

Testimony of Jared Carpenter Water Protection Advocate, Lake Champlain Committee Before the Senate Committee on Natural Resources & Energy January 30, 2019

Good Morning, Chairman Bray and Members of the Committee,

Thank you for inviting me to testify on clean water funding implementation and distribution. For the Lake Champlain Committee and other organizations in the environmental community securing clean water revenue and its distribution for clean water projects is one of the most important issues before the Vermont Legislature since the passage of the Vermont Clean Water Act, Act 64 in 2015.

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 provide monitor training and oversight for several inland Vermont lakes.

Since Act 64 was passed, the determination of long-term funding sources – the 'money in' – has yet to be resolved. However, equally important, a discussion needs to occur on how this funding will be efficiently and equitably distributed – the 'money out' – to accomplish our clean water goals. LCC is open to the creation of regional entities to assist in the implementation of clean water projects to both protect and restore the waters of the state of Vermont, but guidance from the Legislature will be key. We ask that the Vermont Legislature be prescriptive and specific in how pollution reduction goals for each region are determined, how and what sources of funding are allocated to the regional entities, what oversight the state will provide and ensure that a diverse range of local and regional groups are involved in prioritizing and implementing projects to reach those goals.

Act 64 passed without adequate funding and the debate over these funding sources – the 'money in' – has continued since this time. LCC maintains that funding sources must be stable, predictable, and reliable from year to year, in order to support ongoing, consistent clean water protection and restoration efforts. We support the State Treasurer's recommendation of a minimum, initial investment of an additional \$25 million per year beyond what is currently appropriated to pay for clean water efforts in Vermont. Furthermore, an automatic review must occur every three to five years to assess whether the level of funding is sufficient to achieve clean water. Asking the Legislature to annually appropriate existing funding for clean water projects from the General Fund does not provide the stability and reliability needed for long-term planning. A long-term and stable state investment in clean water is a necessary component to the success of Vermont's Clean Water Act, the Lake Champlain TMDL, and addressing other impaired waters.

In addition to sufficient revenue for clean water projects and programs, there must be an effective distribution and implementation mechanism – the 'money out.' In FY18 and FY19, the infusion of a large amount of capital money exposed that the Agency of Natural Resources and the Agency of Agriculture, Food & Markets lacked the staffing and program capacity to effectively distribute the funding. Because of this, another form of distribution and implementation is needed. A distribution system should have regional or local entities participating in the selection of projects on the ground, while the state would determine the pollution reduction goals and distribute the funding needed for the projects to reach these goals. Development of regional entities to assist in this process may be a viable alternative to the current system, but the distribution of funds must be efficient and equitable, engaging partners on the ground.

Last Session, this Committee endorsed the creation of a regional distribution network and block grants, and this Session we ask that you go further. S260 established River Basin Cooperative Councils "to assist in the coordination, planning, implementation, and administration of water quality programs and projects within a river basin." Further, S260 established the River Basin Block Grant Program to fund state water quality programs and projects in each of the river basins through distribution of block grants for regional and local entities to implement projects. We ask the Committee to expand on these concepts and ensure they are tied to specific watershed pollution reduction and protection targets.

The state must play a leadership role. It should set measurable goals for the regional entities to reach in terms of nutrient reduction. It would be the responsibility of the regional entities to reach those goals. Then, based on these goals, the state would disburse funding allowing the regional entities to coordinate project implementation with the guidance of the local partners. The state must hold the regional entities accountable for reaching the set goals, utilizing enforcement options as needed. But overall, the state is accountable to the US Environmental Protection Agency, therefore the state must be accountable for the overall success or failure of the program.

To ensure success, a regional entity must incorporate the knowledge of local partners, such as watershed groups, Conservation Districts, Regional Planning Commissions as equal partners to determine and implement clean water projects in their regions. This would enhance regional and local efforts to protect and restore clean water, in particular by engaging local leadership and knowledge of needs and opportunities. Further, the groups must have a viable 'blueprint' of projects to follow and allow them to reach their goals, namely updated Tactical Basin Plans.

The purpose of the Tactical Basin Plans should be expanded to prioritize projects based on key factors, including nutrient pollution reduction and co-benefits, to better assist the regional entities in achieving their pollution reduction goals. Prioritized projects should support all phases of clean water protection and restoration projects, and maximize pollution reductions from nutrients, sediment, and other contaminants. Science-based and watershed-specific, each Plan currently incorporates a significant amount of assessment, monitoring and input from regional and local partners. Effective Tactical Basin Plans are key for regional planning goals, as the basis for funding allocation, and for compliance to Vermont Water Quality Standards. With this information, the regional entities and their local partners could determine the projects to reach their pollution reduction goals. Essentially, the Tactical Basin Plan would become an implementable plan, or blueprint, with projects prioritized to achieve the goals of Act 64 and the Vermont's Clean Water Standards.

In conclusion, to ensure Vermont does not fall further behind and fail to meet its clean water commitments, the Vermont Legislature must act this Session to establish additional funding for clean water, as well as defining the mechanism to ensure efficient and equitable distribution of funds.