| 1  | TO THE HOUSE OF REPRESENTATIVES:  |
|----|---|
| 2  | The Committee on Natural Resources, Fish, and Wildlife to which was               |
| 3  | referred House Bill No. 108 entitled "An act relating to Vermont standards for    |
| 4  | issuing a Clean Water Act section 401 certification" respectfully reports that it |
| 5  | has considered the same and recommends that the bill be amended by striking       |
| 6  | out all after the enacting clause and inserting in lieu thereof the following:    |
| 7  | Sec. 1. 10 V.S.A. § 1253(h) is added to read:                                     |
| 8  | (h)(1) The Secretary shall administer a program to review activities that         |
| 9  | require a federal license or permit that may result in a discharge to a water or  |
| 10 | adversely impact a wetland function or value to ensure that the activities        |
| 11 | comply with the Vermont Water Quality Standards, as well as with any other        |
| 12 | appropriate requirement of State law, including:                                  |
| 13 | (A) 10 V.S.A. chapter 37 (wetlands protection and water quality                   |
| 14 | management);  |
| 15 | (B) 10 V.S.A. chapter 41 (regulation of streamflow);                              |
| 16 | (C) 10 V.S.A. chapter 49A (lakeshore protection standards);                       |
| 17 | (D) 10 V.S.A. § 1264 (stormwater management);                                     |
| 18 | (E) 29 V.S.A. chapter 11 (management of lakes and ponds); and                     |
| 19 | (F) The Agency of Natural Resources Rules for Water Withdrawals                   |
| 20 | for Snowmaking.   |

| 1  | (2) The Secretary of Natural Resources shall deny any application for              |
|----|--|
| 2  | certification under Section 401 of the Clean Water Act, unless the proposed        |
| 3  | project is subject to an exemption adopted by the Secretary by rule, unless the    |
| 4  | applicant demonstrates:  |
| 5  | (A) There is no practicable alternative to the proposed project that               |
| 6  | would have less adverse impact on waters and wetlands of the State, provided       |
| 7  | that the alternative does not have other significant adverse human health,         |
| 8  | safety, or environmental consequences. An alternative is considered                |
| 9  | practicable if it is available and capable of being done after taking into         |
| 10 | consideration cost, existing technology, and logistics in light of overall project |
| 11 | purposes. When a proposed project would result in an impact to a wetland, in       |
| 12 | order for the Secretary to make a determination that there is no practicable       |
| 13 | alternative, the applicant shall demonstrate that they have avoided and            |
| 14 | minimized impacts to the wetland to the greatest extent practicable.               |
| 15 | (B) The proposed project will not result in the violation of any water             |
| 16 | quality criteria established in the Vermont Water Quality Standards.               |
| 17 | (C) The proposed project will not cause or contribute to the                       |
| 18 | degradation of any water or wetland in a manner that would violate the State's     |
| 19 | antidegradation policy.  |

| 1  | Sec. 2. AGENCY OF NATURAL RESOURCES; VERMONT WATER                               |
|----|--|
| 2  | QUALITY STANDARDS; RULEMAKING  |
| 3  | The Secretary of Natural Resources shall amend the Vermont Water Quality         |
| 4  | Standards (VWQS) to include the following:                                       |
| 5  | (1) An amendment to the Classification of State Waters to clarify that           |
| 6  | with regard to all Class I and II wetlands, as defined in 10 V.S.A. § 902, the   |
| 7  | uses to be protected include the functions and values of the wetland as          |
| 8  | described in Section 5 of the Vermont Wetland Rules.                             |
| 9  | (2) An amendment to the antidegradation policy to clarify that wetlands          |
| 10 | and their functions and values shall be protected as described by the Vermont    |
| 11 | Wetland Rules.   |
| 12 | (3) Any additional provisions that the Secretary of Natural Resources            |
| 13 | determines are necessary to implement the requirements of 10 V.S.A.              |
| 14 | § 1253(h), including any exemptions to the requirements of 10 V.S.A.             |
| 15 | § 1253(h)(2) for projects that are not likely to have significant impacts on     |
| 16 | water quality or wetland functions or values. Road or highway projects shall     |
| 17 | be exempt from the requirements of 10 V.S.A. § 1253(h)(2).                       |
| 18 | Sec. 3. RULEMAKING IMPLEMENTATION; TIMING  |
| 19 | (a) The Secretary of Natural Resources shall file with the Secretary of State    |
| 20 | under 3 V.S.A. § 838 a copy of the proposed rules required by Sec. 2 of this act |
| 21 | within 90 days from the effective date of this act.                              |

| 1  | (b) On or before January 15, 2022, the Secretary of Natural Resources shall       |
|----|---|
| 2  | submit to the House Committee on Natural Resources, Fish, and Wildlife and        |
| 3  | the Senate Committee on Natural Resources and Energy a report regarding the       |
| 4  | status of the rulemaking required by Sec. 2 of this act. The report shall include |
| 5  | a draft of the rules.   |
| 6  | (c) On or before March 1, 2022, the Secretary of Natural Resources shall          |
| 7  | file with the Secretary of State under 3 V.S.A. § 841 a final proposal of the     |
| 8  | rules required by Sec. 2 of this act.   |
| 9  | Sec. 4. EFFECTIVE DATE  |
| 10 | This act shall take effect on passage.  |
| 11 |   |
| 12 |   |
| 13 |   |
| 14 |   |
| 15 |   |
| 16 | (Committee vote:)   |
| 17 |   |
| 18 | Representative  |
| 19 | FOR THE COMMITTEE   |