

1 Sec. 1. 10 V.S.A. chapter 47, subchapter 3A is added to read:

2 Subchapter 3A. Vermont Clean Water Authority

3 § 1351. CLEAN WATER AUTHORITY

4 There is established the Vermont Clean Water Authority to coordinate
5 financing of the remediation, improvement, and protection of the waters of the
6 State. The Vermont Clean Water Authority shall consist of the following nine
7 members:

8 (1) The Secretary of Natural Resources;

9 (2) The Secretary of Agriculture, Food and Markets;

10 (3) The Secretary of Transportation;

11 (4) A person with expertise in stormwater management or civil
12 engineering to be appointed by the Committee on Committees;

13 (5) A person with expertise in banking, finance, or investment to be
14 appointed by the Committee on Committees;

15 (6) A person with expertise in agricultural water quality management, to
16 be appointed by the Speaker of the House;

17 (7) A person representing a statewide environmental organization, to be
18 appointed by the Speaker of the House;

19 (8) A member representing a municipality subject to the municipal
20 separate storm sewer permit, to be appointed by the Vermont League of Cities
21 and Towns;

1 (9) A person representing a municipality implementing the municipal
2 roads general permit, to be appointed by the Vermont League of Cities and
3 Towns;

4 (10) A person representing the Vermont business community, to be
5 appointed by the Governor; and

6 (11) A person representing the agricultural producer community, to be
7 appointed by the Governor.

8 Sec. 2. CLEAN WATER AUTHORITY SUNRISE REPORT

9 (a) Report. On or before February 15, 2019, the Clean Water Authority
10 shall submit to the Senate Committees on Appropriations, on Finance, on
11 Agriculture, and on Natural Resources and Energy and the House Committees
12 on Appropriations, Ways and Means, Agriculture and Forestry, and Natural
13 Resources, Fish, and Wildlife a report regarding the following:

14 (1) Powers and duties. What powers and duties should the Clean Water
15 Authority possess, including whether the Clean Water Authority should have:

16 (A) all powers and duties provided to business corporations under
17 Title 11A;

18 (B) authority to establish priorities and make clean water
19 investments;

1 (C) authority to enter into cooperative agreements with
2 municipalities, regional planning entities, executive branch agencies, and
3 others to implement or administer water quality programs or projects;

4 (D) lien authority; or

5 (E) eminent domain authority.

6 (2) Fees. Whether and how the Clean Water Authority should be
7 empowered to establish or assess fees for the purpose of financing water
8 quality programs or projects, including whether to:

9 (A) set a parcel fee based on the use of the parcel, including
10 commercial, industrial, residential, agricultural, or other use;

11 (B) assess a fee on a tiered basis within each parcel class based on
12 size of parcel;

13 (C) provide a credit against assessed fees based on specific criteria,
14 including whether:

15 (i) the parcel owner already pays a fee to a municipal stormwater
16 utility;

17 (ii) the parcel is in a municipality with an adopted municipal
18 stormwater ordinance;

19 (iii) a fee should be reduce based on income sensitivity; or

20 (iv) the fee should be reduced if the parcel is certified as meeting
21 the net zero standard for a discharge of stormwater or other pollutant; or

1 (v) whether the Clean Water Authority should submit to the
2 General Assembly revisions to fees, if any, assessed on a parcel.

3 (3) Fee collection. How any fees would be collected by the Clean Water
4 Authority, including an evaluation and comparison of the relative benefits and
5 detriments of fee collection through the following mechanisms or another
6 mechanism not named:

7 (A) direct assessment and collection of fees by the Clean Water
8 Authority; or

9 (B) assessment or collection through regional stormwater utilities,
10 including whether existing municipal stormwater utilities could opt out of a
11 regional stormwater utility or could make a payment on behalf of all parcel
12 owners within the municipal utility so that parcel owners make only one
13 payment.

14 (4) Investment strategies; priorities. How the Clean Water Authority
15 would establish investment strategies and priorities, including:

16 (A) whether the Clean Water Authority should present a five-year
17 investment strategy to the General Assembly with a fee proposal and a
18 summary of water quality priorities that will be sufficient to fund:

19 (i) federally required or State-required cleanup plans for
20 individual waters or water segments, such as total maximum daily load plans;

21 (ii) the requirements of 2015 Acts and Resolves No. 64;

1 (iii) the Agency of Natural Resources' Combined Sewer

2 Overflow Rule;

3 (iv) Projects or priorities identified in tactical basin plans;

4 (v) investments in agricultural best management practices through
5 a credit trading protocol; and

6 (vi) incentives for public-private investments.

7 (B) whether the Clean Water Authority shall have authority and
8 flexibility to make individual investment decisions annually, consistent with
9 the Authority's recommended five year strategy; or

10 (C) whether the Clean Water Authority will have authority to invest
11 money through block grants, direct grants, direct project management, or
12 revolving loans.

13 (5) Accountability. How will the Clean Water Authority be accountable
14 to the people of Vermont, including whether the Authority should:

15 (A) report to the General Assembly annually on the progress of the
16 water quality programs in the State;

17 (B) submit an audit of the Clean Water Authority to the General
18 Assembly every five years;

19 (C) hold quarterly open meetings;

20 (D) develop a public process to establish the Authority's fee proposal
21 and investment strategies;

1 (E) track the program through a monitoring, assessment and planning
2 program through the State Clean Water Initiative Programs; or

3 (F) develop an internet website through the State Clean Water
4 Initiative Program.

5 (6) innovation. How will the Clean Water Authority spur innovation,
6 including whether to establish:

7 (A) a phosphorus best management protocol and credit trading
8 clearinghouse; or

9 (B) grant funds for innovation projects .

10 (7) Additional issues. Whether:

11 (A) the Clean Water Authority should replace the Clean Water Fund
12 Board, while leaving the Clean Water Fund to intact;

13 (B) the Property Transfer Tax surcharge should remain intact; or

14 (C) money raised in a watershed or water basin should be required to
15 be expended on water quality programs or projects in that basin.

16 (b) Appropriation. There shall be appropriated \$200,000.00 in fiscal year
17 2019 to the Clean Water Authority for the purposes of hiring consultants to
18 work with Clean Water Authority to prepare the report required by this section.