

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Natural Resources, Fish, and Wildlife to which was  
3 referred Senate Bill No. 260 entitled “An act relating to funding the cleanup of  
4 State waters” respectfully reports that it has considered the same and  
5 recommends that the bill be amended by striking out all after the enacting  
6 clause and inserting in lieu thereof the following:

7 \* \* \* Clean Water Working Group \* \* \*

8 Sec. 1. FINDINGS

9 The General Assembly finds that for the purposes of this section and Secs.  
10 2–5 of this act:

11 (1) Within Vermont there are 7,100 miles of rivers and streams and  
12 812 lakes and ponds of at least five acres in size.

13 (2) Currently, over 350 waters or water segments in the State do not  
14 meet water quality standards, are at risk of not meeting water quality standards,  
15 or are altered due to the presence of aquatic nuisances.

16 (3) In 2015, the General Assembly enacted 2015 Acts and Resolves  
17 No. 64, An act relating to improving the quality of State waters (Act 64), for  
18 the purpose, among others, of providing mechanisms, staffing, and financing  
19 necessary for the State to achieve and maintain compliance with the Vermont  
20 Water Quality Standards for all State waters.

1           (4) Act 64 directed the State Treasurer to recommend to the General  
2           Assembly a long-term mechanism for financing water quality improvement in  
3           the State, including proposed revenue sources for water quality improvement  
4           programs.

5           (5) The State Treasurer submitted a Clean Water Report in January 2017  
6           that included:

7                   (A) an estimate that over 20 years it would cost \$2.3 billion to  
8                   achieve compliance with water quality requirements;

9                   (B) a projection that revenue available for water quality over the 20-  
10                  year period would be approximately \$1.06 billion, leaving a 20-year total  
11                  funding gap of \$1.3 billion;

12                  (C) an estimate of annual compliance costs of \$115.6 million, which,  
13                  after accounting for projected revenue, would leave a funding gap of  
14                  \$48.5 million to pay for the costs of compliance with the first tier of federal  
15                  and State water quality requirements; and

16                  (D) a financing plan to provide more than \$25 million in additional  
17                  State funds for water quality programs.

18           (6) After determining that a method to achieve equitable and effective  
19           long-term funding methods to support clean water efforts in Vermont was  
20           necessary, the General Assembly established in 2017 Acts and Resolves

1 No. 73, Sec. 26 the Working Group on Water Quality Funding to develop draft  
2 legislation to accomplish this purpose.

3 (7) The Act 73 Working Group did not recommend a long-term funding  
4 method to support clean water efforts in Vermont and instead recommended  
5 that the General Assembly maintain a Capital Bill clean water investment of  
6 \$15 million a year through fiscal years 2020 and 2021.

7 (8) In the years beyond fiscal year 2021, the Act 73 Working Group  
8 acknowledged that capital funds would need to be reduced to \$10 to \$12  
9 million a year and that additional revenues would need to be raised.

10 (9) The U.S. Environmental Protection Agency (EPA) in a letter to the  
11 General Assembly stated that it is important for the State of Vermont to  
12 establish a long-term revenue source to support water quality improvement in  
13 order to comply with the accountability framework of the Lake Champlain  
14 Total Maximum Daily Load plan.

15 (10) To ensure that the State has sufficient funds to clean and protect the  
16 State's waters so that they will continue to provide their integral and inherent  
17 environmental and economic benefits, the State should require a Clean Water  
18 Working Group to recommend to the General Assembly draft legislation to  
19 establish equitable and effective long-term funding methods to support clean  
20 water efforts in Vermont.

1           (11) If the Clean Water Working Group fails to provide  
2           recommendations or the General Assembly does not enact a recommendation,  
3           the State shall implement a water quality revenue occupancy surcharge to  
4           support water quality improvement.

5           Sec. 2. CLEAN WATER WORKING GROUP

6           (a) Creation. There is created the Clean Water Working Group to  
7           recommend to the General Assembly how to establish an equitable and  
8           effective long-term funding method to:

- 9                   (1) finance the necessary water quality programs and projects that will  
10           remediate, improve, and protect the quality of the waters of the State;  
11                   (2) coordinate water quality financing in the State;  
12                   (3) plan for the water quality financing needs of the State; and  
13                   (4) ensure accountability of the State's efforts to clean up impaired  
14           waters, maintain or achieve the Vermont Water Quality Standards in all waters,  
15           and prevent the future degradation of waters.

16           (b) Membership. The Clean Water Working Group shall be composed of  
17           the following ten members:

- 18                   (1) the Secretary of Natural Resources or designee;  
19                   (2) the Secretary of Agriculture, Food and Markets or designee;

1           (3) one representative of a municipality in the State that has a  
2           stormwater utility or other water quality funding mechanism, to be appointed  
3           by the Speaker of the House;

4           (4) one representatives of a municipality in the State that does not have a  
5           stormwater utility or other water quality funding mechanism, to be appointed  
6           by the Committee on Committees;

7           (5) one representative of a business interest located in the State, to be  
8           appointed by the Governor;

9           (6) a representative of the hospitality or tourism industry in the State, to  
10          be appointed by the Speaker of the House;

11          (7) a representative of a regional or statewide watershed organization, to  
12          be appointed by the Committee on Committees;

13          (8) a person with expertise in financial lending or investment, to be  
14          appointed by the Governor;

15          (9) a farmer, to be appointed by the Speaker of the House; and

16          (10) an economist with expertise in tax policy, tax administration, and  
17          tax collection, to be appointed by the Committee on Committees.

18          (c) Powers and duties. The Clean Water Working Group shall recommend  
19          to the General Assembly;

1           (1) whether the State should establish an independent authority or  
2           implement other alternatives to coordinate and finance water quality programs  
3           and projects across State government;

4           (2) a description of the structure, powers, duties, and feasibility of the  
5           independent authority or alternative mechanism recommended under  
6           subdivision (1) of this subsection;

7           (3) a financing plan for water quality programs and projects in the State  
8           that includes priorities for financing water quality programs in the State and  
9           that will sufficiently fund the following State obligations:

10           (A) federally required or State-required cleanup plans for individual  
11           waters or water segments, such as total maximum daily load plans;

12           (B) the requirements of 2015 Acts and Resolves No. 64; and

13           (C) the Agency of Natural Resources' Combined Sewer  
14           Overflow Rule;

15           (4) one or more funding alternatives that are sufficient to implement the  
16           financing plan for water quality recommended under subdivision (3) of this  
17           subsection, including how each recommended funding alternative revenue  
18           source shall be implemented, assessed, and collected; and

19           (5) whether the State Treasurer's estimate of State funding needs in the  
20           Clean Water Report in January 2017 should be revised or updated due to

1 economic conditions or due to the need to reflect the most effective measures  
2 to improve water quality.

3 (d) Assistance. The Clean Water Working Group shall have the  
4 administrative, technical, and legal assistance of the Agency of Natural  
5 Resources and the Agency of Agriculture, Food and Markets and the fiscal  
6 assistance of the Department of Taxes. The Working Group shall also be  
7 entitled to seek financial, technical, and scientific input or services from the  
8 Office of the State Treasurer, the Agency of Transportation, the Vermont  
9 Center for Geographic Information Services, and the Agency of Commerce and  
10 Community Development.

11 (e) Report. On or before January 15, 2019, the Clean Water Working  
12 Group shall submit to the General Assembly draft legislation that addresses the  
13 issues set forth under subsection (c) of this section.

14 (f) Meetings.

15 (1) The Secretary of Natural Resources shall call the first meeting of the  
16 Clean Water Working Group to occur on or before August 1, 2018.

17 (2) The Clean Water Working Group shall select a chair or co-chairs  
18 from among its members at its first meeting.

19 (3) A majority of the membership of the Clean Water Working Group  
20 shall constitute a quorum.

1           (4) The Clean Water Working Group shall cease to exist on March 1,  
2           2019.

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

8                                   \* \* \* Water Quality Occupancy Surcharge \* \* \*

9           Sec. 3. 32 V.S.A. § 9241a is added to read:

10          § 9241a. WATER QUALITY OCCUPANCY SURCHARGE

11          (a) In addition to the tax on the rent of each occupancy imposed in section  
12          9241 of this title, an operator shall collect a water quality occupancy surcharge  
13          of \$2.00 for each night of occupancy.

14          (b) The revenues generated by the water quality occupancy surcharge  
15          imposed in subsection (a) of this section shall be deposited in the Clean Water  
16          Fund under 10 V.S.A. § 1389.

17          (c) The provisions of this chapter relating to the imposition, collection,  
18          remission, and enforcement of the meals and rooms tax imposed in section  
19          9241 of this title shall apply to the water quality occupancy surcharge imposed  
20          in this section.





1 Sec. 5. 32 V.S.A. § 435(b) is amended to read:

2 (b) The General Fund shall be composed of revenues from the following  
3 sources:

4 \* \* \*

5 (7) Meals and rooms taxes levied pursuant to chapter 225 of this title,  
6 except for the Clean Water Occupancy Surcharge levied under section 9241a  
7 of this title;

8 \* \* \*

9 \* \* \* Clean Water Fund Board \* \* \*

10 Sec. 6. 10 V.S.A. § 1389 is amended to read:

11 § 1389. CLEAN WATER FUND BOARD

12 (a) Creation.

13 (1) There is created the Clean Water Fund Board ~~which~~ that shall  
14 recommend to the Secretary of Administration ~~expenditures;~~

15 (A) appropriations from the Clean Water Fund; and

16 (B) clean water projects to be funded by capital appropriations.

17 (2) The Clean Water Fund Board shall be attached to the Agency of  
18 Administration for administrative purposes.

19 (b) Organization of the Board. The Clean Water Fund Board shall be  
20 composed of:

21 (1) the Secretary of Administration or designee;

- 1 (2) the Secretary of Natural Resources or designee;  
2 (3) the Secretary of Agriculture, Food and Markets or designee;  
3 (4) the Secretary of Commerce and Community Development or  
4 designee;  
5 (5) the Secretary of Transportation or designee; and

6 (6) two members of the public who are not legislators, one of whom  
7 shall represent a municipality subject to the municipal separate storm sewer  
8 system (MS4) permit and one of whom shall represent a municipality that is  
9 not subject to the MS4 permit, appointed as follows:

10 (A) the Speaker of the House shall appoint the member from an MS4  
11 municipality; and

12 (B) the Committee on Committees shall appoint the member who is  
13 not from an MS4 municipality.

14 (c) Officers; committees; rules.

15 (1) The Clean Water Fund Board shall annually elect a chair from its  
16 members Secretary of Administration shall serve as the Chair of the Board.

17 The Clean Water Fund Board may elect additional officers from its members,  
18 establish committees or subcommittees, and adopt procedural rules as  
19 necessary and appropriate to perform its work.

20 (2) Members of the Board who are not employees of the State of  
21 Vermont and who are not otherwise compensated or reimbursed for their

1 attendance shall be entitled to per diem compensation and reimbursement of  
2 expenses pursuant to 32 V.S.A. § 1010 paid from the budget of the Agency of  
3 Administration for attendance of meetings of the Board.

4 (d) Powers and duties of the Clean Water Fund Board. The Clean Water  
5 Fund Board shall have the following powers and authority:

6 (1) The Clean Water Fund Board shall recommend to the Secretary of  
7 Administration the appropriate allocation of funds from the Clean Water Fund  
8 for the purposes of developing the State budget required to be submitted to the  
9 General Assembly under 32 V.S.A. § 306. All recommendations from the  
10 Board should be intended to achieve the greatest water quality gain for the  
11 investment. The recommendations of the Clean Water Fund Board shall be  
12 open to inspection and copying under the Public Records Act, and the Clean  
13 Water Fund Board shall submit to the Senate Committees on Appropriations,  
14 on Finance, on Agriculture, and on Natural Resources and Energy and the  
15 House Committees on Appropriations, on Ways and Means, on Agriculture  
16 and Forestry, and on Natural Resources, Fish, and Wildlife a copy of any  
17 recommendations provided to the Governor.

18 (2) The Clean Water Fund Board may pursue and accept grants, gifts,  
19 donations, or other funding from any public or private source and may  
20 administer such grants, gifts, donations, or funding consistent with the terms of  
21 the grant, gift, or donation.

1           (3) The Clean Water Fund Board shall:

2                   (A) establish a process by which watershed organizations, State  
3 agencies, and other interested parties may propose water quality projects or  
4 programs for financing from the Clean Water Fund;

5                   (B) develop an annual revenue estimate and proposed budget for the  
6 Clean Water Fund;

7                   (C) establish measures for determining progress and effectiveness of  
8 expenditures for clean water restoration efforts;

9                   (D) issue the annual Clean Water Investment Report required under  
10 section 1389a of this title; and

11                   (E) solicit, consult with, and accept public comment from  
12 organizations interested in improving water quality in Vermont regarding  
13 recommendations under this subsection (d) for the allocation of funds from the  
14 Clean Water Fund.

15           (e) Priorities.

16                   (1) In making recommendations under subsection (d) of this section  
17 regarding the appropriate allocation of funds from the Clean Water Fund, the  
18 Board shall prioritize:

19                           (A) funding to programs and projects that address sources of water  
20 pollution in waters listed as impaired on the list of waters established by  
21 33 U.S.C. § 1313(d);

- 1           (B) funding to projects that address sources of water pollution  
2 identified as a significant contributor of water quality pollution, including  
3 financial assistance to grant recipients at the initiation of a funded project;
- 4           (C) funding to programs or projects that address or repair riparian  
5 conditions that increase the risk of flooding or pose a threat to life or property;
- 6           (D) assistance required for State and municipal compliance with  
7 stormwater requirements for highways and roads;
- 8           (E) funding for education and outreach regarding the implementation  
9 of water quality requirements, including funding for education, outreach,  
10 demonstration, and access to tools for the implementation of the Acceptable  
11 Management Practices for Maintaining Water Quality on Logging Jobs in  
12 Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;
- 13           (F) funding for innovative or alternative technologies or practices  
14 designed to improve water quality or reduce sources of pollution to surface  
15 waters, including funding for innovative nutrient removal technologies and  
16 community-based methane digesters that utilize manure, wastewater, and food  
17 residuals to produce energy;
- 18           (G) funding to purchase agricultural land in order to take that land  
19 out of practice when the State water quality requirements cannot be remediated  
20 through agricultural Best Management Practices; and

1           (H) funding to municipalities for the establishment and operation of  
2 stormwater utilities.

3           (2) In developing its recommendations under subsection (d) of this  
4 section regarding the appropriate allocation of funds from the Clean Water  
5 Fund, the Clean Water Fund Board shall, during the first three years of its  
6 existence and within the priorities established under subdivision (1) of this  
7 subsection (e), prioritize awards or assistance to municipalities for municipal  
8 compliance with water quality requirements, and to municipalities for the  
9 establishment and operation of stormwater utilities.

10           (3) In developing its recommendations under subsection (d) of this  
11 section regarding the appropriate allocation of funds from the Clean Water  
12 Fund, the Board shall, after satisfaction of the priorities established under  
13 subdivision (1) of this subsection (e), attempt to provide for equitable  
14 apportionment of awards from the Fund to all regions of the State and for  
15 control of all sources of point and ~~non-point~~ nonpoint sources of pollution in  
16 the State.

17           (f) Assistance. The Clean Water Fund Board shall have the administrative,  
18 technical, and legal assistance of the Agency of Administration, the Agency of  
19 Natural Resources, the Agency of Agriculture, Food and Markets, the Agency  
20 of Transportation, and the Agency of Commerce and Community  
21 Development for those issues or services within the jurisdiction of the

1       respective agency. The cost of the services provided by agency staff shall be  
2       paid from the budget of the agency providing the staff services.

3       (g) Terms; appointed members. Members who are appointed to the Clean  
4       Water Fund Board shall be appointed for terms of four years, except initial  
5       appointments shall be made such that the member appointed by the Speaker  
6       shall be appointed for a term of two years. Vacancies on the Board shall be  
7       filled for the remaining period of the term in the same manner as initial  
8       appointments.

9                               \* \* \* Water Quality Block Grant \* \* \*

10       Sec. 7. WATER QUALITY BLOCK GRANTS

11       (a) Definition. As used in this section, “local partner” means a regional  
12       planning commission, natural resource conservation district, or watershed  
13       organization located or operating in the watershed for which the Agency of  
14       Natural Resources has issued a watershed basin plan.

15       (b) Establishment; purpose.

16       (1) The Secretary of Natural Resources, the Secretary of Agriculture,  
17       Food and Markets, and the Secretary of Transportation shall coordinate prior to  
18       awarding water quality grants or financing in order to maximize the water  
19       quality benefit or impact of funded projects in a watershed planning basin.  
20       When possible, grants or financing for water quality programs shall be issued  
21       as a block grant that enhances the capacity of local partners.



1           (2) A portion of each block grant issued under this section shall include  
2             funds authorized for the following:

3                   (A) to support capacity to implement projects in the watershed  
4             basin; and

5                   (B) to identify and develop water quality projects listed under the  
6             basin plan for the watershed as necessary for the restoration and protection of  
7             the waters of the State.

8           (c) Requirements. On or before January 1, 2019, the Secretary of Natural  
9             Resources, the Secretary of Agriculture, Food and Markets, and the Secretary  
10            of Transportation shall establish a process for coordinating water quality grants  
11            and issuing water quality block grants under this section. The process shall  
12            address the following:

13                   (1) requirements for eligibility;

14                   (2) a system of priorities for the award of block grants;

15                   (3) performance measures, reporting requirements, or accountability  
16            requirements for recipients of water quality block grants;

17                   (4) uses for which a recipient of a water block grant may allocate or  
18            award portions of the block grants to other eligible entities for implementation  
19            of water quality programs or projects in a river basin;

20                   (5) methods for identifying watersheds or other areas where the State  
21            should focus on enhancing the capacity of local partners; and

1           (6) any other provision necessary to implement the block grants under  
2 this section.

3                                   \* \* \* Lakes in Crisis \* \* \*

4           Sec. 8. 10 V.S.A. chapter 47, subchapter 2A is added to read:

5                                   Subchapter 2A. Lake in Crisis

6           § 1310. DESIGNATION OF LAKE IN CRISIS

7           (a) The Secretary of Natural Resources (Secretary) shall review whether a  
8 lake in the State should be designated as a lake in crisis upon the Secretary's  
9 own motion or upon petition of 15 or more persons or a selectboard of a  
10 municipality in which the lake or a portion of the lake is located.

11           (b) The Secretary shall designate a lake as a lake in crisis if, after review  
12 under subsection (a) of this section, the Secretary determines that:

13                   (1) the lake or segments of the lake have been listed as impaired;

14                   (2) the condition of the lake will cause:

15                           (A) a potential harm to the public health; and

16                           (B) a risk of damage to the environment or natural resources; and

17                   (3) a municipality in which the lake or a portion of the lake is located  
18 has reduced the valuation of real property due to the condition of the lake.

19           § 1311. STATE RESPONSE TO A LAKE IN CRISIS

20           (a) Adoption of crisis response plan. When a lake is declared in crisis, the  
21 Secretary shall within 90 days after the designation of the lake in crisis issue a

1 comprehensive crisis response plan for the management of the lake in crisis in  
2 order to improve water quality in the lake or to mitigate or eliminate the  
3 potential harm to public health or the risk of damages to the environment or  
4 natural resources. The Secretary shall coordinate with the Secretary of  
5 Agriculture, Food and Markets, and the Secretary of Transportation in the  
6 development of the crisis response plan. The crisis response plan shall require  
7 implementation of one or both of the following in the watershed of the lake in  
8 crisis:

9 (1) water quality requirements not set forth in existing statute or rule  
10 that are designed to address specific harms to public health or risks to the  
11 environment or natural resources; or

12 (2) implementation of or compliance with existing water quality  
13 requirements under one or more of the following:

14 (A) water quality requirements under chapter 47 of this title,  
15 including requiring a property owner to obtain a permit or implement best  
16 management practices for the discharge or stormwater runoff from any size of  
17 impervious surfaces if the Secretary determines 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 on the lake in crisis;

1           (B) agricultural water quality requirements under 6 V.S.A.  
2           chapter 215, including best management practices under 6 V.S.A. § 4810 to  
3           reduce runoff from the farm; or

4           (C) water quality requirements adopted under section 1264 of this  
5           section for stormwater runoff from municipal or State roads.

6           (b) Agency cooperation and services. All other State agencies shall  
7           cooperate with the Secretary in responding to the lake in crisis, and the  
8           Secretary shall be entitled to seek technical and scientific input or services  
9           from the Agency of Agriculture, Food and Markets, the Agency of  
10           Transportation, or other necessary State agencies.

11           § 1312. LAKE IN CRISIS ORDER

12           (a) Lake in crisis order. The Secretary, after consultation with the  
13           Secretary of Agriculture, Food and Markets, may issue a lake in crisis order to  
14           require a person to:

15                   (1) take an action identified in the lake in crisis response plan;

16                   (2) cease any acts, discharges, or processes contributing to the  
17           impairment of the lake in crisis;

18                   (3) mitigate a significant contributor of a pollutant to the lake in  
19           crisis; or

20                   (4) conduct testing, sampling, monitoring, surveying, or other analytical  
21           operations required to determine the nature, extent, duration, or severity of the

1 potential harm to the public health or a risk of damage to the environment or  
2 natural resources.

3 (b) Notice. Prior to issuing a lake in crisis order under this section, the  
4 Secretary shall provide notice as provided in this subsection.

5 (1) The Secretary shall prepare a notice of intent to seek the order,  
6 setting forth the reasons to believe a lake in crisis order should be issued.

7 (2) The notice of intent, together with the supporting evidence and a  
8 statement of procedural rights available under this section, shall be served on  
9 the person or persons against whom the lake in crisis order is sought in  
10 accordance with the procedures set forth in Vermont Rules of Civil Procedure.

11 (3) Upon request of a person against whom a lake in crisis order is  
12 sought, the Secretary shall hold a hearing. At the hearing, the person against  
13 whom the order is sought shall be given an opportunity to rebut the allegations  
14 and demonstrate that the Secretary should not issue the lake in crisis order  
15 against the person.

16 (c) Phosphorus practices. If the source of pollution in the lake in crisis  
17 includes phosphorus from a specific source, the Secretary shall issue a lake in  
18 crisis order requiring the source of phosphorus in the watershed to implement  
19 practices that reduce the phosphorus loads to the lake.

1        (d) Term of order. When the Secretary issues a lake in crisis order under  
2        this section, the order shall include a term for the duration of each water  
3        quality requirement in the order.

4        (e) Term of designation. A lake shall remain designated as in crisis under  
5        this subchapter until the Secretary determines that the lake no longer satisfies  
6        the criteria for designation under subsection 1310(b) of this title.

7        § 1313. ASSISTANCE

8        (a) A person subject to a lake in crisis order shall be eligible for technical  
9        and financial assistance from the Secretary to be paid from the Lake in Crisis  
10       Response Program Fund. The Secretary shall adopt by procedure the process  
11       for application for assistance under this section.

12       (b) State financial assistance awarded under this section shall be in the  
13       form of a grant. An applicant for a State grant shall pay at least 35 percent of  
14       the total eligible project cost. The dollar amount of a State grant shall be equal  
15       to the total eligible project cost, less 35 percent of the total as paid by the  
16       applicant, and less the amount of any federal assistance awarded.

17       (c) A grant awarded under this section shall comply with all terms and  
18       conditions for the issuance of State grants.

19       § 1314. FUNDING OF STATE RESPONSE TO A LAKE IN CRISIS

20       (a) Initial response. Upon designation of a lake in crisis, the Secretary  
21       may, for the purposes of the initial response to the lake in crisis, expend up to

1 \$50,000.00 appropriated to the Agency of Natural Resources from the Clean  
2 Water Fund for authorized contingency spending.

3 (b) Long-term funding. In the subsequent budget submitted to the General  
4 Assembly under 32 V.S.A. § 701, the Secretary of Administration shall  
5 propose appropriations to the Lake in Crisis Response Program Fund to  
6 implement fully the crisis response plan for the lake in crisis, including  
7 recommended appropriations from one or more of the following:

8 (1) the Clean Water Fund established under section 1389 of this title;

9 (2) the Environmental Contingency Fund established under section 1289  
10 of this title;

11 (3) the Vermont Housing and Conservation Trust Fund established  
12 under section 312 of this title;

13 (4) capital funds and other monies available from the Secretary of  
14 Agriculture, Food and Markets for water quality programs or projects;

15 (5) capital funds and other monies available from the Secretary of  
16 Natural Resources for water quality programs or projects; and

17 (6) General Fund appropriations.

18 § 1315. LAKE IN CRISIS RESPONSE PROGRAM FUND

19 (a) There is created a special fund known as the Lake in Crisis Response  
20 Program Fund to be administered by the Secretary of Natural Resources. The  
21 Fund shall consist of:

1           (1) funds that may be appropriated by the General Assembly; and

2           (2) other gifts, donations, or funds received from any source, public or  
3 private, dedicated for deposit into the Fund.

4           (b) The Secretary shall use monies deposited in the Fund for the  
5 Secretary's implementation of a crisis response plan for a lake in crisis and for  
6 financial assistance under section 1313 of this title to persons subject to a lake  
7 in crisis order.

8           (c) Notwithstanding the requirements of 32 V.S.A. § 588(3) and (4),  
9 interest earned by the Fund and the balance of the Fund at the end of the fiscal  
10 year shall be carried forward in the Fund and shall not revert to the General  
11 Fund.

12           § 1316. PUBLIC HEARING; TRANSPARENCY

13           The Secretary shall hold at least one public hearing in the watershed of the  
14 lake in crisis and shall provide an opportunity for public notice and comment  
15 for each water quality program, project, or crisis order proposed for  
16 implementation in the watershed of the lake in crisis.

17           Sec. 9. LAKE CARM; LAKE IN CRISIS

18           The General Assembly declares Lake Carmi as a lake in crisis under  
19 10 V.S.A. chapter 47, subchapter 2A. The crisis response plan for Lake Carmi  
20 shall include implementation of runoff controls.

21           Sec. 10. 10 V.S.A. § 8003(a) is amended to read:



1 (a) The Secretary may take action under this chapter to enforce the  
2 following statutes and rules, permits, assurances, or orders implementing the  
3 following statutes, and the Board may take such action with respect to  
4 subdivision (10) of this subsection:

5 (1) 10 V.S.A. chapter 23, relating to air quality;

6 (2) 10 V.S.A. chapter 32, relating to flood hazard areas;

7 (3) 10 V.S.A. chapters 47 and 56, relating to water pollution control,  
8 water quality standards, ~~and~~ public water supply, and lakes in crisis;

9 \* \* \*

10 Sec. 11. 10 V.S.A. § 8503(a) is amended to read:

11 (a) This chapter shall govern all appeals of an act or decision of the  
12 Secretary, excluding enforcement actions under chapters 201 and 211 of this  
13 title and rulemaking, under the following authorities and under the rules  
14 adopted under those authorities:

15 (1) The following provisions of this title:

16 (A) chapter 23 (air pollution control);

17 (B) chapter 50 (aquatic nuisance control);

18 (C) chapter 41 (regulation of stream flow);

19 (D) chapter 43 (dams);

20 (E) chapter 47 (water pollution control; lakes in crisis);

21 \* \* \*

1                   \* \* \* ANR Report on Future Farming Practices \* \* \*

2           Sec. 12. AGENCY OF AGRICULTURE, FOOD AND MARKETS

3                   REPORT ON FARMING PRACTICES IN VERMONT

4           On or before January 15, 2019, the Secretary of Agriculture, Food and  
5           Markets shall submit to the Senate Committees on Natural Resources and  
6           Energy and on Agriculture and to the House Committees on Natural  
7           Resources, Fish, and Wildlife and on Agriculture and Forestry a report  
8           regarding how to revise farming practice in Vermont in a manner that mitigates  
9           existing environmental impacts while maintaining economic viability. The  
10          report shall include recommendations for:

11                   (1) building healthy soils;

12                   (2) reducing agriculturally based pollution in areas of high pollution,  
13           stressed, or impaired waters;

14                   (3) establishing a carrying capacity or maximum number of livestock  
15           that the land used for nutrient application on a farm can support without  
16           contribution of nutrients to a water;

17                   (4) how to provide financial and technical support to facilitate the  
18           transition by farms to less-polluting practices, including:

19                           (A) cover cropping;

20                           (B) reduced tillage or no tillage;

