

Vermont Fish and Wildlife Department Watershed Management Account



Background

The Department of Motor Vehicles and the Fish and Wildlife Department jointly manage a conservation motor vehicle registration plate program. This program allows Vermonters to register special license plates with graphic designs of a loon, deer, or brook trout design. A portion of the fees from this program go towards restoring and protecting fish, wildlife, and watersheds.



The fees collected under this program are allocated according to 23 V.S.A. § 304b as follows:

Initial registration fees collected under this program are allocated to:

- the Transportation Fund (46%)
- the Department of Fish and Wildlife for deposit into the Nongame Wildlife Account (27%)
- the Department of Fish and Wildlife for deposit into the Watershed Management Account (27%)

Renewal registration fees collected under this program are allocated to:

- the Transportation Fund (16%)
- the Department of Fish and Wildlife for deposit into the Nongame Wildlife Account (42%)
- the Department of Fish and Wildlife for deposit into the Watershed Management Account (42%)

The Watershed Management Account

The Watershed Management Account was established through 10 V.S.A. § 4050. This account was created with the purpose of protecting the Lake Champlain, Lake Memphremagog, and Connecticut River and Hudson River watersheds. This account has almost exclusively been funded through the sale of conservation motor vehicle registration plates and per statute, expenditures have been in the form of grants to local or regional governments, governmental agencies, or nonprofit or citizen groups.

Financial Summary

Over the past decade the Department has continued to spend down a fund balance in the Watershed Management Account by issuing a large volume of grants. The projected fund balance at the end of fiscal year 2020 is less than \$30,000.

| | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 |
|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| Revenues | \$83,594 | \$82,939 | \$83,318 | \$77,285 | \$73,832 | \$72,961 | \$67,500 | \$72,172 | \$72,518 | \$72,518 |
| Expenditures | \$124,481 | \$64,595 | \$85,948 | \$145,882 | \$111,286 | \$107,091 | \$82,426 | \$65,801 | \$84,566 | \$120,839 |
| <i>Fund Balance</i> | <i>\$231,015</i> | <i>\$249,360</i> | <i>\$246,730</i> | <i>\$178,133</i> | <i>\$140,679</i> | <i>\$106,550</i> | <i>\$91,624</i> | <i>\$97,995</i> | <i>\$85,947</i> | <i>\$37,626</i> |

Program Administration

The Department spends approximately 120 hours of staff time to administer this program on an annual basis. This includes maintaining and updating application forms and administrative guides, reviewing applications, working with a seven-person citizen review committee, financial oversight, issuing sub-grant agreements, and sub-grant monitoring.

In 2018, the Department received 32 grant applications and made awards to 21 projects totaling \$81,181. The average award was \$4,008, with a range of \$965 to \$10,000. Awards are made to organizations such as the Ascutney Mountain Audubon Society, Green Mountain Club, Vermont Center for Ecosystem Studies, Winooski Natural Resource Conservation District, and various towns.

Department Proposal

The Department proposes repealing 10 V.S.A. § 4050 and instead depositing receipts in the Fish and Wildlife Fund. This would require statutory changes to 23 V.S.A. § 304b to redirect those receipts. The Department would also repeal the Vermont Watershed Grants Administration Guide, which is the policy document that outlines how 10 V.S.A. § 4050 will be implemented. This would eliminate the seven-member citizen review committee.

The Department would continue to apply the receipts from this program to projects with the purpose of protecting the Lake Champlain, Lake Memphremagog, and Connecticut River and Hudson River watersheds. However, instead of exclusively granting these funds to other organizations, the Department would use funds to increase capacity for its new Wetland Acquisition and Restoration Program. The Department was awarded \$1,700,652 in fiscal year 2020 to acquire and restore wetlands that improves surface water quality in the Lake Champlain basin and provides fish and wildlife habitat. The Department anticipates receiving at least an additional \$1,000,000 in fiscal year 2020 and has applied for \$1,650,000 in fiscal year 2021. The Department believes that this proposal will result in a greater return on investment for Watershed Management Account funds by reducing administrative oversight for the grants out program and ensuring that the wetland acquisition and restoration work is completed.