	municipal development regulations to better meet State water quality policies
18	and investment priorities;
19	(D) assist the Secretary in implementing a project evaluation process
20	to prioritize water quality improvement projects within the region to assure

cost effective use of State and federal funds;

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1	(e) In determining the question of public interest, the Secretary shall give due
2	consideration to, and explain his or her decision with respect to, the following:
3	(1) existing and obtainable water qualities;
4	(2) existing and potential use of waters for public water supply,
5	recreational, agricultural, industrial, and other legitimate purposes;
6	(3) natural sources of pollution;
7	(4) public and private pollution sources and the alternative means of
8	abating the same;
9	(5) consistency with the State water quality policy established in
10	10 V.S.A. § 1250;
11	(6) suitability of waters as habitat for fish, aquatic life, and wildlife;
12	(7) need for and use of minimum streamflow requirements;
13	(8) federal requirements for classification and management of waters;
14	(9) consistency with applicable municipal, regional, and State plans; and
15	(10) any other factors relevant to determine the maximum beneficial use
16	and enjoyment of waters.
17	(f) Notwithstanding the provisions of subsection (c) of this section, when
18	reclassifying waters to Class A, the Secretary need find only that the

reclassification is in the public interest.

by the Secretary of Natural Resources under 10 V.S.A. § 1253.

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1	* * *
2	Sec. 27. 24 V.S.A. § 4348(c) is amended to read:
3	(c) At least 30 days prior to the first hearing, a copy of the proposed plan or
4	amendment, with a request for general comments and for specific comments
5	with respect to the extent to which the plan or amendment is consistent with
6	the goals established in section 4302 of this title, shall be delivered with proof
7	of receipt, or sent by certified mail, return receipt requested, to each of the
8	following:
9	(1) the chair of the legislative body of each municipality within the
10	region;
11	(2) the executive director of each abutting regional planning
12	commission;
13	(3) the Department of Housing and Community Development within the
14	Agency of Commerce and Community Development; and
15	(4) business, conservation, low income advocacy, and other community
16	or interest groups or organizations that have requested notice in writing prior to
17	the date the hearing is warned; and
18	(5) The Agency of Natural Resources and the Agency of Agriculture,
19	Food and Markets.
20	Sec. 28. 24 V.S.A. § 4348a(a) is amended to read:

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1	(a) A regional plan shall be consistent with the goals established in section
2	4302 of this title and shall include the following:
3	* * *
4	(6) A statement of policies on the:
5	(A) preservation of rare and irreplaceable natural areas, scenic and
6	historic features and resources; and
7	(B) protection and improvement of the quality of waters of the State
8	to be used in the development and furtherance of the applicable basin plans
9	established by the Secretary of Natural Resources under 10 V.S.A. § 1253;
10	* * *
11	* * * Antidegradation Policy Implementation Rule * * *
12	Sec. 29. 10 V.S.A. § 1251a(c) is amended to read:
13	(c) On or before January 15, 2008 July 1, 2016, the Secretary of Natural
14	Resources shall propose draft rules for adopt by rule an implementation
15	process for the antidegradation policy in the water quality standards of the
16	State. The implementation process for the antidegradation policy shall be
17	consistent with the State water quality policy established in section 1250 of
18	this title, the Vermont Water Quality Standards, and any applicable
19	requirements of the federal Clean Water Act. On or before July 1, 2008, a
20	final proposal of the rules for an implementation process for the

- antidegradation policy shall be filed with the Secretary of State under 3 V.S.A.
- 2 § 841.

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- 3 * * * Stormwater Management * * *
- 4 Sec. 30. 10 V.S.A. § 1264 is amended to read:
- 5 § 1264. STORMWATER MANAGEMENT
 - (a) The General Assembly finds that the management of stormwater runoff is necessary to reduce stream channel instability, pollution, siltation, sedimentation, and local flooding, all of which have adverse impacts on the water and land resources of the State. The General Assembly intends, by enactment of this section, to reduce the adverse effects of stormwater runoff. The General Assembly determines that this intent may best be attained by a process that: assures broad participation; focuses upon the prevention of pollution; relies on structural treatment only when necessary; establishes and maintains accountability; tailors strategies to the region and the locale; assures an adequate funding source; builds broadbased programs; provides for the evaluation and appropriate evolution of programs; is consistent with the federal Clean Water Act and the State water quality standards; and accords appropriate recognition to the importance of community benefits that accompany an effective stormwater runoff management program. In furtherance of these purposes, the Secretary shall implement two stormwater permitting programs.
 - The first program is based on the requirements of the federal National

Pollutant Discharge Elimination System (NPDES) permit program in accordance with section 1258 of this title. The second program is a State permit program based on the requirements of this section for the discharge of "regulated stormwater runoff" as that term is defined in subdivision (11) of this subsection. As used in this section:

- (1) "2002 Stormwater Management Manual" means the Agency of Natural Resources' Stormwater Management Manual dated April 2002, as amended from time to time by rule.
- (2) "Best management practice" (BMP) means a schedule of activities, prohibitions of practices, maintenance procedures, and other management practices to prevent or reduce water pollution.
- (3) "Development" means the construction of impervious surface on a tract or tracts of land where no impervious surface previously existed.
- (4) "Existing stormwater discharge" means a discharge of regulated stormwater runoff which first occurred prior to June 1, 2002 and that is subject to the permitting requirements of this chapter.
- (5) "Expansion" and "the expanded portion of an existing discharge" mean an increase or addition of impervious surface, such that the total resulting impervious area is greater than the minimum regulatory threshold. Expansion does not mean an increase or addition of impervious surface of less than 5,000 square feet.

- (6) "Impervious surface" means those manmade surfaces, including paved and unpaved roads, parking areas, roofs, driveways, and walkways, from which precipitation runs off rather than infiltrates.
- (7) "New stormwater discharge" means a new or expanded discharge of regulated stormwater runoff, subject to the permitting requirements of this chapter, which first occurs after June 1, 2002 and has not been previously authorized pursuant to this chapter.
- (8) "Offset" means a State permitted or approved action or project within a stormwater-impaired water that a discharger or a third person may complete to mitigate the impacts that a discharge of regulated stormwater runoff has on the stormwater impaired water.
- (9) "Offset charge" means the amount of sediment load or hydrologic impact that an offset must reduce or control in the stormwater impaired water in which the offset is located.
- (10) "Redevelopment" means the construction or reconstruction of an impervious surface where an impervious surface already exists when such new construction involves substantial site grading, substantial subsurface excavation, or substantial modification of existing stormwater conveyance, such that the total of impervious surface to be constructed or reconstructed is greater than the minimum regulatory threshold. Redevelopment does not mean the construction or reconstruction of impervious surface where impervious

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combined sewer overflows.

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1	(15) "Total maximum daily load" (TMDL) means the calculations and
2	plan for meeting water quality standards approved by the U.S. Environmental
3	Protection Agency (EPA) and prepared pursuant to 33 U.S.C. § 1313(d) and
4	federal regulations adopted under that law.
5	(16) "Water quality remediation plan" means a plan, other than a TMDL
6	or sediment load allocation, designed to bring an impaired water body into
7	compliance with applicable water quality standards in accordance with 40
8	C.F.R. § 130.7(b)(1)(ii) and (iii).
9	(17) "Watershed improvement permit" means a general permit specific
10	to a stormwater-impaired water that is designed to apply management
11	strategies to existing and new discharges and that includes a schedule of
12	compliance no longer than five years reasonably designed to assure attainment
13	of the Vermont water quality standards in the receiving waters.
14	(18) "Stormwater system" means the storm sewers; outfall sewers;
15	surface drains; manmade wetlands; channels; ditches; wet and dry bottom
16	basins; rain gardens; and other control equipment necessary and appurtenant to
17	the collection, transportation, conveyance, pumping, treatment, disposal, and

(19) "Net zero standard" means:

discharge of regulated stormwater runoff.

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1	(A) A new discharge or the expanded portion of an existing discharge
2	meets the requirements of the 2002 Stormwater Management Manual and does
3	not increase the sediment load in the receiving stormwater impaired water; or
4	(B) A discharge from redevelopment; from an existing discharge
5	operating under an expired stormwater discharge permit where the property
6	owner applies for a new permit; or from any combination of development,
7	redevelopment, and expansion meets on-site the water quality, recharge, and
8	channel protection criteria set forth in Table 1.1 of the 2002 Stormwater
9	Management Manual that are determined to be technically feasible by an
10	engineering feasibility analysis conducted by the Agency and if the sediment
11	load from the discharge approximates the natural runoff from an undeveloped
12	field or open meadow that is not used for agricultural activity.
13	(b) The Secretary shall prepare a plan for the management of collected
14	stormwater runoff found by the Secretary to be deleterious to receiving waters.
15	The plan shall recognize that the runoff of stormwater is different from the
16	discharge of sanitary and industrial wastes because of the influence of natural
17	events of stormwater runoff, the variations in characteristics of those runoffs,
18	and the increased stream flows and natural degradation of the receiving water
19	quality at the time of discharge. The plan shall be cost effective and designed
20	to minimize any adverse impact of stormwater runoff to waters of the State.
21	By no later than February 1, 2001, the Secretary shall prepare an enhanced

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disturbing activities.

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1	(7) Indicate that water quality mitigation practices may be required for
2	any redevelopment of previously developed sites, even when
3	preredevelopment runoff characteristics are proposed to be maintained.
4	(8) Specify minimum requirements for inspection and maintenance of
5	stormwater management practices.
6	(9) Promote detection and elimination of improper or illegal connections
7	and discharges.
8	(10) Promote implementation of pollution prevention during the conduct
9	of municipal operations.
10	(11) Provide for a design manual that includes technical guidance for the
11	management of stormwater runoff.
12	(12) Encourage municipal governments to utilize existing regulatory and
13	planning authority to implement improved stormwater management by
14	providing technical assistance, training, research and coordination with respect
15	to stormwater management technology, and by preparing and distributing a
16	model local stormwater management ordinance.
17	(13) Promote public education and participation among citizens and
18	municipalities about cost effective and innovative measures to reduce
19	stormwater discharges to the waters of the State.
20	(c) The Secretary shall submit the program report to the House Committees
21	on Agriculture and Forest Products, on Transportation, and on Natural

(D) requirements concerning a permit for discharges of regulated stormwater runoff from the development, redevelopment, or expansion of impervious surfaces equal to or greater than one acre or any combination of

decision or any appeals brought pursuant to section 1269 of this chapter;

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(E) requirements concerning a permit for discharges of regulated stormwater runoff from an impervious surface of any size to stormwater impaired waters if the Secretary determines that treatment is necessary to reduce the adverse impact of such stormwater discharges due to the size of the impervious surface, drainage patterns, hydraulic connectivity, existing stormwater treatment, or other factors identified by the Secretary.

(2) Notwithstanding 3 V.S.A. § 840(a), the Secretary shall hold at least

three public hearings in different areas of the State regarding the proposed rule.

(e)(1) Except as otherwise may be provided in subsection (f) of this section, the Secretary shall, for new stormwater discharges, require a permit for discharge of, regulated stormwater runoff consistent with, at a minimum, the 2002 Stormwater Management Manual. The Secretary may issue, condition, modify, revoke, or deny discharge permits for regulated stormwater runoff, as necessary to assure achievement of the goals of the program and compliance with State law and the federal Clean Water Act. The permit shall specify the use of best management practices to control regulated stormwater runoff. The permit shall require as a condition of approval, proper operation,

and maintenance of any stormwater management facility and submittal by the

permittee of an annual inspection report on the operation, maintenance and

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- (2) As one of the principal means of administering an enhanced stormwater program, the Secretary may issue and enforce general permits. To the extent appropriate, such permits shall include the use of certifications of compliance by licensed professional engineers practicing within the scope of their engineering specialty. The Secretary may issue general permits for classes of regulated stormwater runoff permittees and may specify the period of time for which the permit is valid other than that specified in subdivision 1263(d)(4) of this title when such is consistent with the provisions of this section. General permits shall be adopted and administered in accordance with the provisions of subsection 1263(b) of this title. No permit is required under this section for:
- (A) Stormwater runoff from farms subject to accepted agricultural practices adopted by the Secretary of Agriculture, Food and Markets;
- (B) Stormwater runoff from concentrated animal feeding operations that require a permit under subsection 1263(g) of this chapter; or

- (C) Stormwater runoff from silvicultural activities subject to accepted management practices adopted by the Commissioner of Forests, Parks and Recreation.
- (3) Prior to issuing a permit under this subsection, the Secretary shall review the permit applicant's history of compliance with the requirements of this chapter. The Secretary may, at his or her discretion and as necessary to assure achievement of the goals of the program and compliance with State law and the federal Clean Water Act, deny an application for the discharge of regulated stormwater under this subsection if review of the applicant's compliance history indicates that the applicant is discharging regulated stormwater in violation of this chapter or is the holder of an expired permit for an existing discharge of regulated stormwater.
 - (f)(1) In a stormwater-impaired water, the Secretary may issue:
- (A) An individual permit in a stormwater-impaired water for which no TMDL, water quality remediation plan, or watershed improvement permit has been established or issued, provided that the permitted discharge meets the following discharge standard: prior to the issuance of a general permit to implement a TMDL or a water quality remediation plan, the discharge meets the net-zero standard:

1	(B) An individual permit or a general permit to implement a TMDL
2	or water quality remediation plan in a stormwater-impaired water, provided
3	that the permitted discharge meets the following discharge standard:
4	(i) a new stormwater discharge or the expansion of an existing
5	discharge shall meet the treatment standards for new development and
6	expansion in the 2002 Stormwater Management Manual and any additional
7	requirements deemed necessary by the Secretary to implement the TMDL or
8	water quality remediation plan;
9	(ii) for a discharge of regulated stormwater runoff from
10	redeveloped impervious surfaces:
11	(I) the existing impervious surface shall be reduced by 20
12	percent, or a stormwater treatment practice shall be designed to capture and
13	treat 20 percent of the water quality volume treatment standard of the 2002
14	Stormwater Management Manual from the existing impervious surface; and
15	(II) any additional requirements deemed necessary by the
16	Secretary to implement the TMDL or the water quality remediation plan;
17	(iii) an existing stormwater discharge shall meet the treatment
18	standards deemed necessary by the Secretary to implement a TMDL or a water
19	quality remediation plan;
20	(iv) if a permit is required for an expansion of an existing
21	impervious surface or for the redevelopment of an existing impervious surface.

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- (C) A watershed improvement permit, provided that the watershed improvement permit provides reasonable assurance of compliance with the Vermont water quality standards in five years;
- (D) A general or individual permit that is implementing a TMDL or water quality remediation plan; or
- (E) A statewide general permit for new discharges that the Secretary deems necessary to assure attainment of the Vermont Water Quality Standards.
- (2) An authorization to discharge regulated stormwater runoff pursuant to a permit issued under this subsection shall be valid for a time period not to exceed five years. A person seeking to discharge regulated stormwater runoff after the expiration of that period shall obtain an individual permit or coverage under a general permit, whichever is applicable, in accordance with subsection 1263(e) of this title.
- (3) By January 15, 2010, the Secretary shall issue a watershed improvement permit, issue a general or individual permit implementing a TMDL approved by the EPA, or issue a general or individual permit

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the basis of performance of the terms and conditions of the discharge permit, including construction and maintenance in accordance with BMP specifications. Any permit issued for a new stormwater discharge or for the expanded portion of an existing discharge pursuant to this subsection shall require compliance with BMPs for stormwater collection and treatment established by the 2002 Stormwater Management Manual, and any additional requirements for stormwater treatment and control systems as the Secretary

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(5) In addition to any permit condition otherwise authorized under subsection (e) of this section, in any permit issued pursuant to this subsection, the Secretary may require an offset or stormwater impact fee as necessary to ensure the discharge does not cause or contribute to a violation of the Vermont Water Quality Standards. Offsets and stormwater impact fees, where utilized, shall incorporate an appropriate margin of safety to account for the variability in quantifying the load of pollutants of concern. To facilitate utilization of offsets and stormwater impact fees, the Secretary shall identify by January 1, 2005 a list of potential offsets in each of the waters listed as a stormwater-impaired water under this subsection.

(g)(1) The Secretary may issue a permit consistent with the requirements of subsection (f) of this section, even where a TMDL or wasteload allocation has not been prepared for the receiving water. In any appeal under this chapter an individual permit meeting the requirements of subsection (f) of this section shall have a rebuttable presumption in favor of the permittee that the discharge does not cause or contribute to a violation of the Vermont Water Quality Standards for the receiving waters with respect to the discharge of regulated stormwater runoff. This rebuttable presumption shall only apply to permitted

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discharges into receiving waters that are principally impaired by sources other
than regulated stormwater runoff.
(2) This subsection shall apply to stormwater permits issued under the
federally delegated NPDES program only to the extent allowed under federal
law.
(h) The rebuttable presumption specified in subdivision (g)(1) of this
section shall also apply to permitted discharges into receiving waters that meet
the water quality standards of the State, provided the discharge meets the
requirements of subsection (e) of this section.
(i) A residential subdivision may transfer a pretransition stormwater
discharge permit or a stormwater discharge permit implementing a total
maximum daily load plan to a municipality, provided that the municipality
assumes responsibility for the permitting of the stormwater system that serves
the residential subdivision. As used in this section:
(1) "Pretransition stormwater discharge permit" means any permit

- issued by the Secretary of Natural Resources pursuant to this section on or before June 30, 2004 for a discharge of stormwater.
- (2) "Residential subdivision" means land identified and demarcated by recorded plat or other device that a municipality has authorized to be used primarily for residential construction.

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- (j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, 2017 and the discharge will be to a water that is not principally impaired by stormwater runoff:
- (1) The Secretary shall issue a decision on the application within 40 days of the date the Secretary determines the application to be complete, if the application seeks authorization under a general permit.
- (2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.
- (k) The Secretary may adopt rules regulating stormwater discharges and stormwater infrastructure repair or maintenance during a state of emergency declared under 20 V.S.A. chapter 1 or during flooding or other emergency conditions that pose an imminent risk to life or a risk of damage to public or private property. Any rule adopted under this subsection shall comply with National Flood Insurance Program requirements. A rule adopted under this subsection shall include a requirement that an activity receive an individual stormwater discharge emergency permit or receive coverage under a general stormwater discharge emergency permit.
 - (1) A rule adopted under this subsection shall establish:

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1	(A) criteria for coverage under an individual or general emergency
2	permit;
3	(B) criteria for different categories of activities covered under a
4	general emergency permit;
5	(C) requirements for public notification of permitted activities,
6	including notification after initiation or completion of a permitted activity;
7	(D) requirements for coordination with State and municipal
8	authorities;
9	(E) requirements that the Secretary document permitted activity,
10	including, at a minimum, requirements for documenting permit terms,
11	documenting permit duration, and documenting the nature of an activity when
12	the rules authorize notification of the Secretary after initiation or completion of
13	the activity.
14	(2) A rule adopted under this section may:
15	(A) establish reporting requirements for categories of activities;
16	(B) authorize an activity that does not require reporting to the
17	Secretary; or
18	(C) authorize an activity that requires reporting to the Secretary after
19	initiation or completion of an activity.

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1	(a) Findings and intent.
2	(1) Findings. The General Assembly finds that the management of
3	stormwater runoff is necessary to reduce stream channel instability, pollution,
4	siltation, sedimentation, and flooding, all of which have adverse impacts on the
5	water and land resources of the State.
6	(2) Intent. The General Assembly intends, by enactment of this
7	section to:
8	(A) Reduce the adverse effects of stormwater runoff.
9	(B) Direct the Agency of Natural Resources to develop a process that
10	assures broad participation; focuses upon the prevention of pollution; relies on
11	structural treatment only when necessary; establishes and maintains
12	accountability; tailors strategies to the region and the locale; builds
13	broad-based programs; provides for the evaluation and appropriate evolution of
14	programs; is consistent with the federal Clean Water Act and the State water
15	quality standards; and accords appropriate recognition to the importance of
16	community benefits that accompany an effective stormwater runoff
17	management program. In furtherance of these purposes, the Secretary shall
18	implement a stormwater permitting program. The stormwater permitting
19	program developed by the Secretary shall recognize that stormwater runoff is

different from the discharge of sanitary and industrial wastes because of the

influence of natural events of stormwater runoff, the variations in

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1	characteristics of those runoffs, and the increased stream flows causing
2	degradation of the quality of the receiving water at the time of discharge.
3	(b) Definitions. As used in this section:
4	(1) "Best management practice" (BMP) means a schedule of activities,
5	prohibitions or practices, maintenance procedures, and other management
6	practices to prevent or reduce water pollution.
7	(2) "Development" means the construction of impervious surface on a
8	tract or tracts of land where no impervious surface previously existed.
9	(3) "Expansion" and "the expanded portion of an existing discharge"
10	mean an increase or addition of impervious surface, such that the total resulting
11	impervious area is greater than the minimum regulatory threshold.
12	(4) "Impervious surface" means those manmade surfaces, including
13	paved and unpaved roads, parking areas, roofs, driveways, and walkways, from
14	which precipitation runs off rather than infiltrates.
15	(5) "New stormwater discharge" means a new or expanded discharge of
16	regulated stormwater runoff, subject to the permitting requirements of this
17	chapter that has not been previously authorized pursuant to this chapter.
18	(6) "Offset" means a State-permitted or -approved action or project
19	within a stormwater-impaired water that a discharger or a third person may
20	complete to mitigate the impacts that a discharge of regulated stormwater
21	runoff has on the stormwater-impaired water.

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1	(7) "Redevelopment" or "redevelop" means the construction or
2	reconstruction of an impervious surface where an impervious surface already
3	exists when such new construction involves substantial site grading, substantial
4	subsurface excavation, or substantial modification of an existing stormwater
5	conveyance, such that the total of impervious surface to be constructed or
6	reconstructed is greater than the minimum regulatory threshold.
7	Redevelopment does not mean public road management activities, including
8	any crack sealing, patching, coldplaning, resurfacing, reclaiming, or grading
9	treatments used to maintain pavement, bridges, and unpaved roads.
10	(8) "Regulated stormwater runoff" means precipitation, snowmelt, and
11	the material dissolved or suspended in precipitation and snowmelt that runs off
12	impervious surfaces and discharges into surface waters or into groundwater via
13	infiltration.
14	(9) "Stormwater impact fee" means the monetary charge assessed to a
15	permit applicant for the discharge of regulated stormwater runoff to a
16	stormwater-impaired water that mitigates a sediment load level or hydrologic
17	impact that the discharger is unable to control through on-site treatment or
18	completion of an offset on a site owned or controlled by the permit applicant.
19	(10) "Stormwater-impaired water" means a State water that the
20	Secretary determines is significantly impaired by discharges of regulated
21	stormwater runoff.

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1	(11) "Stormwater Management Manual" means the Agency of Natural
2	Resources' Stormwater Management Manual, as adopted and amended by rule.
3	(12) "Stormwater runoff" means precipitation and snowmelt that does
4	not infiltrate into the soil, including material dissolved or suspended in it, but
5	does not include discharges from undisturbed natural terrain or wastes from
6	combined sewer overflows.
7	(13) "Stormwater system" includes the storm sewers; outfall sewers;
8	surface drains; manmade wetlands; channels; ditches; wet and dry bottom
9	basins; rain gardens; and other control equipment necessary and appurtenant to
10	the collection, transportation, conveyance, pumping, treatment, disposal, and
11	discharge of regulated stormwater runoff.
12	(14) "Total maximum daily load" (TMDL) means the calculations and
13	plan for meeting water quality standards approved by the U.S. Environmental
14	Protection Agency (EPA) and prepared pursuant to 33 U.S.C. § 1313(d) and
15	federal regulations adopted under that law.
16	(15) "Water quality remediation plan" means a plan, other than a
17	TMDL, designed to bring an impaired water body into compliance with
18	applicable water quality standards in accordance with 40 C.F.R.
19	§ 130.7(b)(1)(ii) and (iii).
20	(16) "Watershed improvement permit" means a general permit specific
21	to a stormwater-impaired water that is designed to apply management

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1	strategies to existing and new discharges and that includes a schedule of
2	compliance no longer than five years reasonably designed to assure attainment
3	of the Vermont water quality standards in the receiving waters.
4	(c) Prohibitions.
5	(1) A person shall not commence the construction or redevelopment of
6	one acre or more of impervious surface without first obtaining a permit from
7	the Secretary.
8	(2) A person shall not discharge from a facility that has a standard
9	industrial classification identified in 40 C.F.R. § 122.26 without first obtaining
10	a permit from the Secretary.
11	(3) A person that has been designated by the Secretary as requiring
12	coverage for its municipal separate storm sewer system may not discharge
13	without first obtaining a permit from the Secretary.
14	(4) A person shall not commence a project that will result in an earth
15	disturbance of one acre or greater, or less than one acre if part of a common
16	plan of development, without first obtaining a permit from the Secretary.
17	(5) A person shall not expand existing impervious surface by more than
18	5,000 square feet, such that the total resulting impervious area is greater than
19	one acre, without first obtaining a permit from the Secretary.

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1	(6)(A) In accordance with the schedule established under subsection
2	(g)(2) of this section, a municipality shall not discharge stormwater from a
3	municipal road without first obtaining:
4	(i) an individual permit;
5	(ii) coverage under a municipal road general permit; or
6	(iii) coverage under a municipal separate stormsewer system
7	permit that implements the technical standards and criteria established by the
8	Secretary for stormwater improvements of municipal roads.
9	(B) As used in this subdivision, "municipality" means a city, town, or
10	village.
11	(7) In accordance with the schedule established under subsection (g)(3),
12	a person shall not discharge stormwater from impervious surface of three or
13	more acres in size without first obtaining an individual permit or coverage
14	under a general permit issued under this section if the discharge was never
15	previously permitted or was permitted under an individual permit or general
16	permit that did not incorporate the requirements of the 2002 Stormwater
17	Management Manual or any subsequently adopted Stormwater Management
18	Manual.
19	(d) Exemptions. No permit is required under this section for:
20	(1) Stormwater runoff from farms in compliance with agricultural
21	practices adopted by the Secretary of Agriculture, Food and Markets.

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1	(2) Stormwater runoff from concentrated animal feeding operations
2	permitted under subsection 1263(g) of this chapter.
3	(3) Stormwater runoff from silvicultural activities in compliance with
4	the Acceptable Management Practices for Maintaining Water Quality on
5	Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks
6	and Recreation.
7	(4) Stormwater systems that were permitted under subdivision (c)(1) or
8	(5) of this section and for which a municipality has assumed full legal
9	responsibility for that stormwater system. As used in this subdivision, "full
10	legal responsibility" means a legal control of the stormwater system, including
11	a legal right to access the stormwater system, a legal duty to properly maintain
12	the stormwater system, and a legal duty to repair and replace the stormwater
13	system when it no longer adequately protects waters of the State.
14	(5) Stormwater runoff permitted under section 1263 of this title.
15	(e) State designation. The Secretary shall require a permit under this
16	section for a discharge or stormwater runoff from any size of impervious
17	surfaces upon a determination by the Secretary that the treatment of the
18	discharge or stormwater runoff is necessary to reduce the adverse impacts to
19	water quality of the discharge or stormwater runoff taking into consideration
20	any of the following factors: the size of the impervious surface, drainage

patterns, hydraulic connectivity, existing stormwater treatment, stormwater

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1	controls necessary to implement the wasteload allocation of a TMDL, or other
2	factors. The Secretary may make this determination on a case-by-case basis or
3	according to classes of activities, classes of runoff, or classes of discharge.
4	The Secretary may make a determination under this subsection based on
5	activities, runoff, discharges, or other information identified during the basin
6	planning process.
7	(f) Rulemaking. The Secretary shall adopt rules to manage regulated
8	stormwater runoff. At a minimum, the rules shall:
9	(1) Establish as the primary goals of the rules:
10	(A) assuring compliance with the Vermont Water Quality
11	Standards; and
12	(B) maintenance after development, as nearly as possible, of the
13	predevelopment runoff characteristics.
14	(2) Establish criteria for the use of the basin planning process to
15	establish watershed-specific priorities for the management of stormwater
16	<u>runoff.</u>
17	(3) Assure consistency with applicable requirements of the federal Clean
18	Water Act.
19	(4) Include technical standards and best management practices that
20	address stormwater discharges from existing development, new development,
21	and redevelopment.

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1	(5) Specify minimum requirements for inspection and maintenance of
2	stormwater management practices.
3	(6) Include standards for the management of stormwater runoff from
4	construction sites and other land disturbing activities.
5	(7) Allow municipal governments to assume the full legal responsibility
6	for a stormwater system permitted under these rules as a part of a permit issued
7	by the Secretary.
8	(8) Include standards with respect to the use of offsets and stormwater
9	impact fees.
10	(9) Include minimum standards for the issuance of stormwater permits
11	during emergencies for the repair or maintenance of stormwater infrastructure
12	during a state of emergency declared under 20 V.S.A. chapter 1 or during
13	flooding or other emergency conditions that pose an imminent risk to life or a
14	risk of damage to public or private property. Minimum standards adopted
15	under this subdivision shall comply with National Flood Insurance Program
16	requirements.
17	(10) To the extent appropriate, authorize in the permitting process use of
18	certifications of compliance by licensed professional engineers practicing
19	within the scope of their engineering specialty.
20	(11) Include standards for alternative best management practices for
21	stormwater permitting of renewable energy projects and telecommunication

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1	facilities located in high-elevation settings, provided that the alternative best
2	management practices shall be designed to:
3	(1) minimize the extent and footprint of stormwater-treatment practices
4	in order to preserve vegetation and trees;
5	(2) adapt to and minimize impact to ecosystems, shallow soils, and
6	sensitive streams found in high-elevation settings; and
7	(3) account for the temporary nature and infrequent use of construction
8	and access roads high-elevation projects.
9	(g) General permits.
10	(1) The Secretary may issue general permits for classes of regulated
11	stormwater runoff that shall be adopted and administered in accordance with
12	the provisions of subsection 1263(b) of this title.
13	(2)(A) The Secretary shall issue by December 31, 2017, a general permit
14	for discharges of regulated stormwater from municipal roads. Under the
15	municipal roads stormwater general permit, the Secretary shall:
16	(i) Establish a schedule for implementation of the general permit
17	by each municipality in the State. Under the schedule, the Secretary shall
18	establish:
19	(I) the date by which each municipality shall apply for
20	coverage under the municipal roads general permit;

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1	(II) the date by which each municipality shall inventory
2	necessary stormwater management projects on municipal roads;
3	(III) the date by which each municipality shall establish a plan
4	for implementation of stormwater improvements that prioritizes stormwater
5	improvements according to criteria established by the Secretary under the
6	general permit; and
7	(IV) the date by which each municipality shall implement
8	stormwater improvements of municipal roads according to a municipal
9	implementation plan.
10	(ii) Establish criteria and technical standards, such as best
11	management practices, for implementation of stormwater improvements of
12	municipal roads.
13	(iii) Establish criteria for municipal prioritization of stormwater
14	improvements of municipal roads. The Secretary shall base the criteria on the
15	water quality impacts of a stormwater discharge, the current state of a
16	municipal road, the priority of a municipal road or stormwater project in any
17	existing transportation capital plan developed by a municipality, and the
18	benefits of the stormwater improvement to the life of the municipal road.
19	(iv) Require each municipality to submit to the Secretary and
20	periodically update its implementation plan for stormwater improvements.

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- (B) The Secretary may require an individual permit for a stormwater improvement at any time under subsection (e) of this section. An individual permit shall include site-specific standards for the stormwater improvement.

 (C) All municipalities shall apply for coverage under the municipal road general permit by July 1, 2021.
 - (D) As used in this subdivision (g)(2), "municipality" means a city, town, or village.
 - (3) On or before January 1, 2018, the Secretary shall issue a general permit under this section for discharges of stormwater from impervious surface of three or more acres in size, when the stormwater discharge previously was not permitted or was permitted under an individual permit or general permit that did not incorporate the requirements of the 2002 Stormwater Management Manual or any subsequently adopted Stormwater Management Manual. Under the general permit, the Secretary shall:
 - (A) Establish a schedule for implementation of the general permit by geographic area of the State. The schedule shall establish the date by which an owner of impervious surface shall apply for coverage under subdivision (g)(3) of this section. The schedule established by the Secretary shall require an owner of impervious surface subject to permitting under this subdivision to obtain coverage by the following dates:

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1	(i) for impervious surface located within the Lake Champlain
2	watershed, no later than October 1, 2023; and
3	(ii) for impervious surface located within all other watersheds of
4	the State, no later than October 1, 2028.
5	(B) Establish criteria and technical standards, such as best
6	management practices, for implementation of stormwater improvements for the
7	retrofitting of impervious surface subject to permitting under this subdivision.
8	(C) Require that a discharge of stormwater from redeveloped or
9	retrofitted impervious surface comply with the applicable standards of
10	subsection (h) of this section.
11	(D) Allow the use of stormwater impact fees, offsets, and phosphorus
12	credit trading within the watershed of the water to which the stormwater
13	discharges or runs off.
14	(h) Permit requirements. An individual or general stormwater permit shall:
15	(1) Be valid for a period of time not to exceed five years.
16	(2) For discharges of regulated stormwater to a stormwater impaired
17	water, to Lake Champlain, or to a water that contributes to the impairment of
18	Lake Champlain:
19	(A) In which no TMDL, watershed improvement permit, or water
20	quality remediation plan has been approved, require that the discharge shall
21	comply with the following discharge standards:

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1	(i) A new discharge or the expanded portion of an existing
2	discharge shall satisfy the requirements of the Stormwater Management
3	Manual and shall not increase the pollutant load in the receiving water for
4	stormwater.
5	(ii) For redevelopment of or renewal of a permit for existing
6	impervious surface, the discharge shall satisfy on-site the water quality,
7	recharge, and channel protection criteria set forth in the Stormwater
8	Management Manual that are determined to be technically feasible by an
9	engineering feasibility analysis conducted by the Agency and the discharge
10	shall not increase the pollutant load in the receiving water for stormwater.
11	(B) In which a TMDL or water quality remediation plan has been
12	adopted, require that the discharge shall comply with the following discharge
13	standards:
14	(i) For a new discharge or the expanded portion of an existing
15	discharge, the discharge shall satisfy the requirements of the Stormwater
16	Management Manual, and the Secretary shall determine that there is sufficient
17	pollutant load allocations for the discharge.
18	(ii) For redevelopment of or renewal of a permit for existing
19	impervious surface, the Secretary shall determine that there is sufficient
20	pollutant load allocations for the discharge and the Secretary shall include any

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1	requirements that the Secretary deems necessary to implement the TMDL or
2	water quality remediation plan.
3	(3) Contain requirements necessary to comply with the minimum
4	requirements of the rules adopted under this section, the Vermont water quality
5	standards, and any applicable provision of the Clean Water Act.
6	(i) Disclosure of violations. The Secretary may, at his or her discretion and
7	as necessary to assure achievement of the goals of the program and compliance
8	with State law and the federal Clean Water Act, deny an application for the
9	discharge of regulated stormwater under this subsection if review of the
10	applicant's compliance history indicates that the applicant is discharging
11	regulated stormwater in violation of this chapter or is the holder of an expired
12	permit for an existing discharge of regulated stormwater.
13	(j) Presumption. In any appeal under this chapter, an individual permit
14	issued under subdivisions (c)(1) and (c)(5) of this section shall have a
15	rebuttable presumption in favor of the permittee that the discharge does not
16	cause or contribute to a violation of the Vermont Water Quality Standards for
17	the receiving waters with respect to the discharge of regulated stormwater
18	runoff, provided that the discharge is to a water that is not principally impaired
19	due to stormwater.

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1	Sec. 31. ANR REPORT ON REGULATORY THRESHOLD FOR
2	PERMITTING STORMWATER RUNOFF FROM IMPERVIOUS
3	SURFACES
4	(a) On or before January 15, 2016, the Secretary of Natural Resources shall
5	submit to the House Committee on Fish, Wildlife and Water Resources and the
6	Senate Committee on Natural Resources and Energy a report regarding
7	whether and how the State should lower from one acre to one-half acre of
8	impervious surface the regulatory permitting threshold for an operating permit
9	for stormwater runoff from new development, redevelopment, or expansion.
10	The report shall include:
11	(1) a recommendation as to whether the State should lower the
12	regulatory permitting threshold from one acre to one-half acre of impervious
13	surface;
14	(2) an estimate of the number of additional development projects that
15	would require an operating permit for stormwater runoff if the regulatory
16	permitting threshold were lowered from one acre to one-half acre of
17	impervious surface;
18	(3) an estimate of the environmental benefit of reducing the regulatory
19	permitting threshold from one acre to one-half acre of impervious surface;
20	(4) an estimate of the number of staff that would be needed by the
21	Agency of Natural Resources to effectively implement a stormwater operating

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1	permit program with a regulatory permitting threshold of one-half acre of
2	impervious surface; and
3	(5) a recommendation for regulating construction, redevelopment, or
4	expansion of impervious surface based on a tiered system of acreage, square
5	footage, or other measure.
6	(b) The definitions provided in 10 V.S.A. § 1264 shall apply to this section.
7	Sec. 32. STORMWATER MANAGEMENT PRACTICES HANDBOOK
8	On or before January 1, 2016, the Secretary of Natural Resources shall
9	publish as a handbook a suite of practical and cost-effective best management
10	practices for the control of stormwater runoff and reduction of adverse water
11	quality effects from the construction, redevelopment, or expansion of
12	impervious surface that does not require a permit under 10 V.S.A. § 1264. The
13	best management practices shall address activities that control, mitigate, or
14	eliminate stormwater runoff to waters of the State. The stormwater
15	management practices shall be voluntary and shall not be mandatory.
16	* * * Water Quality Data Coordination * * *
17	Sec. 33. 10 V.S.A. § 1284 is added to read:
18	§ 1284. WATER QUALITY DATA COORDINATION
19	(a) To facilitate attainment or accomplishment of the purposes of this
20	chapter, the Secretary shall coordinate and assess all available data and science
21	regarding the quality of the waters of the State, including:

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1	(1) light detection and ranging information data (LIDAR);
2	(2) stream gauge data;
3	(3) stream mapping, including fluvial erosion hazard maps;
4	(4) water quality monitoring or sampling data;
5	(5) cumulative stressors on a watershed, such as the frequency an
6	activity is conducted within a watershed or the number of stormwater or other
7	permits issued in a watershed; and
8	(6) any other data available to the Secretary.
9	(b) After coordination of the data required under subsection (a) of this
10	section, the Secretary shall:
11	(1) assess where additional data are needed and the best methods for
12	collection of such data;
13	(2) identify and map on a watershed basis areas of the State that are
14	significant contributors to water quality problems or are in critical need of
15	water quality remediation or response.
16	(c) The Secretary shall post all data compiled under this section on the
17	website of the Agency of Natural Resources.
18	* * * Water Quality Funding; Clean Water Fund; Rooms, Meals,
19	and Alcohol Tax * * *
20	Sec. 34. 10 V.S.A. chapter 47, subchapter 7 is added to read:
21	Subchapter 7. Vermont Clean Water Fund
22	8 1387 PURPOSE

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1	The General Assembly establishes in this subchapter a Vermont Clean Water
2	Fund as a mechanism for financing the improvement of water quality in the State.
3	The Clean Water Fund shall be used to:
4	(1) assist the State in complying with water quality requirements and
5	construction or implementation of water quality projects or programs; and
6	(2) provide funding to nonprofit organizations, regional associations, and
7	other entities for implementation and administration of community-based water
8	quality programs or projects.
9	§ 1388. CLEAN WATER FUND
10	(a) There is created a special fund to be known as the "Clean Water Fund."
11	Notwithstanding any contrary provisions of 32 V.S.A. chapter 7, subchapter 5:
12	(1) the Fund shall be administered by the Clean Water Fund Board
13	established under section 1388 of this title;
14	(2) the Fund shall consist of:
15	(A) Revenues dedicated for deposit into the Fund by the General
16	Assembly, including:
17	(i) five percent of the meals, rooms, and alcohol taxes levied
18	pursuant to chapter 225 of this title; and
19	(ii) those taxes imposed under 23 V.S.A. § 3106(a)(1)(A)(ii)
20	(B) Other gifts, donations, and impact fees received from any source,
21	public or private, dedicated for deposit into the Fund and approved by the

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1	Board. Gifts or donations submitted to the Fund shall be deductible from the
2	tax levied under 32 V.S.A. chapter 151.
3	(b) The Clean Water Fund Board shall make recommendations on
4	expenditures from the Fund consistent with the following priorities:
5	(1) to provide funding to programs and projects to address sources of
6	water pollution in waters listed as impaired under 33 U.S.C. § 1313(d) or
7	waters contributing to a listed impairment;
8	(2) to provide funding to address water pollution identified as a critical
9	source of water quality pollution;
10	(3) to provide funding to address or repair conditions that increase the
11	risk of flooding or pose a threat to life or property; and
12	(4) to provide funding to innovative nutrient removal technologies and
13	community-based methane digesters that utilize manure, wastewater, and food
14	residuals to produce energy.
15	(c) In the first three years of its existence, the Clean Water Fund Board
16	shall prioritize under subsection (b) of this section recommendation of awards
17	or assistance to municipalities for municipal compliance with the water quality
18	requirements.
19	(d) Unexpended balances and any earnings shall remain in the Fund from
20	year to year.

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1	§ 1389. CLEAN WATER FUND BOARD
2	(a) Creation. There is created a Clean Water Fund Board which shall be
3	attached to the Agency of Administration for administrative purposes.
4	(b) Organization of the Board. The Clean Water Fund Board shall be
5	composed of:
6	(1) The Secretary of Administration or designee.
7	(2) The Secretary of Natural Resources or designee.
8	(3) The Secretary of Agriculture, Food and Markets or designee.
9	(4) The Secretary of Commerce and Community Development or
10	designee.
11	(5) The Secretary of Transportation or designee.
12	(6) Three members of the public or the House of Representatives
13	appointed by the Speaker of the House, each of whom shall be from separate
14	watersheds of the State. At least one of the members appointed under this
15	subdivision shall be a municipal official.
16	(7) Three members of the public or the Senate appointed by the
17	Committee on Committees, each of whom shall be from separate watersheds or
18	the State. At least one of the members appointed under this subdivision shall
19	be a municipal official.
20	(8) Two members of the public appointed by the Governor.

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1	(c) Officers; committees; rules. The Clean Water Fund Board shall
2	annually elect a chair from its members. The Clean Water Fund Board may
3	elect additional officers from its members, establish committees or
4	subcommittees, and adopt procedural rules as necessary and appropriate to
5	perform its work.
6	(d) Member terms. Members of the Clean Water Fund Board appointed by
7	the Governor shall serve initial terms of three years, members appointed by the
8	Speaker of the House shall serve initial terms of two years, and members
9	appointed by the Committee on Committees shall serve initial terms of one
10	year. Thereafter, each of the above appointed members shall serve a term of
11	three years. A vacancy shall be filled by the appointing authority for the
12	remainder of the unexpired term. An appointed member shall not serve more
13	than three consecutive three-year terms.
14	(e) Compensation. Public members of the Clean Water Fund Board may
15	receive compensation according to 32 V.S.A. § 1010(b).
16	(f) Powers and duties of the Clean Water Fund Board.
17	(1) The Clean Water Fund Board shall have the following powers and
18	authority:
19	(A) to receive proposals from the Secretaries of Agriculture, Food,
20	and Markets, of Commerce and Community Development, of Natural
21	Resources, and of Transportation on the expenditures of the Fund;

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1	(B) to make recommendations to the Secretary of Adn	<u>ninistration</u>
2	regarding the appropriate allocation of funds from the Clean Wa	ater Fund for
3	the purposes of developing the State budget; and	
4	(C) to pursue and accept grants, gifts, donations, or other	her funding
5	from any public or private source and to administer such grants,	, gifts,
6	donations, or funding consistent with the terms of the grant, gift	t, or donation.
7	(2) The Clean Water Fund Board shall develop:	
8	(A) an annual revenue estimate and proposed budget f	or the Clean
9	Water Fund;	
10	(B) measures for determining progress and effectivened	ess of
11	expenditures for clean water restoration efforts; and	
12	(C) the annual Clean Water Investment Report require	ed under section
13	1389 of this title.	
14	(3) The Clean Water Fund Board shall solicit public com	ment and
15	consult with organizations interested in improving water quality	in Vermont.
16	(g) The Clean Water Fund Board shall have the administrati	ve, technical,
17	and legal assistance of the Agency of Administration, the Agency	cy of Natural
18	Resources, the Agency of Agriculture, Food and Markets, the A	gency of
19	Transportation, and the Agency of Commerce and Community	Development
20	for those issues or services within the jurisdiction of the respect	ive agency.

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1	The cost of the services provided by agency staff shall be paid from the budget
2	of the agency providing the staff services.
3	§ 1390. CLEAN WATER INVESTMENT REPORT
4	Beginning on January 15, 2017, and annually thereafter, the Clean Water
5	Fund Board shall publish a Clean Water Investment Report. The report shall
6	summarize all investments made by the Clean Water Fund Board and other
7	State agencies for clean water restoration over the past calendar year. The
8	report shall include expenditures from the Clean Water Fund, the General
9	Fund, the Transportation Fund, and any other State expenditures for clean
10	water restoration, regardless of funding source. The report shall document
11	progress or shortcomings in meeting established indicators for clean water
12	restoration. The report may also provide an overview of additional funding
13	necessary to meet objectives established for clean water restoration and
14	recommendations for additional revenue to meet those restoration objectives.
15	The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not
16	apply to the report required by this section.
17	Sec. 35. 32 V.S.A. § 5811(21) is amended to read:
18	(21) "Taxable income" means federal taxable income determined
19	without regard to 26 U.S.C. § 168(k) and:
20	(A) Increased by the following items of income (to the extent such
21	income is excluded from federal adjusted gross income):

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1	(i) interest income from non-Vermont state and local obligations;
2	(ii) dividends or other distributions from any fund to the extent
3	they are attributable to non-Vermont state or local obligations; and
4	(iii) the amount in excess of \$5,000.00 of State and local income
5	taxes deducted from federal adjusted gross income for the taxable year, but in
6	no case in an amount that will reduce total itemized deductions below the
7	standard deduction allowable to the taxpayer; and
8	(B) Decreased by the following items of income (to the extent such
9	income is included in federal adjusted gross income):
10	(i) income from United States government obligations;
11	(ii) with respect to adjusted net capital gain income as defined in
12	26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend
13	income: either the first \$5,000.00 of such adjusted net capital gain income; or
14	40 percent of adjusted net capital gain income from the sale of assets held by
15	the taxpayer for more than three years, except not adjusted net capital gain
16	income from:
17	(I) the sale of any real estate or portion of real estate used by the
18	taxpayer as a primary or nonprimary residence; or
19	(II) the sale of depreciable personal property other than farm

property and standing timber; or stocks or bonds publicly traded or traded on

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1	0.56 0.66	0.06	
2	0.67-0.77	0.07	
3	0.78 0.88	0.08	
4	0.89-1.00	0.09	
5	<u>\$0.01-0.05</u>	\$0.00	
6	<u>0.06-0.15</u>	0.01	
7	<u>0.16-0.26</u>	0.02	
8	0.27-0.36	0.03	
9	0.37-0.47	0.04	
10	0.48-0.57	0.05	
11	<u>0.58-0.68</u>	0.06	
12	0.69-0.78	0.07	
13	0.79-0.89	0.08	
14	0.90-0.99	0.09	
15	(c) An operator shall colle	ct a tax on each sale of	f alcoholic beverages at the
16	rate of 10 10.5 percent of each	full dollar of the total	I charge and on each sale
17	for less than one dollar and or	each part of a dollar i	n excess of a full dollar in
18	accordance with the following	formula:	
19	\$.0114	\$.01	
20	.1524	.02	

.03

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1	.35 .44	.0 4	
2	.455 4	.05	
3	.55 .6 4	.06	
4	.6574	.07	
5	.75 .84	.08	
6	.85 .94	.09	
7	.95-1.00	.10	
8	<u>\$0.01-0.08</u>	\$0.00	
9	<u>0.09-0.18</u>	0.01	
10	<u>0.19-0.28</u>	0.02	
11	0.29-0.38	0.03	
12	0.39-0.48	0.04	
13	<u>0.49-0.58</u>	0.05	
14	<u>0.59-0.68</u>	0.06	
15	0.69-0.78	0.07	
16	0.79-0.88	0.08	
17	0.89-0.99	0.09	
18	Sec. 37. 32 V.S.A. § 9242(c) is amended t	o read:
19	(c) A tax of nine and one	-half percent o	f the gross receipts from meals and
20	occupancies, nine and one-ha	alf percent of t	he gross receipts from meals, and

10 and one-half percent of the gross receipts from alcoholic beverages,

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1	exclusive of taxes collected pursuant to section 9241 of this title, received from
2	occupancy rentals, taxable meals and alcoholic beverages by an operator, is
3	hereby levied and imposed and shall be paid to the State by the operator as
4	herein provided. Every person required to file a return under this chapter shall,
5	at the time of filing the return, pay the Commissioner the taxes imposed by this
6	chapter as well as all other monies collected by him or her under this chapter;
7	provided, however, that every person who collects the taxes on taxable meals
8	and alcoholic beverages according to the tax bracket schedules of section 9241
9	of this title shall be allowed to retain any amount lawfully collected by the
10	person in excess of the tax imposed by this chapter as compensation for the
11	keeping of prescribed records and the proper account and remitting of taxes.
12	Sec. 38. 32 V.S.A. § 435 is amended to read:
13	§ 435. GENERAL FUND
14	(a) There is established a General Fund which shall be the basic operating
15	fund of the State. The General Fund shall be used to finance all expenditures
16	for which no special revenues have otherwise been provided by law.
17	(b) The General Fund shall be composed of revenues from the following
18	sources:
19	(1) Alcoholic beverage tax levied pursuant to 7 V.S.A. chapter 15;
20	(2) [Repealed.]
21	(3) Electrical energy tax levied pursuant to chapter 213 of this title;

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1	(4) Corporate income and franchise taxes levied pursuant to chapter 151
2	of this title;
3	(5) Individual income taxes levied pursuant to chapter 151 of this title;
4	(6) All corporation taxes levied pursuant to chapter 211 of this title;
5	(7) Meals and 95 percent of the meals, rooms, and alcohol taxes levied
6	pursuant to chapter 225 of this title;
7	(8) [Repealed.]
8	(9) Revenues from the Racing Fund consistent with 31 V.S.A. § 611
9	<u>609;</u>
10	(10) 33 percent of the revenue from the property transfer taxes levied
11	pursuant to chapter 231 of this title and the revenue from the gains taxes levied
12	each year pursuant to chapter 236 of this title;
13	(11) 65 percent of the revenue from sales and use taxes levied pursuant
14	to chapter 233 of this title;
15	(12) All other revenues accruing to the State not otherwise required by
16	law to be deposited in any other designated fund or used for any other
17	designated purpose.
18	* * * Secretary of Administration; Report on Per Parcel Fee * * *
19	Sec. 39. SECRETARY OF ADMINISTRATION REPORT ON PER
20	PARCEL WATER QUALITY FEE

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1	(a) On or before January 15, 2016, the Secretary of Administration, after
2	consultation with the Department of Taxes, shall submit to the House
3	Committee on Fish, Wildlife and Water Resources, the Senate Committee on
4	Natural Resources and Energy, the House Committee on Agriculture and
5	Forest Products, the Senate Committee on Agriculture, the House Committee
6	on Ways and Means, and the Senate Committee on Finance a recommendation
7	for establishing a fee on parcels of property in the State for the purpose of
8	raising revenue to fund water quality improvement programs in the State. The
9	recommendation shall include:
10	(1) a tiered per parcel fee that provides for equitable apportionment
11	among all parcel owners, including owners of industrial property, commercial
12	property, residential property, or agricultural lands;
13	(2) an estimate of the amount of revenue to be generated from the
14	proposed per parcel fee;
15	(3) a summary of how assessment of the fee will be administered,
16	collected, and enforced; and
17	(4) a legislative proposal to implement the proposed per parcel fee
18	program.
19	(b) As used in this section, "parcel" shall have the same meaning as defined
20	in section 4152 of this title.
21	* * * Department of Environmental Conservation Water Quality Fees * * *

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- 1 Sec. 42. 3 V.S.A. § 2822 is amended to read:
- § 2822. BUDGET AND REPORT; POWERS

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(i) The Secretary shall not process an application for which the applicable fee has not been paid unless the Secretary specifies that the fee may be paid at a different time or unless the person applying for the permit is exempt from the permit fee requirements pursuant to 32 V.S.A. § 710. In addition, the persons who are exempt under 32 V.S.A. § 710 are also exempt from the application fees for stormwater operating permits specified in subdivisions (j)(2)(A)(iii)(I) and (II) of this section if they otherwise meet the requirements of 32 V.S.A. $\frac{8}{710}$. Municipalities shall be exempt from the payment of fees under this section except for those fees prescribed in subdivisions (j)(1), $\frac{(2)}{(2)}$, (7), (8), (14), and (15) of this section for which a municipality may recover its costs by charging a user fee to those who use the permitted services. Municipalities shall pay fees prescribed in subdivisions (j)(2), (10), (11), and (26), except that a municipality shall also be exempt from those fees for orphan stormwater systems prescribed in subdivisions (j)(2)(A)(iii) and (2)(B)(iv)(I) or (II) of this section when the municipality agrees to become an applicant or co-applicant for an orphan stormwater system under 10 V.S.A. § 1264c for which a municipality has assumed full legal responsibility under 10 V.S.A. § 1264.

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1	(j) In accordance with subsection (i) of this section, the following fees are		
2	established for permits, licenses, certifications, approvals, registrations, orders,		
3	and other actions taken by the Agency of Natural Resources.		
4	* * *		
5	(2) For discharge permits issued under 10 V.S.A. chapter 47 and orders		
6	issued under 10 V.S.A. § 1272, an administrative processing fee of \$120.00		
7	\$240.00 shall be paid at the time of application for a discharge permit in		
8	addition to any application review fee and any annual operating fee, except for		
9	permit applications under subdivisions (2)(A)(iii)(III) and (V) of this		
10	subsection:		
11	(A) Application review fee.		
12	(i) Municipal, industrial,		
13	noncontact cooling water, and		
14	thermal discharges.		
15	(I) Individual permit: original \$0.0023 \(\frac{\\$0.003}{2}\) per gallon		
16	application; amendment for design flow; minimum		
17	increased flows; amendment \$50.00 \subseteq 100.00 per		
18	for change in treatment process-: outfall; maximum		
19	30,000.00 per application.		
20	(II) Renewal, transfer, or minor \$0.00 \subseteq 0.002 per gallon		
21	amendment of individual permit-: design flow; minimum		

1		\$50.00 per outfall;
2		maximum \$5,000.00 per
3		application.
4	(III) General permit-:	\$0.00 <u>.</u>
5	(ii) Pretreatment discharges.	
6	(I) Individual permit: original	\$0.12 <u>\$0.20</u> per gallon
7	application; amendment for	design flow; minimum
8	increased flows; amendment for	\$50.00 <u>\$100.00</u> per
9	change in treatment process-:	outfall.
10	(II) Renewal, transfer, or minor	\$0.00 \$0.002 per gallon
11	amendment of individual permit-:	design flow; minimum
12		\$50.00 per outfall.
13	(iii) Stormwater discharges.	
14	(I) Individual operating permit	\$430.00 <u>\$860.00</u> per acre
15	or application to operate under	impervious area;
16	general operating permit for	minimum \$220.00
17	collected stormwater runoff	\$440.00 per application.
18	which is discharged to Class B	
19	waters: original application;	
20	amendment for increased flows;	
21	amendment for change in	

1	treatment process-:	
2	(II) Individual operating permit	\$1,400.00 per acre
3	or application to operate under	impervious area;
4	general operating permit for	minimum \$1,400.00
5	collected stormwater runoff which	per application.
6	is discharged to Class A waters;	
7	original application; amendment	
8	for increased flows; amendment	
9	for change in treatment process.	
10	(III) Individual permit or	
11	application to operate under	
12	general permit for construction	
13	activities; original application;	
14	amendment for increased acreage.	
15	(aa) Projects with low risk to	\$50.00 five acres or
16	waters of the State-;	less: \$100.00 per project;
17		original application.
18	(bb) Projects with low risk to	\$220.00 per project.
19	waters of the State; greater than	
20	five acres:	
21	(cc) Projects with moderate risk	\$360.00; five acres

1	to waters of the State-:	<u>or less: \$480.00</u> per
2		project original
3		application.
4	(cc) Projects that require an	\$720.00 per project
5	individual permit.	original application.
6	(dd) Projects with moderate risk	<u>\$640.00.</u>
7	to waters of the State; greater	
8	than five acres:	
9	(ee) Projects that require an	\$1,200.00.
10	individual permit; ten acres	
11	or less:	
12	(ff) Projects that require an	\$1,800.00.
13	individual permit; greater than	
14	10 acres:	
15	(IV) Individual permit or	\$220.00 <u>\$440.00</u> per
16	application to operate under	facility.
17	general permit for stormwater	
18	runoff associated with industrial	
19	activities with specified SIC	
20	codes; original application;	
21	amendment for change in activities.:	

1	(V) Individual permit or \$1,200.00 \$2,400.00
2	application to operate under per system.
3	general permit for stormwater
4	runoff associated with
5	municipal separate storm sewer
6	systems; original application; amendment
7	for change in activities-:
8	(VI) Individual operating permit or application to operate under
9	a general permit for a residually designated stormwater discharge original
10	application; amendment; for increased flows amendment; for change in
11	treatment process.
12	(aa) For discharges to Class B water; \$430.00 \$860.00 per
13	acre of impervious area, minimum \$220.00 \$280.00.
14	(bb) For discharges to Class A water; \$1,400.00 \$1,700.00
15	per acre of impervious area, minimum \$1,400.00 \$1,700.00.
16	(VII) Renewal, transfer, or \$0.00.
17	minor amendment of individual
18	permit-or approval under
19	general permit.:
20	(VIII) Application for coverage \$400.00 per application.
21	under the municipal roads

1	stormwater general permit:	
2	(IX) Application for coverage	\$1,200.00.
3	under the State roads stormwater	
4	general permit:	
5	* * *	
6	(B) Annual operating fee.	
7	(i) Industrial, noncontact cooling	\$0.001 <u>\$0.0015</u> per gallon
8	water and thermal discharges-:	design capacity. \$150.00
9		\$200.00 minimum;
10		maximum \$210,000.00.
11	(ii) Municipal-:	\$0.003 per gallon of actual
12		design flows. \$150.00
13		\$200.00 minimum;
14		maximum \$12,500.00.
15	(iii) Pretreatment discharges-:	\$0.0385 <u>\$0.04</u> per gallon
16		design capacity. \$150.00
17		\$200.00 minimum;
18		maximum \$27,500.00.
19	(iv) Stormwater.	
20	(I) Individual operating permit	\$255.00 <u>\$310.00</u> per acre
21	or approval under general operating	impervious area; \$235.00

1	permit for collected stormwa	ter <u>\$310.00</u> minimum.
2	runoff which is discharged to	
3	class A waters-:	
4	(II) Individual operating per	mit \$80.00 \\$160.00 per acre
5	or approval under general ope	erating impervious area; \$80.00
6	permit for collected stormwa	ter <u>\$160.00</u> minimum.
7	runoff which is discharged to	
8	Class B waters.:	
9	(III) Individual permit or	\$80.00 <u>\$160.00</u>
10	approval under general permi	t per facility.
11	for stormwater runoff from	
12	industrial facilities with	
13	specified SIC codes-:	
14	(IV) Individual permit or	\$80.00 per system
15	application to operate under	\$10.00 per acre of
16	general permit for stormwate	r impervious surface within
17	runoff associated with munic	ipal the municipality; annually.
18	separate storm sewer systems	5 <u>-:</u>
19	(V) Individual permit or app	roval under general permit for
20	residually designated stormwater discharges	I

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1	(aa) For discharges to Class A water; \$255.00 \$310.00 per
2	acre of impervious area, minimum \$255.00 \$310.00.
3	(bb) For discharges to Class B water; \$80.00 <u>\$160.00</u> per
4	acre of impervious area, minimum \$80.00 \$160.00.
5	(VI) Application to operate under a general permit for
6	stormwater runoff associated with municipal roads: \$2,000.00 per
7	authorization annually.
8	(VII) Application to operate under a general permit for stormwater
9	runoff associated with State roads: \$90,000.00 per authorization annually.
10	* * *
11	(11) For stream alteration and flood hazard area permits issued under
12	10 V.S.A. chapter chapters 41 and 32: \$225.00 per application.
13	(A) Stream alteration; individual permit: \$350.00.
14	(B) Stream alteration; general permit; reporting category: \$ 200.00.
15	(C) Stream alteration; individual permit; municipal bridge, culvert,
16	and unimproved property protection: \$350.00.
17	(D) Stream alteration; general permit; municipal bridge, culvert, and
18	unimproved property protection: \$200.00.
19	(E) Stream alteration; Agency of Transportation reviews; bridge,
20	culvert, and high risk projects: \$350.00.

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1	(F) Flood hazard area; individual permit; State facilities; hydraulic
2	and hydrologic modeling required: \$350.00.
3	(G) Flood hazard area; individual permit; State facilities; hydraulic
4	and hydrologic modeling not required: \$200.00.
5	(H) Flood hazard area; municipal reviews; reviews requiring
6	hydraulic and hydrologic modeling, compensatory storage volumetric analysis,
7	or river corridor equilibrium: \$350.00.
8	(I) Flood hazard area; municipal review; projects not requiring
9	hydraulic or hydrologic modeling: \$200.00.
10	(J) River corridor; major map amendments: \$350.00.
11	* * *
12	(14) For certification of sewage treatment plant operators issued under
13	10 V.S.A. chapter 47:
14	(A) original application: \$110.00 <u>\$125.00.</u>
15	(B) renewal application: \$110.00 <u>\$125.00.</u>
16	(15) For sludge or septage facility certifications issued under 10 V.S.A.
17	chapter 159:
18	(A) land application sites; facilities that further reduce pathogens;
19	disposal facilities- <u>:</u> \$950.00 \$1,000.00 per
20	application.
21	(B) all other types of facilities: \$110.00 \$125.00 per

1	application.
2	* * *
3	(26) For individual conditional use determinations, for individual
4	wetland permits, for general conditional use determinations issued under
5	10 V.S.A. § 1272, or for wetland authorizations issued under a general permit,
6	an administrative processing fee assessed under subdivision (2) of this
7	subsection (j) and an application fee of:
8	(A) \$0.75 per square foot of proposed impact to Class I or II
9	wetlands;
10	(B) \$0.25 per square foot of proposed impact to Class I or II wetland
11	buffers;
12	(C) maximum fee, for the conversion of Class II wetlands or wetland
13	buffers to cropland use, \$200.00 per application. For purposes of As used in
14	this subdivision, "cropland" means land that is used for the production of
15	agricultural crops, including row crops, fibrous plants, pasture, fruit-bearing
16	bushes, trees, or vines and the production of Christmas trees;
17	(D) \$0.25 per square foot of proposed impact to Class I or II wetlands
18	or Class I or II wetland buffer for utility line, pipeline, and ski trail projects
19	when the proposed impact is limited to clearing forested wetlands in a corridor
20	and maintaining a cleared condition in that corridor for the project life;

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1	(E) \$1.50 per square foot of impact to Class I or II wetlands when the	
2	permit is sought after the impact has taken place;	
3	(F) \$100.00 per revision to an application for an individual wetland	
4	permit or authorization under a general permit when the supplement is due to a	
5	change to the project that was not requested by the Secretary; and	
6	(G) minimum fee, \$50.00 per application.	
7	* * *	
8	(33) \$10.00 per 1000 gallons based on the rated capacity of the tank	
9	being pumped rounded to the nearest 1000 gallon.	
10	* * *	
11	Sec. 43. 32 V.S.A. § 710 is amended to read:	
12	§ 710. PAYMENT OF STATE AGENCY FEES	
13	(a) Notwithstanding any other provision of law, the Agency of	
14	Transportation, any cooperating municipalities, and their contractors or agents	
15	shall be exempt from the payment of fee charges for reviews, inspections, or	
16	nonoperating permits issued by the Department of Public Safety, a District	
17	Environmental Commission, and the Agency of Natural Resources for any	
18	projects undertaken by or for the Agency and any cooperating municipalities	
19	for which all or a portion of the funds are authorized by a legislatively	
20	approved transportation construction, rehabilitation, or paving program within	
21	a general appropriation act introduced pursuant to section 701 of this title	

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1	except for those fees established under 3 V.S.A. § 2822(j)(2)(A)(iii), (j)(10),
2	(j)(11), and $(j)(26)$.	
3	(b) Notwithstanding any other provision of law, no fees sh	nall be charged
4	for reviews, inspections, or nonoperating permits issued by th	e Department of
5	Public Safety, a District Environmental Commission, and the	Agency of
6	Natural Resources for:	
7	(1) Any project undertaken by the Department of Build	lings and General
8	Services, the Agency of Natural Resources or the Agency of	Γransportation
9	which is authorized or funded in whole or in part by the capita	al construction
10	act introduced pursuant to section 701a of this title except for	those fees
11	established under 3 V.S.A. § 2822(j)(2)(A)(iii), (j)(10), (j)(11), and (j)(26).
12	(2) Any project undertaken by a municipality, which is	funded in whole
13	or in part by a grant or loan from the Agency of Natural Reso	urces or the
14	Agency of Transportation financed by an appropriation of a c	apital
15	construction act introduced pursuant to section 701a of this tit	tle except for
16	those fees established under 3 V.S.A. § 2822(j)(2)(A)(iii), (j)(7)(A) and (B),
17	(j)(10), $(j)(11)$, and $(j)(26)$. However, all such fees shall be pa	aid for reviews,
18	inspections, or permits required by municipal solid waste faci	lities developed
19	by a solid waste district which serves, or is expected to serve,	in whole or in
20	part, parties located outside its own district boundaries pursua	ent to 10 V.S.A.
21	chapter 159.	

1	* * * Wastewater Treatment Plants; Financial Assistance for
2	Phosphorus Reduction * * *
3	Sec. 44. 10 V.S.A. § 1266a is amended to read:
4	§ 1266a. DISCHARGES OF PHOSPHORUS
5	(a) No person directly discharging into the drainage basins of Lake
6	Champlain or Lake Memphremagog shall discharge any waste that contains a
7	phosphorus concentration in excess of 0.80 milligrams per liter on a monthly
8	average basis. Discharges of less than 200,000 gallons per day, permitted on
9	or before July 1, 1991, shall not be subject to the requirements of this
10	subsection. Discharges from a municipally owned aerated lagoon type
11	secondary sewage treatment plant in the Lake Memphremagog drainage basin
12	permitted on or before July 1, 1991 shall not be subject to the requirements of
13	this subsection unless the plant is modified to use a technology other than
14	aerated lagoons.
15	(b) Notwithstanding any provision of subsection (a) of this section to the
16	contrary, the Secretary shall establish effluent phosphorus wasteload
17	allocations or concentration limits within any drainage basin in Vermont, as
18	needed to achieve wasteload allocations in a total maximum daily load
19	document approved by the U.S. Environmental Protection Agency, or as
20	needed to attain compliance with water quality standards adopted by the
21	Secretary pursuant to chapter 47 of this title.

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1	(c) The Secretary of Natural Resources shall establish a schedule for
2	municipalities that requires compliance with this section at a rate that
3	corresponds to the rate at which funds are provided under subsection 1625(e)
4	of this title. To the extent that funds are not provided to municipalities eligible
5	under that subsection, municipal compliance with this section shall not be
6	required. [Repealed.]
7	Sec. 45. 10 V.S.A. § 1625 is amended to read:
8	§ 1625. AWARDS FOR POLLUTION ABATEMENT PROJECTS TO
9	ABATE DRY WEATHER SEWAGE FLOWS
10	(a) When the Department finds that a proposed water pollution abatement
11	project is necessary to maintain water quality standards during dry weather
12	sewage flows, and that the proposed type, kind, quality, size, and estimated
13	cost, including operation cost and sewage disposal charges, of the project are
14	suitable for abatement of pollution, and the project or the prescribed project
15	phases are necessary to meet the intent of the water quality classifications
16	established by the Secretary or by statute under chapter 47 of this title, the
17	Department may award to municipalities a State assistance grant of up to
18	25 percent of the eligible project cost, provided that in no case shall the total of
19	the State and federal grants exceed 90 percent of the eligible project costs:
20	(1) except that the 90 percent limitation shall not apply when the
21	municipality provides, as their local share, federal funds allocated to them for

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the purpose of matching other federal grant programs having a matching
requirement; and

- (2) except that the total of state and federal grants issued under P.L. 92-500 section 202(a)(2) may equal up to 95 percent of the eligible costs for innovative or alternative wastewater treatment processes and techniques.
- (b) In carrying out the purposes of this subchapter, the Department shall define the purpose and scope of an eligible project, including a determination of the area to be served, type of treatment, effluent limitations, eligible construction costs, cost accounting procedures and methods and other such project construction, operation and fiscal elements necessary to meet federal aid requirements. The Department shall, as a part of the administration of this grant program, encourage municipalities to undertake capital development planning and to establish water and sewer charges along public utility concepts.
- (c) Any municipality having proceeded with construction of facilities with a State grant of 25 percent since July 1, 1984 shall be eligible for an increase in the State grant to a total of 35 percent of the eligible project costs.
- (d) The Department may award a State assistance grant of up to 50 percent of the eligible costs of an approved pollution abatement project or a portion thereof not eligible for federal financial assistance in a municipality that is certified by the Secretary of Commerce and Community Development to be

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1	within the designated job development zone. To achieve the objectives of
2	chapter 29, subchapter 2 of this title, the eligibility and priority provisions of
3	this chapter do not apply to municipalities within a designated job development
4	zone.
5	(e) If the Department finds that a proposed municipal water pollution
6	control project is necessary to reduce effluent phosphorus concentration or
7	mass loading to the level required in section 1266a of this title, the Department
8	shall award to the municipality, subject to the availability of funds, a state
9	assistance grant. Such grants shall be for 100 percent of the eligible project
10	cost. This funding shall not be available for phosphorus removal projects
11	where the effluent concentration must be reduced in order to maintain a
12	previously permitted mass loading of phosphorus.
13	* * * Acceptable Management Practices for Maintaining Water Quality on
14	Logging Jobs in Vermont * * *
15	Sec. 46. 10 V.S.A. § 2622 is amended to read:
16	§ 2622. RULES; HARVESTING TIMBER; FORESTS; ACCEPTABLE
17	MANAGEMENT PRACTICES FOR MAINTAINING WATER
18	QUALITY
19	(a) <u>Silvicultural practices</u> . The commissioner <u>Commissioner</u> shall adopt
20	rules to establish methods by which the harvest and utilization of timber in
21	private and public forest land forestland will be consistent with continuous

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forest growth, including reforestation, will prevent wasteful and dangerous
forestry practices, will regulate heavy cutting, will encourage good forestry
management, will enable and assist landowners to practice good forestry
management, and will conserve the natural resources consistent with the
purposes and policies of this chapter, giving due consideration to the need to
assure continuous supplies of forest products and to the rights of the owner or
operator of the land. Such rules <u>adopted under this subsection</u> shall be
advisory, and not mandatory except that the rules adopted under section 2625
of this title for the regulation of heavy cutting shall be mandatory as shall other
rules specifically authorized to be mandatory.
(b) Acceptable management practices. On or before March 1, 2016, the
Commissioner shall revise by rule the acceptable management practices for
maintaining water quality on logging jobs in Vermont. The revised acceptable
management practices shall ensure that all logging operations, on both public
and private forestland, are designed to: prevent or minimize discharges of
sediment, petroleum products, and woody debris (logging slash) from entering
streams and other bodies of water; protect aquatic habitat and aquatic wildlife;
and prevent erosion and maintain natural water temperature. The purpose of
the acceptable management practices is to provide a guide for loggers,
foresters, and landowners to design logging operations to comply with the
Vermont Water Quality Standards and minimize the potential for a discharge

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1	from logging operations in Vermont in accordance with section 1259 of
2	this title.
3	Sec. 47. DEPARTMENT OF FORESTS, PARKS AND RECREATION
4	REPORT; ACCEPTABLE MANAGEMENT PRACTICES;
5	MAPLE SYRUP PRODUCTION UNDER USE VALUE
6	APPRAISAL
7	On or before March 1, 2016, the Commissioner of Forests, Parks and
8	Recreation shall submit to the House Committee on Fish, Wildlife and Water
9	Resources, the Senate Committee on Natural Resources and Energy, and the
10	House Committee on Natural Resources and Energy a recommendation and
11	supporting basis as to whether:
12	(1) the acceptable management practices for maintaining water quality
13	on logging jobs in Vermont should be mandatory for all logging operations on
14	public and private forestland; and
15	(2) whether maple syrup production on forestland should be required to
16	enroll in the use value appraisal program under 32 V.S.A. chapter 124 as
17	managed forestland and not agricultural land.
18	Sec. 48. 10 V.S.A. § 1259(f) is amended to read:
19	(f) The provisions of subsections (c), (d), and (e) of this section shall not
20	regulate accepted required agricultural or silvicultural practices, as such are
21	defined adopted by rule by the secretary of agriculture, food and markets and

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1	the commissioner of forests, parks and recreation, respectively	y, after an
2	opportunity for a public hearing Secretary of Agriculture, Foo	od and Markets,
3	or the acceptable management practices for maintaining water	r quality on
4	logging jobs in Vermont, as adopted by the Commissioner of	Forests, Parks
5	and Recreation; nor shall these provisions regulate discharges	from
6	concentrated animal feeding operations that require a permit u	under section
7	1263 of this title; nor shall those provisions prohibit stormwar	ter runoff or the
8	discharge of nonpolluting wastes, as defined by the secretary	Secretary.
9	Sec. 49. 24 V.S.A. § 4413(d) is amended to read:	
10	(d) A bylaw under this chapter shall not regulate accepted	required
11	agricultural and silvicultural practices, including the construct	tion of farm
12	structures, as those practices are defined by the secretary of ag	griculture, food
13	and markets Secretary of Agriculture, Food and Markets or the	e commissioner
14	of forests, parks and recreation acceptable management practi	ces for
15	maintaining water quality on logging jobs in Vermont as adop	oted by the
16	Commissioner of Forests, Parks and Recreation, respectively,	under 10 V.S.A.
17	§§ 1021(f) and 1259(f) § 2622 and 6 V.S.A. § 4810.	

* * *

18

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1	* * * Eligibility for Ecosystem Restoration Program Assistance * * *
2	Sec. 50. ECOSYSTEM RESTORATION PROGRAM; CLEAN WATER
3	FUND; ELIGIBILITY FOR FINANCIAL ASSISTANCE
4	It is the policy of the State of Vermont that all municipal separate storm
5	sewer system (MS4) communities in the State shall be eligible for grants and
6	other financial assistance from the Agency of Natural Resources' Ecosystem
7	Restoration Program, the Clean Water Fund, or any other State water quality
8	financing program. A project or proposal that is the subject of an application
9	for a grant or other assistance from the Agency of Natural Resources shall not
10	be denied solely on the basis that the project or proposal may be construed as a
11	regulatory requirement of the MS4 permit program.
12	* * * Sunset of Rooms, Meals, and Alcohol Tax * * *
13	Sec. 51. 32 V.S.A. § 9241 is amended to read:
14	§ 9241. IMPOSITION OF TAX
15	(a) An operator shall collect a tax of nine and one-half percent of the rent of
16	each occupancy.
17	(b) An operator shall collect a tax on the sale of each taxable meal at the
18	rate of nine and one half-percent of each full dollar of the total charge and on
19	each sale for less than one dollar and on each part of a dollar in excess of a full
20	dollar in accordance with the following formula:
21	\$ 0.01-0.05 \$ 0.00

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1	0.06-0.15	0.01
2	0.16-0.26	0.02
3	0.27-0.36	0.03
4	0.37-0.47	0.04
5	0.48-0.57	0.05
6	0.58-0.68	0.06
7	0.69-0.78	0.07
8	0.79-0.89	0.08
9	0.90-0.99	0.09
10	<u>\$0.01-0.11</u>	\$0.01
11	<u>0.12-0.22</u>	0.02
12	<u>0.23-0.33</u>	0.03
13	0.34-0.44	0.04
14	<u>0.45-0.55</u>	0.05
15	<u>0.56-0.66</u>	0.06
16	<u>0.67-0.77</u>	0.07
17	<u>0.78-0.88</u>	0.08
18	0.89-1.00	0.09

19

20

(c) An operator shall collect a tax on each sale of alcoholic beverages at the rate of 10.5 10 percent of each full dollar of the total charge and on each sale

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for less than one dollar and on each part of a dollar in excess of a full dollar in

2.	accordance	with the	following	formula:
4	accordance	with the	TOHOWINE	iorinua.

3	\$0.01-0.08	\$0.00
4	0.09-0.18	0.01
5	0.19 0.28	0.02
6	0.29 0.38	0.03
7	0.39-0.48	0.04
8	0.49 0.58	0.05
9	0.59-0.68	0.06
10	0.69-0.78	0.07
11	0.79 0.88	0.08
12	0.89-0.99	0.09
13	<u>\$0.01-0.14</u>	\$0.01
14	<u>0.15-0.24</u>	0.02
15	0.25-0.34	0.03
16	0.35-0.44	0.04
17	<u>0.45-0.54</u>	0.05
18	<u>0.55-0.64</u>	<u>0.06</u>
19	0.65-0.74	0.07
20	0.75-0.84	0.08
21	0.85-0.94	0.09

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1	<u>0.95-1.00</u> <u>0.10</u>
2	Sec. 52. 32 V.S.A. § 9242(c) is amended to read:
3	(c) A tax of nine and one half percent of the gross receipts from meals and
4	occupancies, nine and one-half-percent of the gross receipts from meals, and
5	10 and one half percent of the gross receipts from alcoholic beverages,
6	exclusive of taxes collected pursuant to section 9241 of this title, received from
7	occupancy rentals, taxable meals and alcoholic beverages by an operator, is
8	hereby levied and imposed and shall be paid to the State by the operator as
9	herein provided. Every person required to file a return under this chapter shall,
10	at the time of filing the return, pay the Commissioner the taxes imposed by this
11	chapter as well as all other monies collected by him or her under this chapter;
12	provided, however, that every person who collects the taxes on taxable meals
13	and alcoholic beverages according to the tax bracket schedules of section 9241
14	of this title shall be allowed to retain any amount lawfully collected by the
15	person in excess of the tax imposed by this chapter as compensation for the
16	keeping of prescribed records and the proper account and remitting of taxes.
17	Sec. 53. 32 V.S.A. § 435 is amended to read:
18	§ 435. GENERAL FUND
19	(a) There is established a General Fund which shall be the basic operating
20	fund of the State. The General Fund shall be used to finance all expenditures

for which no special revenues have otherwise been provided by law.

21

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1	(b) The General Fund shall be composed of revenues from the following
2	sources:
3	(1) Alcoholic beverage tax levied pursuant to 7 V.S.A. chapter 15;
4	(2) [Repealed.]
5	(3) Electrical energy tax levied pursuant to chapter 213 of this title;
6	(4) Corporate income and franchise taxes levied pursuant to chapter 151
7	of this title;
8	(5) Individual income taxes levied pursuant to chapter 151 of this title;
9	(6) All corporation taxes levied pursuant to chapter 211 of this title;
10	(7) 95 percent of the meals Meals, rooms, and alcohol taxes levied
11	pursuant to chapter 225 of this title;
12	(8) [Repealed.]
13	(9) Revenues from the Racing Fund consistent with 31 V.S.A. § 611
14	<u>609;</u>
15	(10) 33 percent of the revenue from the property transfer taxes levied
16	pursuant to chapter 231 of this title and the revenue from the gains taxes levied
17	each year pursuant to chapter 236 of this title;
18	(11) 65 percent of the revenue from sales and use taxes levied pursuant
19	to chapter 233 of this title;

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1	(12) All other revenues accruing to the State not otherwise required by
2	law to be deposited in any other designated fund or used for any other
3	designated purpose.
4	Sec. 54. CLEAN WATER FUND; REPEAL OF DEPOSIT OF ROOMS,
5	MEALS, AND ALCOHOL TAX
6	10 V.S.A. § 1388(a)(2)(A)(i) (Clean Water Fund; rooms, meals, and
7	alcohol tax) shall be repealed on July 1, 2018.
8	Sec. 55. EFFECTIVE DATES
9	This act shall take effect on July 1, 2015, except that:
10	(1) Sec. 3 (small farm certification) shall take effect on July 1, 2017;
11	(2) 6 V.S.A. § 4988(b) of Sec. 16 shall take effect 45 days after the
12	effective date of rules adopted under 6 V.S.A. § 4988(a).
13	(3) In Sec. 30, the permit requirements under 10 V.S.A. § 1264(h)(2) for
14	discharges of regulated stormwater to Lake Champlain or to a water that
15	contributes to the impairment of Lake Champlain shall take effect on October
16	<u>1, 2015.</u>
17	(4) Sec. 34 (Clean Water Fund) shall take effect on passage; and
18	(5) Secs. 51-54 (repeal of increase in rooms, meals, and alcohol tax)
19	shall take effect July 1, 2018.
20	
21	

1 2 3 4 5 6 7 8 9 (Committee vote: _____) 10 ______ 11 Senator _____ FOR THE COMMITTEE