

**Vermont Agency of Natural Resources, Department of Environmental Conservation
House Natural Resources, Fish & Wildlife; Stormwater amendments
Tuesday, April 4, 2017**

Sec. 1. REPEAL

10 V.S.A. § 1264a(e) (interim stormwater permitting authority) is repealed.

Sec. 2. 10 V.S.A. § 1264b is amended to read:

§ 1264b. ~~STORMWATER IMPAIRED WATERS~~ STORMWATER FUND

(a) A fund to be known as the ~~stormwater-impaired waters restoration fund~~ Stormwater Fund is created in the ~~state treasury~~ State Treasury to be expended by the ~~secretary of natural resources~~ Secretary. The ~~fund~~ Fund shall be administered by the ~~secretary of natural resources~~ Secretary ~~through the facilities engineering division~~. The ~~fund~~ Fund shall consist of:

(1) Stormwater impact fees paid by permittees ~~in order~~ to meet applicable permitting standards for the discharges of regulated stormwater runoff to the stormwater-impaired waters of the ~~state~~ State and Lake Champlain and waters that contribute to the impairment of Lake Champlain;

(2) Such sums as may be appropriated or transferred to the ~~fund~~ Fund by the ~~general assembly, the state emergency board, or the joint fiscal committee~~ General Assembly, the State Emergency Board, or the Joint Fiscal Committee during such times when the ~~general assembly~~ General Assembly is not in session;

(3) Principal and interest received from the repayment of loans made from the ~~fund~~ Fund;

(4) Private gifts, bequests, and donations made to the ~~state~~ State for any of the purposes for which the ~~fund~~ Fund was established; and

(5) Other funds from any public or private source intended for use for any of the purposes for which the ~~fund~~ Fund has been established.

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(b) The ~~fund~~ Fund shall maintain separate accounts for each stormwater-impaired water and phosphorus-impaired lake segment of Lake Champlain and the monies in each account may only be used to fund offsets in the designated water. Offsets shall be designed to reduce the sediment load, phosphorus load, or hydrologic impact of regulated stormwater runoff in ~~stormwater-impaired waters~~ the receiving water. All balances in the ~~fund~~ Fund at the end of any fiscal year shall be carried forward and remain a part of the ~~fund~~ Fund. Interest earned by the ~~fund~~ Fund shall be deposited into the ~~fund~~ Fund.

(c) The ~~facilities engineering division~~ Secretary may authorize disbursements from the ~~fund~~ Fund to offsets that meet the requirements of the rule adopted pursuant to subsection ~~1264a(e)~~ 1264(f) of this title. The public funds used to capitalize the ~~stormwater-impaired waters restoration fund~~ Fund shall:

- (1) Be disbursed only to an offset that is owned or operated by a municipality or a governmental subdivision, agency, or instrumentality; and
- (2) Be disbursed only to reimburse a municipality or a governmental subdivision, agency, or instrumentality for those funds provided by the municipality or governmental subdivision, agency, or instrumentality to complete or construct an offset.

(d) A municipality or governmental subdivision, agency, or instrumentality may, on an annual basis, reserve capacity in an offset that the municipality or governmental subdivision, agency, or instrumentality operates or owns and that meets the requirements of the rule adopted pursuant to subsection ~~1264a(e)~~ 1264(f) of this title. A municipality or governmental subdivision, agency, or instrumentality reserving offset capacity shall inform the ~~secretary of natural resources~~ Secretary of the offset capacity for which the offset will not receive

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disbursements from the ~~stormwater impaired waters restoration fund~~ Fund for nonmunicipal discharges. ~~A municipality that reserves capacity as an offset may receive disbursements from the fund to mitigate the uncontrolled sediment load or hydrologic impact in discharges for which the municipality is issued a permit for the discharge of regulated stormwater runoff under subdivision 1264a(b)(1) of this title.~~

(e) Eligible persons may apply for a grant from the ~~fund~~ Fund to design and implement an offset. The ~~fund~~ Fund may be used to match other public and private sources of funding for such projects. ~~The funds may also be used to match federal funds otherwise available to capitalize the fund created by 24 V.S.A. § 4753(a)(8).~~

(f) A discharger that pays a stormwater impact fee to the ~~stormwater impaired waters restoration fund under section 1264a of this title~~ Fund in order to receive a permit for the discharge of regulated stormwater runoff may receive reimbursement of that fee if the discharger fails to discharge under the stormwater discharge permit, if the discharger notifies the ~~secretary~~ Secretary of the abandonment of the discharge permit, and if the ~~secretary~~ Secretary determines that unobligated monies for reimbursement remain in the ~~stormwater impaired restoration fund~~ Fund.

Sec. 3. EFFECTIVE DATE

(a) This act shall take effect on July 1, 2017.