



**House Ways & Means Committee
S. 260, Funding Cleanup of State Waters**

April 18, 2018

Thank you for the opportunity to testify on S.260. We support the legislation.

To set the stage, the EPA, in a letter on April 2 to the secretaries of the agencies of Natural Resources and Agriculture, Food and Markets, acknowledged the substantial time, effort, and money that has been invested in clean water by state and municipal government as well as the private sector in the past three years. Over the course of the two fiscal years 2018 and 2019, the legislature allocated \$48 million in the capital bill. EPA wrote, "It is important that the state establish a long-term revenue source as identified in the TMDL accountability framework, since this is critical to successful and full implementation of the TMDL. EPA intends to evaluate the State's progress to complete this long-term funding milestone in mid-2019..." The letter may be found here. <http://agriculture.vermont.gov/sites/ag/files/EPA%20Report%20Card%2004.03.18.pdf>

We believe that S. 260 as it was voted out of the House Natural Resources Committee provides a path forward to ensure a long-term revenue source to support water quality improvements required by the Lake Champlain Total Maximum Daily Load (TMDL). By including a clean water authority as one of the options to be considered by the Clean Water Funding Group, the bill also would provide a means for a single organization to collect, administer and distribute funds, according to a prioritized schedule, to projects most likely to show results, regardless of which program or department has jurisdiction. That organization would also be accountable for the results of clean-up efforts. That organization would not establish fees – those would be set by the legislature as is the case with all fees today.

We believe that the working group required by this legislation will be better able to fashion a strong recommendation for a governance and funding structure than would a legislative committee. We believe the expertise provided by the two municipal members will prove especially valuable as there are four municipalities that have stormwater fees in place (S. Burlington, Williston, Colchester, Burlington). St Albans City gave preliminary approval to a stormwater utility last week. That city is proposing fees of:

- \$2.50/month for a residence with one equivalent residential unit (ERU) of 3000 sf of impervious surface
- \$3.75 for a lot with 4500 sf of impervious surface
- \$5.00/month for a lot with two ERUs of impervious surface

VLCT understands that the proposal for a water quality occupancy surcharge is a fallback in case the Clean Water Funding Group does not recommend a long-term funding source.



Language that requires those funds to be deposited in the Clean Water Fund will help make it more difficult to divert those dollars to other purposes. Based upon discussions

regarding vacation rentals you and other legislators have had this session, we recommend that if an occupancy fee is put in place, the committee specify that the occupancy charge apply to both farm stays and short-term rentals, such as Airbnb and VRBO.

We are happy to answer questions.

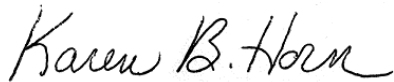
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Section 7 of the bill would define “local partner” for the purpose of receiving and administering a water quality block grant. We are surprised that “local partner” does not include a municipality or group of municipalities working together through an inter-local agreement or similar mechanism, and we urge you to include municipalities as local partners.

We support the removal of the citizen action section from this bill, as it is not consistent with or helpful to the purposes of legislation that endeavors to provide assistance to municipalities, the state, farms, and other entities that are directly involved with cleaning up the waters of the state.

As we testified when you received this bill, we are concerned that municipalities will be squarely in the crosshairs of a new citizen suit provision. Last October the CLF sued to block updated ANR permits for wastewater treatment facilities in S. Burlington, Alburgh, Montpelier, and St. Albans. The most significant result of those actions? Slowing down implementation of the upgrades to facilities until suits are resolved.



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