

Environmental Protection Clean Water Implementation

What: The Agencies of Agriculture, Transportation and Natural Resources have invested significant resources to inventory the projects needed for clean water:

- How many acres of floodplain and wetlands to be restored each year;
- How many acres of parking lots and roadways need to be retrofitted with storm water treatment; and
- How many acres of farm field need cover crops.

This information provides the foundation for several important decision-points related to clean water, which need to be reached during the 2018 legislative session in order to have sufficient clarity regarding the amount and timing of funding required to achieve our clean water goals

Why: This is a critical time to bring local policymakers, community leaders, and state officials together to build out an approach for the next 20 years of clean water work. Protecting, maintaining and restoring our water resources requires a shared commitment to invest in essential programs, prioritize cost-effective solutions, and provide long-term sustainable funding.

How: Key policy decisions to focus on during the 2018 session:

- **Review Public Funds Investment by Sector:** The cost share provided by the State of Vermont for various types of clean water projects needs to be reviewed and affirmed or modified. For example, currently, the State covers 35% of the cost of wastewater treatment facility upgrades, 90% of the cost of projects that address runoff from agricultural lands, and offers no cost share for stormwater retrofits on private property needed to achieve clean water. The Legislature should review and compare the effectiveness and equity of these choices.
- **Build Consensus on an Efficient Mechanism to Fund Projects:** Additional funding will be needed to support clean water work after FY21. Administering a water quality fee outside of existing collection and billing structures is inefficient for the State and municipalities. A small committee should be charged with exploring potential funding mechanisms to find consensus on the most responsible path forward that will not make Vermont less affordable for families or businesses; state spending cannot increase faster than wages. This committee should be comprised of individuals with direct knowledge and experience with the state budget and funding public works projects in Vermont. The committee should present their recommendation by May 1, 2018.
- **Expand Local Project Delivery Capacity:** There is a need to increase technical support and the capacity to implement projects; further, clean water projects require local champions. State investments could be tailored – providing increased cost share – to incentivize the use of the existing statutory authority to create union municipal districts to implement local clean water projects, like fire districts that provide drinking water services to Vermonters today. As an alternative to a statewide revenue collection and administration, these “clean water districts” would be accountable to residents and would collect and use revenue locally.

State Investments in Clean Water

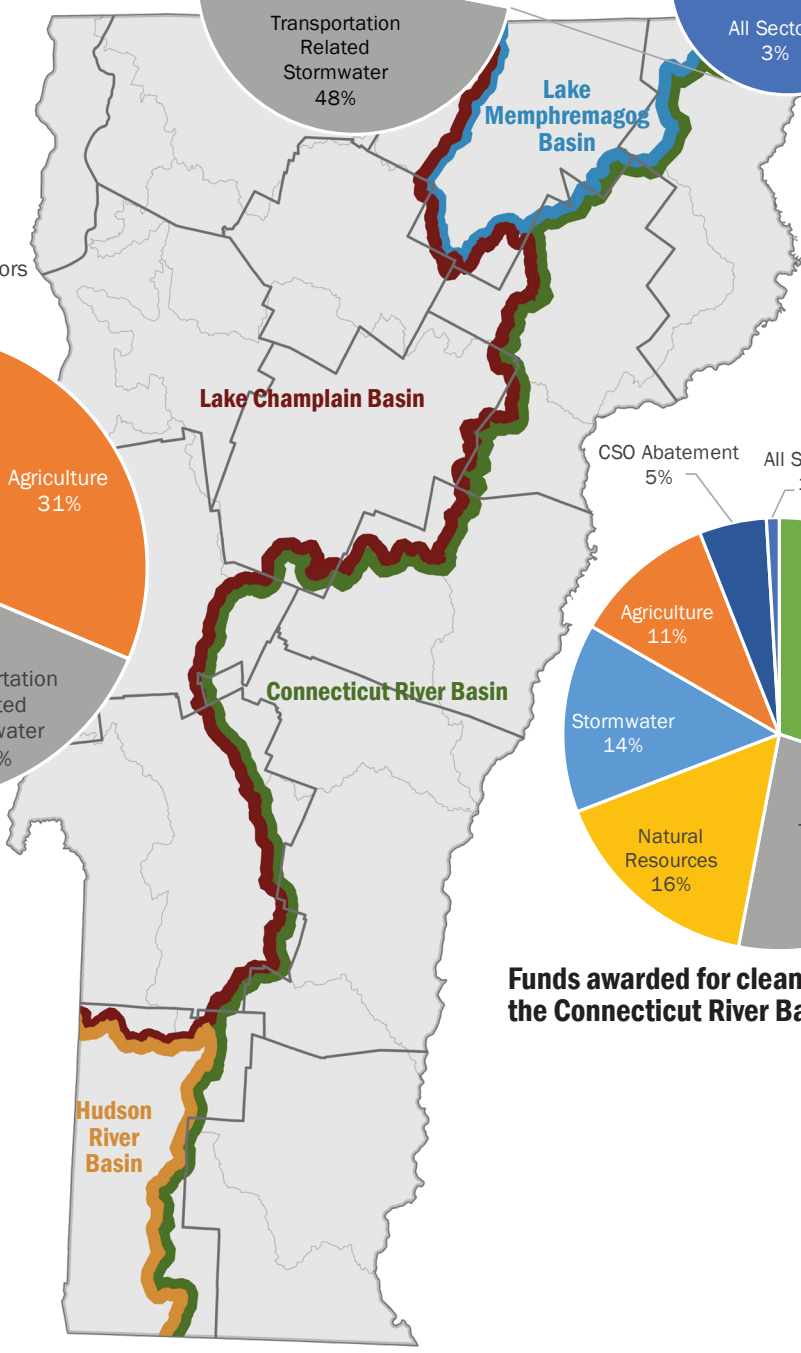
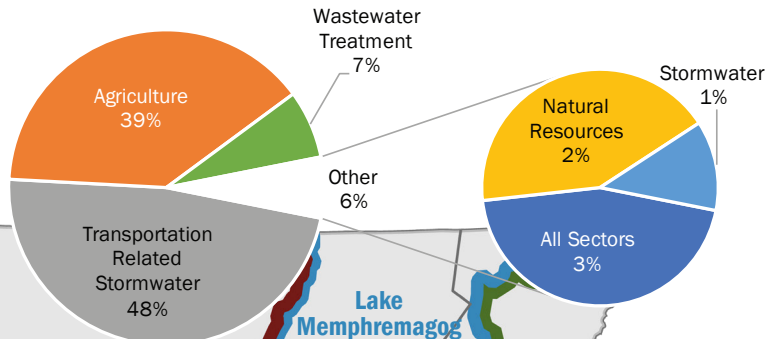


State funding awarded in SFY 2017, by major basin.

114%
Increase in funds invested in clean water projects from 2016 to 2017

Total state funds invested in clean water projects in SFY 2017: \$22,976,188

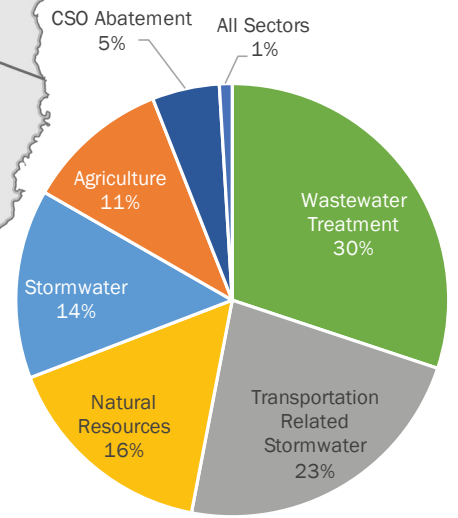
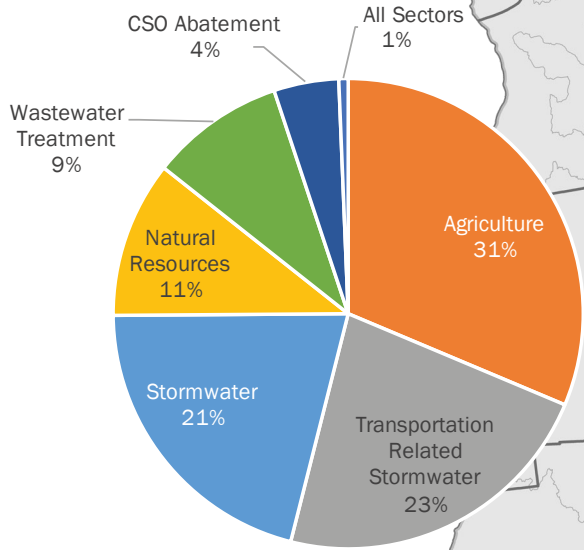
Funds awarded for clean water projects in the Lake Memphremagog Basin: \$607,164



Lake Champlain Basin

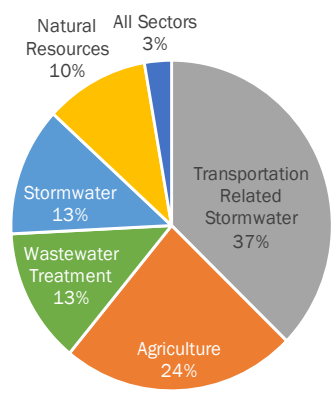
Connecticut River Basin

Hudson River Basin



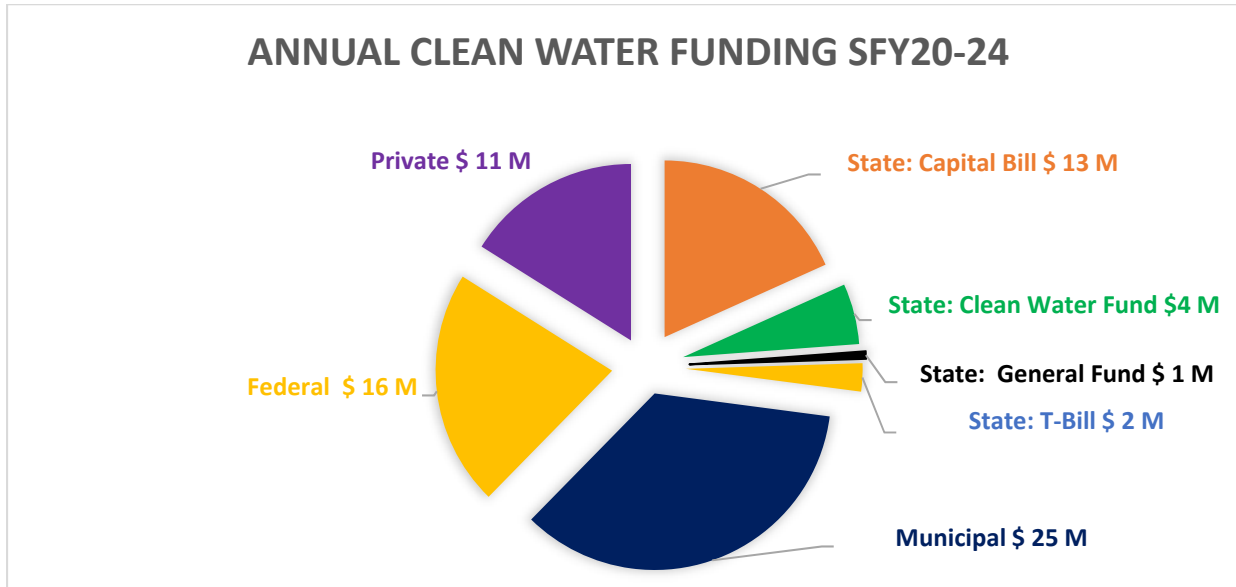
Funds awarded for clean water projects in the Lake Champlain Basin: \$14,303,667

Funds awarded for clean water projects in the Connecticut River Basin: \$7,734,114



Funds awarded for clean water projects in the Hudson River Basin: \$331,243

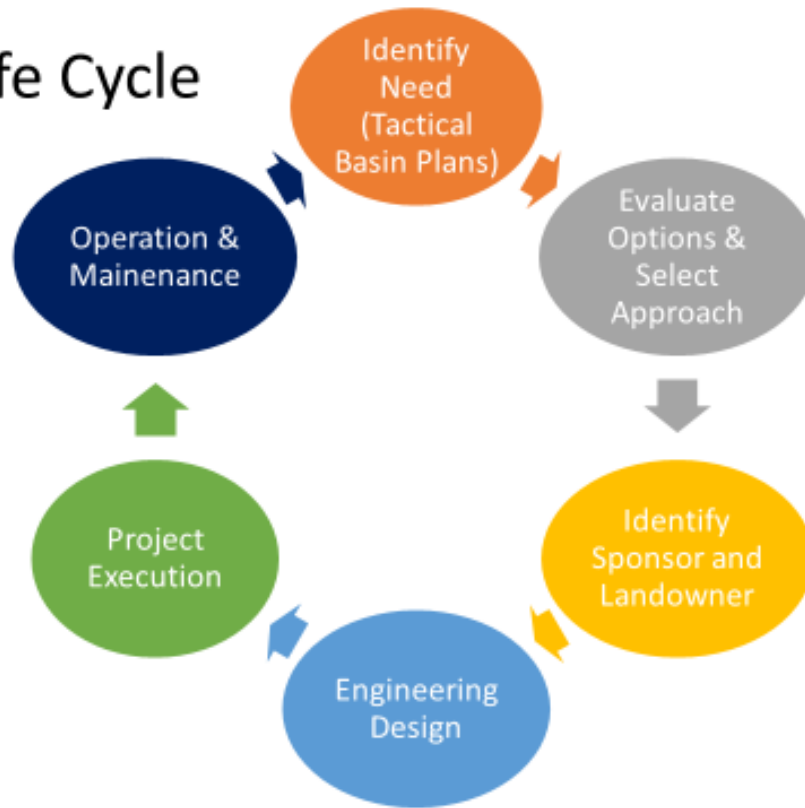
Estimated Annual Clean Water Investments, by Source, FY20-24



Current State and Federal Match for Clean Water Work, by Sector

STATE AND FEDERAL GRANT MATCH (%)				
Sector	Owner Type	Pollution Improvements Regulatory or Non-Reg	Incentivized State or Federal Match	Programs
Sector 1: WWTF, CSOs	Municipalities	Regulatory	35%	MPCG
Sector 2: Agriculture	Farmer	Regulatory/Non-Reg	90%	AAFM, NRCS
Sector 3A: State Highways	State	Regulatory	100%	T-BILL
Sector 3B: Municipal Roads	Municipalities	Regulatory	80%	BR, ERP
Sector 3B: Municipal Roads	Municipalities	Regulatory/Non-Reg	80%	TA, MHSWM
Sector 3C: Muni Non-Road Lands	Municipalities	Regulatory	50%	ERP, MPCG
Sector 3C: Muni Non-Road Lands	Municipalities	Regulatory/Non-Reg	80%	TA, MHSWM
Sector 3D: Private Non-Road Lands	Private	Regulatory	0%	
Sector 3D: Private Non-Road Lands	Muni Partnership	Regulatory	50%	ERP
Sector 3D: Private Non-Road Lands	Private	Non-Reg	80%	ERP
Sector 4: Natural Resources	Public or Private	Non-Reg	80%	ERP

Project Life Cycle



Clean Water Funding Awarded in SFY 2017, by Project Step

Planning and Assessment to
Identify Priority Projects
7%

SFY 2017 Total Awarded to Projects: \$22,976,188



Education, Outreach,
Technical Assistance, and
Partner Support
4%

Monitoring and Research to
Measure Projects' Water
Quality Benefits
1%