



**House Natural Resources, Fish and Wildlife Committee
Clean Water Memo to House Ways and Means**

February 28, 2017

Thank you for the opportunity to testify on the draft memo to House Ways and Means Committee and draft bill.

We hosted a conference call with our VLCT Water Quality Advisory Committee yesterday morning. Several recommendations came out of that meeting.

We believe that including modest fee or tax increases from a broader range of revenue sources will be effective in assuring that not only Vermonters but also visitors to the state pay something toward cleaning up the waters of the state, which are enjoyed by visitors as well as in-state residents or businesses. Having said that, municipalities that use local option rooms, meals or alcohol taxes, including the Mayor's Coalition, are concerned about picking and choosing amongst taxes without addressing Vermont's outdated and unbalanced tax system in a comprehensive manner. Additionally, we support taxes or fee increases if the new revenue derived therefrom is directed to the Clean Water Fund and if there are protections against those dollars being diverted to the General Fund or other special purposes.

We note that Act 64 established 13 ANR water quality positions and funds them through increased and expanded fees on water-related permits and certifications. You may find the fee increases and expansions, which took effect July 1, 2015, in Section 44 of Act 64 as signed by the Governor. Similarly, eight new AAFM water quality positions are established and funded, in part, from new or increased agricultural water quality fees. Some of those expansions and increases resulted in significant bills to cities and towns. It would be helpful to know how much has been raised by those increases and how they revenues have been used.

We support the proposal to create a working group to develop recommendations for assessing and administering an impervious surface fee that is administered by the state and in no way resembles a property tax. We recommend that there be an appropriation to support the technical work that would be required to design an impervious surface fee.

We note, as we have before, that if there are not new dollars dedicated to scoping, engineering, building and maintaining projects designed to reduce stormwater and phosphorus flows to the waters of the state, the burden falls on an already severely overburdened property tax and at some point work will simply not be completed.

Thank you for the opportunity to testify.

Karen Horn, Director

Public Policy & Advocacy