



**Testimony of Jared Carpenter
Water Protection Advocate, Lake Champlain Committee
Before the Senate Institutions Committee
March 22, 2018**

Good Afternoon, Chair Flory and Members of the Committee,

Thank you for inviting me to testify on H777, an act relating to Clean Water State Revolving Loan Fund. The Lake Champlain Committee supports the goals of H777 as it provides another instrument to improve water quality and protect public health.

The Lake Champlain Committee (LCC) is a bi-state nonprofit working for a clean, accessible lake since 1963. We use science-based advocacy, education and collaborative action to protect water quality, safeguard natural habitats, provide access and foster stewardship. LCC is the home organization for the Lake Champlain Paddlers' Trail and, in 2003, initiated the Lake Champlain citizen cyanobacteria monitoring program. The program has grown every year and we now monitor over 100 sites on Lake Champlain and also provide monitor training and oversight for several inland Vermont lakes.

I want to thank the Committee for its continued support for the allocation of capital funds for clean water projects. A primary goal of LCC, and the environmental advocate community as a whole, is stable, long-term funding for clean water projects and programs to reduce pollution in Vermont's waters. The State Treasurer's Clean Water Report recommended the use capital dollars for clean water projects as "bridge funding" to a stable, long-term funding source. With this Committee's support, that "bridge funding" was enacted as the new Clean Water Investment funding, including \$21.9 million for FY18 and \$23.4 million for FY19. These funds allowed many 'shovel-ready' projects to get underway.

Until a long-term funding source is established, H777 will provide flexibility to a current source of funds so they can be used on public-private partnerships and natural resources projects to reduce phosphorus and sedimentation for a wider variety of sources. The Clean Water State Revolving Loan Fund (SRF) is primarily used for municipal wastewater and drinking water systems, and this should remain its primary purpose. But wastewater is just a small percentage of the phosphorus discharge that must be addressed to reduce blooms and restore water quality. This measure would allow for SRF funding to be used to address multiple pollution sources.

H777 would allow broader use of SRF funds in two ways: for public-private partnerships to expand the use of funds beyond public water infrastructure, and through the creation of a sponsorship program to allow municipalities to partner with a nonprofit organization on natural resources projects. For the public-private partnerships, H777 will allow a municipality to partner with a private entity to work on projects on private land, such as private water programs, stormwater or roads projects. But, municipal projects would still have priority, so these could only be undertaken if a lack of municipal wastewater requests leaves available funding.

The second proposed change in the use of SRF funds is of particular interest to the environmental community. Natural resources projects, such as conservation easements, floodplain protection, and wetlands restoration, are some of the most cost-effective ways to reduce phosphorus pollution and sedimentation, but this sector of projects is often underfunded when compared to much less cost-effective reduction projects, particularly wastewater projects. An outsized portion of clean water funding is spent on municipal wastewater projects, which gets a small return on investment in phosphorus and sediment reduction. Further, LCC supports the current provision that the sponsorship program be limited to a municipality and a non-profit organization. Non-profits come in many forms, not just environmental and conservation organizations, but also educational institutions, churches, and other groups.

In conclusion, H777 should be viewed as a stop-gap measure that cannot take the place of long-term funding. Because of this, the sunset of 2023 is important, as it will allow the Legislature to revisit the measure and judge its successes and shortcomings. Further, when a long-term clean water funding source is established, the Legislature can then decide if the SRF should be returned to its original purpose of just funding municipal water systems. Thank you again for the opportunity to testify.