

**House Proposal of Amendment to Senate Proposal of Amendment to  
House Proposal of Amendment**

**S. 260**

An act relating to funding the cleanup of State waters

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

First: In Sec. 2, 10 V.S.A. § 1389a, in subsection (a), in the second sentence, after “restoration over the prior” and before “year.” by striking out “calendar” and inserting in lieu thereof “fiscal”

Second: In Sec. 5, 10 V.S.A. chapter 47, subchapter 2A, by striking out § 1312 in its entirety and inserting in lieu thereof a new § 1312 to read as follows:

§ 1312. LAKE IN CRISIS ORDER

The Secretary of Natural Resources, pursuant to chapter 201 of this title, or the Secretary of Agriculture, Food and Markets, pursuant to 6 V.S.A. chapter 215, may issue an order to require a person to:

- (1) take an action identified in the lake in crisis response plan;
- (2) cease or remediate any acts, discharges, site conditions, or processes contributing to the impairment of the lake in crisis;
- (3) mitigate a significant contributor of a pollutant to the lake in crisis; or
- (4) conduct testing, sampling, monitoring, surveying, or other analytical operations required to determine the nature, extent, duration, or severity of the potential harm to the public health or a risk of damage to the environment or natural resources.

Third: In Sec. 5, 10 V.S.A. chapter 47, subchapter 2A, in § 1313, in subsection (b), by striking out the second and third sentences in their entirety and inserting in lieu thereof the following new sentences:

An applicant for a State grant shall pay at least 35 percent of the total eligible project cost or shall pay the specific cost share authorized by statute for the program from which the grant is awarded. The dollar amount of a State grant shall be equal to the total eligible project cost, less the percent of the total required to be paid by the applicant, and less the amount of any federal assistance awarded.

Fourth: In the reader assistance heading preceding Sec. 9, by striking out “ANR” where it appears

Fifth: By striking out Sec. 13 (effective dates) and its reader assistance and

inserting in lieu thereof new sections to be Secs. 13–27 to read as follows:

Sec. 13. COMBINATION TANK SYSTEMS; CONTINUATION OF  
SERVICE

(a) As used in this section:

(1) “Combination tank system” shall have the same meaning as set forth in 10 V.S.A. § 1922.

(2) “Motor fuel” means fuel subject to the licensing fee under 10 V.S.A. § 1942(a).

(b) Notwithstanding the requirements in 10 V.S.A. § 1927(e)(2) that a combination tank system shall be closed by January 1, 2018, the Secretary of Natural Resources may authorize a combination tank service to supply motor fuel after January 1, 2018 upon a determination that the combination tank system:

(1) is the sole supply of motor fuel in the municipality in which the combination tank system is located;

(2) is needed to supply motor fuel to public safety or fire control services in the municipality; and

(3) the owner of the combination system has entered into a contract and obtained financing to replace the tank as required under 10 V.S.A. § 1927.

(c) The Secretary may authorize the continued supply of motor fuel from a combination tank system under this section until October 1, 2018.

(d) This section shall be repealed on October 1, 2018.

\* \* \* Municipal Roads General Permit Fees \* \* \*

Sec. 14. 3 V.S.A. § 2822(j)(2)(B)(iv)(VI) is amended to read:

(VI) ~~Application~~ For application to operate under a general permit for stormwater runoff associated with municipal roads: ~~\$2,000.00~~, the following fees per authorization annually:

(aa) in a municipality with a population of more than 5,000 persons: \$1,800.00;

(bb) in a municipality with a population of 2,500 to 5,000 persons and 95 miles or more of maintained road: \$1,800.00;

(cc) in a municipality with a population of 2,500 to 5,000 persons and 25 to less than 95 miles of maintained road: \$1,350.00;

(dd) in a municipality with a population of 2,500 to 5,000 persons and less than 25 miles of maintained road: \$500.00;

(ee) in a municipality with a population of fewer than 2,500 but more than 500 persons and 25 miles or more of maintained road: \$1,350.00;

(ff) in a municipality with a population of fewer than 2,500 but more than 500 persons and less than 25 miles of maintained road: \$500.00;

(gg) in a municipality with a population of fewer than 500 persons: \$500.00;

(hh) in a municipality that is covered under a municipal separate storm sewer system permit: \$0.00; and

(ii) in an unincorporated or disincorporated municipality: \$0.00.

\* \* \* Mercury-Added Motor Vehicle Components \* \* \*

Sec. 15. 10 V.S.A. § 7108 is added to read:

§ 7108. MERCURY-ADDED MOTOR VEHICLE COMPONENTS

(a) Applicability. This section applies to:

(1) a motor vehicle recycler or scrap metal recycling facility in the State; and

(2) a manufacturer of motor vehicles sold in this State.

(b) Mercury-added switch removal requirements. A motor vehicle recycler that accepts end-of-life motor vehicles shall remove mercury-added vehicle switches prior to crushing, shredding, or other scrap metal processing and prior to conveying for crushing, shredding, or other scrap metal processing.

(1) Motor vehicle recyclers shall maintain a log sheet of switches removed from end-of-life motor vehicles and shall provide such log to the Agency annually or upon request of the Agency.

(2) Switches, including switches encased in light or brake assemblies, shall be collected, stored, transported, and handled in accordance with all applicable State and federal laws.

(c) Manufacturer mercury-added switch recovery program. A manufacturer of vehicles sold in this State, individually or as part of a group, shall implement a mercury-added vehicle switch recovery program that includes the following:

(1) educational material to assist motor vehicle recyclers in identifying mercury-added vehicle switches and safely removing, properly handling, and storing switches;

(2) storage containers provided at no cost to all motor vehicle recyclers

identified by the Agency, suitable for the safe storage of switches, including switches encased in light or brake assemblies;

(3) collection, packaging, shipping, and recycling of mercury-added switches, including switches encased in light or brake assemblies, provided to all motor vehicle recyclers at no cost and that comply with all applicable State and federal laws; and

(4) a report on or before December 1 annually to the Agency that includes the total number of mercury-added switches recovered in the program, the names of the motor vehicle recyclers and the number of switches removed from each, and the total amount of mercury collected during the previous 12-month period.

(d) Agency responsibility.

(1) The Agency shall provide workshops and other training to motor vehicle recyclers to inform them of the requirements of this section.

(2) The Agency may develop, by procedure, exemptions of certain mercury-added vehicle switches and other components from the requirements of this section, including mercury-added switches that are inaccessible due to motor vehicle damage and anti-lock brake switches in certain motor vehicle types that are difficult or labor-intensive to remove.

#### Sec. 16. APPLICATION OF ENACTMENT

On December 31, 2017, the former 10 V.S.A. § 7108, requiring establishing mercury-added vehicle component requirements, as established by 2006 Acts and Resolves No. 117, was repealed. Sec. 15 of this act reenacts 10 V.S.A. § 7108 in substantially the same form as the section was enacted by 2006 Acts and Resolves No. 117. Notwithstanding the requirements of 1 V.S.A. § 214, the requirements of 10 V.S.A. § 7108 as enacted by Sec. 15 of this act shall apply retroactively to December 31, 2017 and shall be implemented prospectively from that date.

#### Sec. 17. REPEAL OF MERCURY-ADDED MOTOR VEHICLE COMPONENT REQUIREMENTS

10 V.S.A. § 7108 (mercury-added vehicle component requirements) shall be repealed on December 31, 2021.

\* \* \* Forgiveness of Municipal Water Supply and  
Pollution Control Planning Advances \* \* \*

#### Sec. 18. FORGIVENESS OF REPAYMENT OF PLANNING ADVANCES

The Secretary of Natural Resources shall not require a municipality to repay engineering planning advances awarded under 24 V.S.A. chapter 120,

subchapter 2 if the Secretary determines that:

(1) the engineering planning advance was awarded prior to September 1, 2011; and

(2) due to the effects of Tropical Storm Irene, documentation is no longer available to establish the engineering planning scope and associated construction project for which the engineering planning advance was awarded.

\* \* \* Environmental Enforcement Report \* \* \*

Sec. 19. 10 V.S.A. § 8017 is amended to read:

§ 8017. ANNUAL REPORT

The Secretary and the Attorney General shall report annually to the President Pro Tempore of the Senate, the Speaker of the House, the House Committee on ~~Fish, Wildlife and Water Resources~~ Natural Resources, Fish, and Wildlife, and the Senate ~~and House Committees~~ Committee on Natural Resources and Energy. The report shall be filed ~~no later than January 15~~ on or before February 15, on the enforcement actions taken under this chapter, and on the status of citizen complaints about environmental problems in the State. The report shall describe, at a minimum, the number of violations, the actions taken, the disposition of cases, the amount of penalties collected, and the cost of administering the enforcement program. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

\* \* \* Wastewater System and Potable Water Supplies Lending \* \* \*

Sec. 20. 24 V.S.A. § 4752 is amended to read:

§ 4752. DEFINITIONS

As used in this chapter:

\* \* \*

(13) ~~“Potable water supply facilities” means municipal water sources, water treatment plants, structures, pipe lines, storage facilities, pumps, and attendant facilities necessary to develop a source of water and to treat and convey it in proper quantity and quality for public use within a municipality shall have the same meaning as in 10 V.S.A. § 1972.~~

\* \* \*

(17) “Designer” means a person authorized to design wastewater systems and potable water supplies as identified in 10 V.S.A. § 1975.

Sec. 21. 24 V.S.A. § 4753 is amended to read:

§ 4753. REVOLVING LOAN FUNDS; AUTHORITY TO SPEND; REPORT

(a) There is hereby established a series of special funds to be known as:

\* \* \*

(10) The Vermont Wastewater and Potable Water Revolving Loan Fund, which shall be used to provide loans to individuals, in accordance with section 4763b of this title, for the design and construction of repairs to or replacement of wastewater systems and potable water supplies when the wastewater system or potable water supply is a failed system or supply as defined in 10 V.S.A. § 1972, or when a designer demonstrates that the wastewater system or potable water supply has a high probability of failing. The amount of up to \$275,000.00 from the fees collected pursuant to 3 V.S.A. § 2822(j)(4) shall be deposited on an annual basis into this Fund at the beginning of each fiscal year to ensure a minimum balance of available funds of \$275,000.00 exists for each fiscal year.

\* \* \*

Sec. 22. 24 V.S.A. § 4763b is amended to read:

§ 4763b. LOANS TO INDIVIDUALS FOR FAILED WASTEWATER  
SYSTEMS AND FAILED POTABLE WATER SUPPLIES

(a) Notwithstanding any other provision of law, when the wastewater system or potable water supply serving ~~only one single-family residence on its own lot~~ single-family and multifamily residences either meets the definition of a failed supply or system in 10 V.S.A. § 1972 or is demonstrated by a designer to have a high probability of failing, the Secretary of Natural Resources may lend monies to ~~the owner of the residence~~ an owner of one or more of the residences from the Vermont Wastewater and Potable Water Revolving Loan Fund established in section 4753 of this title. In such cases, the following conditions shall apply:

(1) ~~loans a loan~~ may only be made to ~~households with an owner with a household~~ income equal to or less than 200 percent of the State average median household income;

(2) ~~loans a loan~~ may only be made to ~~households where the recipient of the loan resides in the residence~~ an owner who resides in one of the residences served by the failed supply or system on a year-round basis;

(3) ~~loans a loan~~ may only be made ~~if the owner of the residence~~ to an owner who has been denied financing for the repair, replacement, or construction due to involuntary disconnection by at least one other financing entity;

(4) when the failed supply or system also serves residences owned by persons other than the loan applicant, a loan may only be made for an equitable share of the cost to repair or replace the failed supply or system that

is determined through agreement of all of the owners of residences served by the failed system or supply;

(5) no construction loan shall be made to an individual under this subsection, nor shall any part of any revolving loan made under this subsection be expended, until all of the following take place:

(A) the Secretary of Natural Resources determines that if a wastewater system and potable water supply permit is necessary for the design and construction of the project to be financed by the loan, the permit has been issued to the owner of the failed system or supply; and

(B) the individual applying for the loan certifies to the Secretary of Natural Resources that the proposed project has secured all State and federal permits, licenses, and approvals necessary to construct and operate the project to be financed by the loan;

~~(5)~~(6) all funds from the repayment of loans made under this section shall be deposited into the Vermont Wastewater and Potable Water Revolving Loan Fund.

(b) The Secretary of Natural Resources shall establish standards, policies, and procedures as necessary for the implementation of this section. The Secretary may establish criteria to extend the payment period of a loan or to waive all or a portion of the loan amount.

\* \* \* Stormwater Permitting \* \* \*

Sec. 23. 27 V.S.A. § 613(b) is amended to read:

(b) Beginning on July 1, 2004, and notwithstanding any law to the contrary, no encumbrance on record title to real property or effect on marketability of title shall be created by the failure of the holder of real property from which regulated stormwater runoff discharges to an impaired watershed to obtain, renew, or comply with the terms and conditions of a pretransition stormwater discharge permit for a conveyance or refinancing, provided that such holder:

(1) provides a notice of deferral of permit to the Secretary of Natural Resources with a property description, the identity of the impaired watershed, the permit number of any expired pretransition stormwater discharge permit covering the property, and such other information as the Secretary may require; and

(2) records in the land records a notice indicating, in an appropriate form to be determined by the Secretary of Natural Resources, that at the time of establishment of a general permit in the impaired watershed where the real property is located, but not later than ~~June 30, 2018~~ 180 days after the date of adoption by the Agency of Natural Resources of the stormwater rule pursuant

to 10 V.S.A. § 1264, the mortgagor (in the case of a refinancing) or the grantee (in the case of a conveyance) shall be subject to all applicable requirements of the water quality remediation plan, TMDL, or watershed improvement permit established under 10 V.S.A. chapter 47.

Sec. 24. 2012 Acts and Resolves No. 91, Sec. 3, as amended by 2016 Acts and

Resolves No. 73, Sec. 1, is further amended to read:

Sec. 3. REPEAL

27 V.S.A. § 613 (stormwater discharges during transition period; encumbrance on title) shall be repealed ~~on June 30, 2018~~ 180 days after the date the Agency of Natural Resources adopts the stormwater rule pursuant to 10 V.S.A. § 1264.

\* \* \* Mixed Paper; Disposal \* \* \*

Sec. 25. ANR SUSPENSION OF LANDFILL DISPOSAL BAN ON MIXED PAPER

Upon finding that insufficient markets exist for the recycling of paper and adequate uses are not reasonably available to serve as an alternative to disposal of paper, the Secretary of Natural Resources may suspend the application of the landfill disposal ban under 10 V.S.A. § 6621a to a solid waste management facility for one or more of the following materials: white and colored paper, newspaper, magazines, catalogues, paper mail and envelopes, boxboard, and paper bags.

Sec. 26. REPEAL; SUSPENSION OF LANDFILL DISPOSAL BAN

Sec. 25 (ANR suspension of landfill disposal ban; mixed paper) shall be repealed on July 1, 2019.

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

Sec. 27. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 14 (municipal road stormwater fees) and 19 (environmental enforcement report) shall take effect on July 1, 2018.