| 1 | S.213 |
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| 2 | Introduced by Senators Bray, Baruth, Clarkson, Gulick, Hardy, Harrison, |
| 3 | Hashim, McCormack, Perchlik, Vyhovsky, Watson, Westman |
| 4 | and White |
| 5 | Referred to Committee on |
| 6 | Date: |
| 7 | Subject: Conservation and development; wetlands; river corridors; dam safety |
| 8 | Statement of purpose of bill as introduced: This bill proposes to amend |
| 9 | provisions related to wetlands, river corridor development, and dam safety. |
| 10 | The bill would establish as State policy that wetlands shall be regulated and |
| 11 | managed to produce a net gain of wetlands acreage. The Secretary of Natural |
| 12 | Resources would be required to amend wetlands rules to incorporate the net |
| 13 | gain policy. The bill would require the Vermont Significant Wetlands |
| 14 | Inventory maps to be updated and revised annually. The bill would also |
| 15 | require amendment to the existing Vermont Flood Hazard Area and River |
| 16 | Corridor Rule to adopt requirements for issuing and enforcing permits for |
| 17 | development within a flood hazard area or a mapped river corridor in the State. |
| 18 | In addition, the bill would amend the Unsafe Dam Revolving Fund to be the |
| 19 | Dam Safety Revolving Fund to provide loans for emergency and |
| 20 | nonemergency funding of dam repair. The bill also provides that the owner of |
| 21 | a dam or the owner of land on which a dam is located shall be held strictly, |

| 1 | jointly, and severally liable for harm caused by the breach of a dam, provided |
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| 2 | that the dam has been classified as a significant or high hazard potential dam or |
| 3 | the person who owns legal title to a dam or the owner of land on which a dam |
| 4 | is located is not in full compliance with dam safety rules. |

| 5 6 | An act relating to the regulation of wetlands, river corridor development, and dam safety |
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| 7 | It is hereby enacted by the General Assembly of the State of Vermont: |
| 8 | * * * Wetlands * * * |
| 9 | Sec. 1. 10 V.S.A. § 901 is amended to read: |
| 10 | § 901. WATER RESOURCES AND WETLANDS MANAGEMENT |
| 11 | POLICY |
| 12 | It is hereby declared to be the policy of the State that: |
| 13 | (1) the water resources of the State shall be protected; regulated; and, |
| 14 | where necessary, controlled under authority of the State in the public interest |
| 15 | and to promote the general welfare; |
| 16 | (2) the wetlands of the State shall be protected, regulated, and restored |
| 17 | so that Vermont achieves a net gain of wetlands acreage; and |
| 18 | (3) regulation and management of the water resources of the State, |
| 19 | including wetlands, should be guided by science, and authorized activities in |

| 1 | water resources and wetlands should have a net environmental benefit to the |
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| 2 | State. |
| 3 | Sec. 2. 10 V.S.A. § 916 is amended to read: |
| 4 | § 916. REVISION UPDATE OF VERMONT SIGNIFICANT WETLANDS |
| 5 | INVENTORY MAPS |
| 6 | The Secretary shall revise the Vermont significant wetlands inventory maps |
| 7 | to reflect wetland determinations issued under section 914 of this title and |
| 8 | rulemaking by the panel under section 915 of this title. |
| 9 | (a) On or before January 1, 2026, and annually thereafter, the Agency of |
| 10 | Natural Resources shall update the Vermont Significant Wetlands Inventory |
| 11 | (VSWI) maps and the Wetlands Advisory mapping layers for the Agency of |
| 12 | Natural Resources' Natural Resources Atlas and as a shapefile on the Vermont |
| 13 | Geodata Portal. The annual updates to the VSWI shall include integration of |
| 14 | georeferenced shapefiles or similar files for all verified delineations performed |
| 15 | within the State and submitted to the Agency of Natural Resources as part of a |
| 16 | permit application, as well as a wetlands determination issued under section |
| 17 | 914 of this title and rulemaking conducted pursuant to section 915 of this title. |
| 18 | The Wetland Advisory layer shall include integration of any additional town |
| 19 | specific inventories performed by consultants on the Agency's Wetland |
| 20 | Consultant List if the consultant has presented the map to a municipality or the |
| 21 | Agency of Natural Resources. |

| 1 | (b) The Secretary of Natural Resources shall provide public notice of |
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| 2 | changes to the VSWI map in the watershed where changes to the map are |
| 3 | made by posting notice in each town clerk's office in the municipality where |
| 4 | wetland map changes are proposed, by publishing notice of the changes in |
| 5 | local newspapers and other media sources within the municipality, and by |
| 6 | posting notice of the updated map to the Environmental Notice Bulletin. The |
| 7 | Secretary shall not be required to provide notification to individual persons. |
| 8 | (c) On or before January 1, 2030, the Secretary of Natural Resources shall |
| 9 | complete High Quality National Wetlands Inventory (NWI) Plus level |
| 10 | mapping for all of the tactical basins in the State. The high-quality mapping |
| 11 | shall include a ground truthing component that is the best available practice. |
| 12 | (d) Once all tactical basins are mapped, updates shall occur on a five-year |
| 13 | cycle simultaneously with updates to the corresponding tactical basin plan. |
| 14 | (e) To assist in funding the mapping, the Secretary of Natural Resources |
| 15 | shall seek to leverage State funds with federal funds and private funding, with |
| 16 | assistance from nongovernmental partners if possible. If the Secretary of |
| 17 | Natural Resources does not obtain funding from federal funds or private |
| 18 | funding, the Secretary shall document any effort prior to ongoing effort to |
| 19 | obtain federal or private funding. |

| 1 | Sec. 3. 10 V.S.A. §§ 918 and 919 are added to read: |
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| 2 | <u>§ 918. NET GAIN OF WETLANDS; STATE GOAL; RULEMAKING</u> |
| 3 | (a) On or before July 1, 2025, the Secretary of Natural Resources shall |
| 4 | amend the Vermont Wetlands Rules to clarify that the goal of wetlands |
| 5 | regulation and management in the State is the net gain of wetlands to be |
| 6 | achieved through protection of existing wetlands and restoration of previously |
| 7 | developed wetlands. As a condition of a permit for activity in a wetland, the |
| 8 | Secretary shall require the net gain of wetlands. |
| 9 | (b) The Vermont Wetlands Rules shall prioritize the protection of existing |
| 10 | intact wetlands. Where permitted activity within a wetland will cause adverse |
| 11 | effects that cannot be avoided, the Secretary shall mandate that the permit |
| 12 | applicant restore, enhance, or create wetlands or buffers to compensate for |
| 13 | adverse effects on a wetland. The amount of wetlands to be restored, |
| 14 | enhanced, or created shall be calculated, at a minimum, by determining the |
| 15 | acreage or square footage of wetlands adversely affected by the permitted |
| 16 | activity and multiplying the number of adversely affected acres or square feet |
| 17 | by two, to result in ratio of 2:1 restoration to disturbance. Establishment of a |
| 18 | buffer zone contiguous to a wetland shall not substitute for the restoration, |
| 19 | enhancement, or creation of wetlands. Adverse effects on wetland buffers |
| 20 | shall also be restored, enhanced, or created at a ratio of 2:1 restoration to |
| 21 | disturbance, as established on a case-by-case, per project basis. |

| 1 | (c) At a minimum, the Wetlands Rules shall be revised to: |
|----|---|
| 2 | (1) Require an applicant for a wetlands permit to restore and enhance |
| 3 | any loss of wetlands caused by the project that is subject to the permit |
| 4 | application. |
| 5 | (2) Incorporate the net gain rule into existing general permits and into |
| 6 | requirements for permits issued after July 1, 2025. |
| 7 | (3) Establish a set of parameters and ratios for the permittee-designed |
| 8 | restored wetlands, at not less than a 2:1 ratio, which shall include, at a |
| 9 | minimum, the following factors: |
| 10 | (A) the existing level of wetland function at the site prior to |
| 11 | mitigation or restoration of wetlands; |
| 12 | (B) the amount of wetland and wetland function lost as a result of the |
| 13 | project; |
| 14 | (C) how the wetland amounts and functions will be restored at the |
| 15 | proposed compensation site; |
| 16 | (D) the length of time before the compensation site will be fully |
| 17 | functional; |
| 18 | (E) the risk that the compensation project may not succeed; |
| 19 | (F) the differences in the location of the adversely affected wetland |
| 20 | and the wetland subject to compensation that affect the services and values |
| 21 | offered; and |

| 1 | (G) the requirement that permittees conduct five years of post- |
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| 2 | restoration monitoring for the restored wetlands, at which time the Agency can |
| 3 | decide if further action is needed. |
| 4 | (d) When amending the Vermont Wetlands Rules under this section, the |
| 5 | Secretary shall establish a Vermont in-lieu fee (ILF) compensation program for |
| 6 | wetlands impacts that may be authorized as compensation for an adverse effect |
| 7 | on a wetland when the permittee cannot achieve restoration. The Secretary |
| 8 | may implement a Vermont ILF compensation program through agreements |
| 9 | with third-party entities such as the U.S. Army Corps of Engineers or |
| 10 | environmental organizations, provided that any ILF monetary compensation |
| 11 | authorized under the rules shall be expended on restoration, reestablishment, |
| 12 | enhancement, or conservation projects within the State at the HUC 12 level of |
| 13 | the adversely affected wetland when practicable. |
| 14 | <u>§ 919. WETLANDS PROGRAM REPORT</u> |
| 15 | On or before April 30, 2025 and annually thereafter, the Agency of Natural |
| 16 | Resources shall submit to the House Committee on Environment and Energy |
| 17 | and to the Senate Committee on Natural Resources and Energy a report on the |
| 18 | status of the wetlands in the State. The report shall include: |
| 19 | (1) the acreage, location, and vegetative composition of Class II |
| 20 | wetlands and buffers impacted; the Class II wetlands and buffers that were |
| 21 | restored; the Class II wetlands converted to other uses, including permanent |

| 1 | development and cropland; and an assessment of the functionality of any |
|----|---|
| 2 | created wetlands over the past year compared with the previous five-year |
| 3 | period; |
| 4 | (2) an updated mitigation summary of the extent of wetlands restored |
| 5 | on-site compared with compensation performed off-site, in-lieu fees paid, or |
| 6 | conservation; |
| 7 | (3) the number of site visits and technical assistance calls conducted by |
| 8 | the Agency of Natural Resources, the number of permits processed by the |
| 9 | Agency, and any enforcement actions that were taken by the Agency or the |
| 10 | Attorney General's office in the previous year; |
| 11 | (4) an analysis of historical trends of wetlands, including data analyzing |
| 12 | the projects for which wetland permits were issued by sector; |
| 13 | (5) the results of each VSWI Mapping Project, including additional |
| 14 | acres mapped, dominant vegetative composition, connected tributaries, |
| 15 | locations of confirmed ground truthing, if applicable, and any other hydrologic |
| 16 | soil or vegetative observations or trends noted; and |
| 17 | (6) relevant updates related to Class I and Class II wetlands to include |
| 18 | additional wetlands identified under these categories, their composition and |
| 19 | general characteristics, potential threats, patterns of use, and other unique |
| 20 | features. |

| 1 | Sec. 4. 10 V.S.A. § 1274(a) is amended to read: |
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| 2 | (a) Notwithstanding any other provision or procedure set forth in this |
| 3 | chapter, if the Secretary finds that any person has discharged or is discharging |
| 4 | any waste or damaging the ecological functions of wetlands in violation of this |
| 5 | chapter or chapter 37 of this title, or that any person has failed to comply with |
| 6 | any provisions of any order or permit issued in accordance with this chapter or |
| 7 | chapter 37 of this title, the Secretary may bring suit in the Superior Court in |
| 8 | any county where the discharge, damage to wetlands, or noncompliance has |
| 9 | occurred to enjoin the discharge and to, obtain compliance, and mandate |
| 10 | restoration of damaged wetlands. The suit shall be brought by the Attorney |
| 11 | General in the name of the State. The court may issue a temporary injunction |
| 12 | or order in any such proceedings and may exercise all the plenary powers |
| 13 | available to it in addition to the power to: |
| 14 | (1) Enjoin future discharges. |
| 15 | (2) Order the design, construction, installation, or operation of pollution |
| 16 | abatement facilities or alternate waste disposal systems. |
| 17 | (3) Order the restoration of damaged wetlands. Wetlands damaged in |
| 18 | violation of chapter 37 of this title may be ordered restored, enhanced, or |
| 19 | created. |
| 20 | (4) Order the removal of all wastes discharged and the restoration of |
| 21 | water quality. |

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| 1 | (4)(5) Fix and order compensation for any public property destroyed, |
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| 2 | damaged, or injured or any aquatic or terrestrial biota harmed or destroyed. |
| 3 | Compensation for fish taken or destroyed shall be deposited into the Fish and |
| 4 | Wildlife Fund. |
| 5 | (5)(6) Assess and award punitive damages. |
| 6 | (6)(7) Levy civil penalties not to exceed \$10,000.00 a day for each day |
| 7 | of violation. |
| 8 | (7)(8) Order reimbursement to any agency of federal, State, or local |
| 9 | government from any person whose discharge caused governmental |
| 10 | expenditures. |
| 11 | Sec. 5. APPROPRIATIONS |
| 12 | In addition to other funds appropriated to the Agency of Natural Resources |
| 13 | in fiscal year 2025, the amount of \$1,000,000.00 shall be appropriated from the |
| 14 | General Fund, of which \$500,000.00 shall be used to fund wetlands mapping |
| 15 | required under this act, and \$500,000.00 shall be used to hire additional |
| 16 | Agency of Natural Resources staff as necessary to comply with the |
| 17 | requirements of Secs. 1-4 of this act. |
| 18 | * * * Development in River Corridors * * * |
| 19 | Sec. 6. 10 V.S.A. § 752 is amended to read: |
| 20 | § 752. DEFINITIONS |
| 21 | For the purpose of As used in this chapter: |

| 1 | * * * |
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| 2 | (2) "Development," for the purposes of flood hazard area management |
| 3 | and regulation, shall have has the same meaning as "development" under |
| 4 | 44 C.F.R. § 59.1. |
| 5 | (3) "Flood hazard area" shall have has the same meaning as "area of |
| 6 | special flood hazard" under 44 C.F.R. § 59.1. |
| 7 | * * * |
| 8 | (8) "Uses exempt from municipal regulation" means land use or |
| 9 | activities that are exempt from municipal land use regulation under 24 V.S.A. |
| 10 | chapter 117. [Repealed.] |
| 11 | * * * |
| 12 | (13) "Mapped river corridor" means a river corridor drawn and adopted |
| 13 | by the Secretary of Natural Resources as part of the statewide River Corridor |
| 14 | Base Map Layer in accordance with the Flood Hazard Area and River Corridor |
| 15 | Protection Procedure for rivers and streams with a watershed area greater than |
| 16 | two square miles. |
| 17 | Sec. 7. 10 V.S.A. § 754 is amended to read: |
| 18 | § 754. FLOOD HAZARD AREA AND MAPPED RIVER CORRIDOR |
| 19 | RULES; USES EXEMPT FROM MUNICIPAL REGULATION |
| 20 | (a) Rulemaking authority. |
| | |

| 1 | (1) On or before November 1, 2014, the Secretary shall adopt rules |
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| 2 | pursuant to 3 V.S.A. chapter 25 that establish requirements for the issuance |
| 3 | and enforcement of permits applicable to: |
| 4 | (i) uses exempt from municipal regulation that are located within a |
| 5 | flood hazard area or river corridor of a municipality that has adopted a flood |
| 6 | hazard bylaw or ordinance under 24 V.S.A. chapter 117; and |
| 7 | (ii) State-owned and -operated institutions and facilities that are |
| 8 | located within a flood hazard area or river corridor On or before January 1, |
| 9 | 2026, the Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25 that |
| 10 | establish requirements for issuing and enforcing permits for development |
| 11 | within a flood hazard area or a mapped river corridor in the State. |
| 12 | * * * |
| 13 | (b) Required rulemaking content. The rules shall: |
| 14 | (1) set forth the requirements necessary to ensure uses exempt from |
| 15 | municipal regulation are development is regulated by the State in order to |
| 16 | comply with the regulatory obligations set forth under the National Flood |
| 17 | Insurance Program . |
| 18 | (2) be designed to ensure that the State and municipalities meet |
| 19 | community eligibility requirements for the National Flood Insurance Program; |
| 20 | (3) establish the requirements and process for a municipality to be |
| 21 | delegated the State's permitting authority for development in a flood hazard |

| 1 | area or mapped river corridor that is not exempt from municipal regulation |
|----|---|
| 2 | when the municipality has adopted a flood hazard bylaw or ordinance under |
| 3 | 24 V.S.A. chapter 117 that has been approved by the Secretary and that meets |
| 4 | or exceeds the requirements established under State rule; and |
| 5 | (4) set forth a process for amending the statewide River Corridor Base |
| 6 | Map to identify areas within designated centers suitable for infill and |
| 7 | redevelopment that will not cause or contribute to increases in fluvial erosion |
| 8 | hazards. |
| 9 | (c) Discretionary rulemaking. The rules may establish requirements that |
| 10 | exceed the requirements of the National Flood Insurance Program for uses |
| 11 | exempt from municipal regulation, including requirements for the maintenance |
| 12 | of existing native riparian vegetation, provided that any rules adopted under |
| 13 | this subsection that exceed the minimum requirements of the National Flood |
| 14 | Insurance Program shall be designed to prevent or limit a risk of harm to life, |
| 15 | property, or infrastructure from flooding. |
| 16 | * * * |
| 17 | (f) Permit requirement. A <u>Beginning on July 1, 2026, a</u> person shall not |
| 18 | commence or conduct a use exempt from municipal regulation development in |
| 19 | a flood hazard area or mapped river corridor in a municipality that has adopted |
| 20 | a flood hazard area bylaw or ordinance under 24 V.S.A. chapter 117 or |
| 21 | commence construction of a State owned and operated institution or facility |

| 1 | located within a flood hazard area or river corridor, without a permit issued |
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| 2 | under the rules required under subsection (a) of this section by the Secretary or |
| 3 | by a State agency delegated permitting authority under subsection (g) of this |
| 4 | section. When an application is filed under this section, the Secretary or |
| 5 | delegated State agency shall proceed in accordance with chapter 170 of this |
| 6 | title. |
| 7 | * * * |
| 8 | Sec. 8. TRANSITION; IMPLEMENTATION |
| 9 | (a) The Secretary of Natural Resources shall adopt the rules required in |
| 10 | Sec. 7 of this act, 10 V.S.A. § 754, on or before January 1, 2026. The effective |
| 11 | date of the rules shall be July 1, 2026. |
| 12 | (b) Prior to the effective date of the rules required in Sec. 7 of this act, |
| 13 | 10 V.S.A. § 754, the Secretary of Natural Resources shall continue to |
| 14 | implement the Vermont Flood Hazard Area and River Corridor Rule for |
| 15 | development that is exempt from municipal regulation. |
| 16 | (c) The Secretary of Natural Resources shall not require a permit under |
| 17 | 10 V.S.A. § 754 for development in a flood hazard area or mapped river |
| 18 | corridor for development that has the same meaning as "development" under |
| 19 | 44 C.F.R. § 59.1 for activities for which: |

| 1 | (1) all necessary local, State, or federal permits have been obtained prior |
|----|--|
| 2 | to July 1, 2026 and the permit holder takes no subsequent act that would |
| 3 | require a permit or registration under 10 V.S.A. chapter 32; or |
| 4 | (2) a complete application for all applicable local, State, and federal |
| 5 | permits has been submitted on or before July 1, 2026, provided that the |
| 6 | applicant does not subsequently file an application for a permit amendment |
| 7 | that would require a permit under 10 V.S.A. chapter 32 and that substantial |
| 8 | construction of the impervious surface or cleared area commences within two |
| 9 | years following the date on which all applicable local, State, and federal |
| 10 | permits become final. |
| 11 | * * * Dam Safety * * * |
| 12 | Sec. 9. 10 V.S.A. § 1095 is amended to read: |
| 13 | § 1095. UNSAFE DAM; PETITION; HEARING; EMERGENCY |
| 14 | (a) On receipt of a petition signed by $\frac{10}{10}$ not fewer than $\frac{10}{10}$ interested |
| 15 | persons or the legislative body of a municipality, the State agency having |
| 16 | jurisdiction Department shall, or upon its own motion it may, institute |
| 17 | investigations by an engineer as described in section 1087 of this title |
| 18 | regarding the safety of any existing nonfederal dam or portion of the dam of |
| 19 | any size. The agency may fix a time and place for hearing and shall give |
| 20 | notice in the manner it directs to all interested persons. The engineer shall |
| 21 | present his or her findings and recommendations at the hearing. After the |

| 1 | hearing, if If the agency finds that the nonfederal dam or portion of the dam as |
|----|--|
| 2 | maintained or operated is unsafe or is a menace to people or property above or |
| 3 | below the dam, it shall issue an order directing reconstruction, repair, removal, |
| 4 | breaching, draining, or other action it considers necessary to improve the safety |
| 5 | of the dam sufficiently to protect life and property as required by the State |
| 6 | agency having jurisdiction. |
| 7 | (b) If, upon the expiration of such \underline{a} date as may be ordered, the person |
| 8 | owning legal title to such the dam or the owner of the land on which the dam is |
| 9 | located has not complied with the order directing the reconstruction, repair, |
| 10 | breaching, removal, draining, or other action of such the unsafe dam, the State |
| 11 | agency having jurisdiction may petition the Superior Court in the county in |
| 12 | which the dam is located to enforce its order or exercise the right of eminent |
| 13 | domain to acquire the rights that may be necessary to effectuate a remedy as |
| 14 | the public safety or public good may require. If the order has been appealed, |
| 15 | the court may prohibit the exercise of eminent domain by the State agency |
| 16 | having jurisdiction pending disposition of the appeal Department may take |
| 17 | further enforcement action, including the levying of fines for noncompliance. |
| 18 | (c) If, upon completion of the investigation described in subsection (a) of |
| 19 | this section, the State agency having jurisdiction Department considers the dam |
| 20 | to present an imminent threat to human life or property, it shall take whatever |

| 1 | action it considers necessary to protect life and property and subsequently shall |
|----|---|
| 2 | conduct the hearing described in subsection (a) of this section. |
| 3 | Sec. 10. 10 V.S.A. § 1105 is amended to read: |
| 4 | § 1105. INSPECTION OF DAMS |
| 5 | (a) Inspection; schedule. All nonfederal dams in the State shall be |
| 6 | inspected according to a schedule adopted by rule by the State agency having |
| 7 | jurisdiction over the dam Department. |
| 8 | (b) Dam inspection. A nonfederal dam in the State shall be inspected under |
| 9 | one or both of the following methods: |
| 10 | (1) The State agency having jurisdiction over a dam Department may |
| 11 | employ an engineer to make periodic inspections of nonfederal dams in the |
| 12 | State to determine their condition and the extent, if any, to which they pose a |
| 13 | possible or probable threat to life and property. |
| 14 | (2) The State agency having jurisdiction Department shall adopt rules |
| 15 | pursuant to 3 V.S.A. chapter 25 to require an adequate level of inspection by |
| 16 | an independent engineer. |
| 17 | (c) Dam safety reports. If a dam inspection report is completed by the |
| 18 | State agency having jurisdiction Department, the agency Department shall |
| 19 | provide the person owning legal title to the dam or the owner of the land on |
| 20 | which the dam is located with a copy of the inspection report and shall make |
| 21 | all inspection reports available on the Department website for public review. |

| 1 | Sec. 11. 10 V.S.A. § 1106 is amended to read: |
|----|---|
| 2 | § 1106. UNSAFE DAM <u>SAFETY</u> REVOLVING LOAN FUND |
| 3 | (a) There is hereby established a special fund to be known as the Vermont |
| 4 | Unsafe Dam Safety Revolving Loan Fund that shall be used to provide grants |
| 5 | and loans to municipalities, nonprofit entities, and private individuals low or |
| 6 | zero interest loans, including subsidized loans as established under subsection |
| 7 | (c) of this section and the rules adopted under section 1110 of this title, |
| 8 | pursuant to rules adopted by the Agency of Natural Resources, for the |
| 9 | reconstruction, repair, removal, breaching, draining, or other action necessary |
| 10 | to reduce the threat <u>risk</u> of a dam or portion of a dam determined to be unsafe |
| 11 | pursuant to section 1095 of this chapter. |
| 12 | (b) At a minimum, to be eligible for a Dam Safety Loan, the dam shall |
| 13 | meet all of the following conditions: |
| 14 | (1) Emergency funding. To provide emergency funding for critical, |
| 15 | time-sensitive temporary safety or risk reduction measures such as reservoir |
| 16 | drawdown, partially or fully breaching the dam, stabilization or buttressing of |
| 17 | the dam, including engineering and emergency action planning activities. |
| 18 | (A) Dams under the regulatory jurisdiction of the Dam Safety |
| 19 | Program, including dams owned by the State of Vermont. |
| 20 | (B) To be eligible, a dam must be in danger of imminent failure that |
| 21 | would harm persons or property, require immediate risk reduction measures to |

| 1 | protect persons or property downstream, or be a dam found to be unsafe or a |
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| 2 | menace to public safety under section 1095 of this title. The Dam Safety |
| 3 | Program shall be able to access the fund on behalf of owners in cases of |
| 4 | emergency, immediate need, or in the case of unwilling or unable dam owners. |
| 5 | (C) Only time-sensitive, temporary safety and risk reduction |
| 6 | measures are eligible for a loan subsidy for emergency funding issued under |
| 7 | this subdivision (b)(1). |
| 8 | (2) Nonemergency funding. For permanent safety or risk reduction |
| 9 | projects such as repair, rehabilitation, or removal, including engineering, |
| 10 | analyses, and design. |
| 11 | (A) Dams under the regulatory jurisdiction of the Dam Safety |
| 12 | Program, excluding dams owned by the State of Vermont. |
| 13 | (B) To be eligible, a dam must be classified as a significant or high |
| 14 | hazard potential dam and in fair, poor, or unsatisfactory condition based on the |
| 15 | last periodic or comprehensive inspection. |
| 16 | (C) For repair or rehabilitation projects, the dam owner shall provide |
| 17 | an operation and maintenance and dam safety compliance schedule as well as |
| 18 | financial information to show sufficient resources are available to maintain the |
| 19 | dam and comply with the dam safety rules after the completion of repairs or |
| 20 | the rehabilitation project. |

| 1 | (D) For funding for construction of repair, rehabilitation, or removal, |
|----|--|
| 2 | the applicant shall provide proof that applicable local, State, and federal |
| 3 | permits have been obtained, including the State Dam Safety Order. |
| 4 | (E) To be eligible for nonemergency funding, an alternative analysis |
| 5 | review of dam removal options and costs must be conducted by the |
| 6 | Department, the Department of Fish and Wildlife, or a third party in |
| 7 | collaboration with either the Department or the Department of Fish and |
| 8 | Wildlife. |
| 9 | (F) Under this subdivision (b)(2), only engineering, analysis and |
| 10 | design studies that result in removal of a dam are eligible for loan subsidy. |
| 11 | (c) The Fund created by this section shall be established and held separate |
| 12 | and apart from any other funds or monies of the State and shall be used and |
| 13 | administered exclusively for the purposes set forth in this section. The funds |
| 14 | shall be invested in the same manner as permitted for investment of funds |
| 15 | belonging to the State or held in the Treasury. The Fund shall consist of the |
| 16 | following: |
| 17 | (1) Such such sums as may be appropriated or transferred thereto from (1) |
| 18 | time to time by the General Assembly, the Emergency Board, or the Joint |
| 19 | Fiscal Committee during such times as the General Assembly is not in |
| 20 | session- <u>:</u> |

| 1 | (2) Principal principal and interest received from the repayment of loans |
|----|--|
| 2 | made from the Fund-: |
| 3 | (3) Capitalization capitalization grants and awards made to the State by |
| 4 | the United States of America for the purposes for which the Fund has been |
| 5 | established . ; |
| 6 | (4) Interest interest earned from the investment of Fund balances. |
| 7 | (5) Private private gifts, bequests, and donations made to the State for |
| 8 | the purposes for which the Fund has been established-; and |
| 9 | (6) Other other funds from any public or private source intended for use |
| 10 | for any of the purposes for which the Fund has been established. |
| 11 | (c)(d) The Secretary may bring an action under this subsection or other |
| 12 | available State and federal laws against the owner of the dam to seek |
| 13 | reimbursement to the Fund for all loans made from the Fund pursuant to this |
| 14 | section. |
| 15 | (e)(1) Annually, on or before January 31, the Department shall report to the |
| 16 | House Committee on Environment and Energy and the Senate Committee on |
| 17 | Natural Resources and Energy regarding operation and administration of the |
| 18 | Dam Safety Program. The report shall include: |
| 19 | (A) details on all emergency and nonemergency loans made from the |
| 20 | Dam Safety Fund during the previous year, |

| 1 | (B) a description of each project funded from the Dam Safety Fund, |
|----|---|
| 2 | including dam name, town and waterbody in which the dam is located, hazard |
| 3 | classification, dam condition, details of the repair or removal, year of the last |
| 4 | and next Department inspection, project cost, loan amount, and repayment |
| 5 | terms; |
| 6 | (C) for emergency loans, justification for the emergency and an |
| 7 | explanation why action was needed to be undertaken immediately using State |
| 8 | funds; and |
| 9 | (D) the status of all loan repayments, including all outstanding loans, |
| 10 | dam and project name, the party responsible for repayment, terms of the loans, |
| 11 | status of repayment, and whether all or part of the loan was forgiven or |
| 12 | subsidized. |
| 13 | (2) The Department shall post reports made under this subsection to its |
| 14 | website in the same date the report is submitted to the General Assembly. |
| 15 | Sec. 12. 10 V.S.A. § 1110 is amended to read: |
| 16 | § 1110. RULEMAKING |
| 17 | The Commissioner of Environmental Conservation shall adopt rules to |
| 18 | implement the requirements of this chapter for dams under the jurisdiction of |
| 19 | the Department. The rules shall include: |
| 20 | (1) a standard or regulatory threshold under which a dam is exempt from |
| 21 | the registration or inspection requirements of this chapter; |

| 1 | (2) standards for: |
|----|---|
| 2 | (A) the siting, design, construction, reconstruction, enlargement, |
| 3 | modification, or alteration of a dam; |
| 4 | (B) operation and maintenance of a dam; |
| 5 | (C) inspection, monitoring, record keeping, and reporting; |
| 6 | (D) repair, breach, or removal of a dam; |
| 7 | (E) application for authorization under section 1082 of this title; and |
| 8 | (F) the development of an emergency action plan for a dam, |
| 9 | including guidance on how to develop an emergency action plan, the content of |
| 10 | a plan, and when and how an emergency action plan should be updated; |
| 11 | (3) criteria for the hazard potential classification of dams in the State; |
| 12 | (4) a process by which a person owning legal title to a dam or a person |
| 13 | owning the land on which the dam is located shall register a dam and record |
| 14 | the existence of the dam in the lands records; and |
| 15 | (5) requirements for the person owning legal title to a dam or the person |
| 16 | owning the land on which the dam is located to conduct inspections of the |
| 17 | dam <u>; and</u> |
| 18 | (6) requirements for access to financing and subsidy from the Dam |
| 19 | Safety Revolving Loan Fund. |

| 1 | Sec. 13. 10 V.S.A. § 1080 is amended to read: |
|----|---|
| 2 | § 1080. DEFINITIONS |
| 3 | As used in this chapter: |
| 4 | (1) "Department" means the Department of Environmental |
| 5 | Conservation. |
| 6 | * * * |
| 7 | (6)(A) "Dam" means any artificial barrier, including its appurtenant |
| 8 | works, that is capable of impounding water, other liquids, or accumulated |
| 9 | sediments. |
| 10 | (B) "Dam" includes an artificial barrier that meets all of the |
| 11 | following: |
| 12 | (i) previously was capable of impounding water, other liquids, or |
| 13 | accumulated sediments; |
| 14 | (ii) was partially breached; and |
| 15 | (iii) has not been properly removed or mitigated. |
| 16 | (C) "Dam" shall <u>does</u> not mean: |
| 17 | (i) barriers or structures created by beaver or any other wild |
| 18 | animal as that term is defined in section 4001 of this title; |
| 19 | (ii) transportation infrastructure that has no normal water storage |
| 20 | capacity and that impounds water only during storm events; |

| 1 | (iii) an artificial barrier at a stormwater management structure that |
|----|---|
| 2 | is regulated by the Agency of Natural Resources under chapter 47 of this title; |
| 3 | (iv) an underground or elevated tank to store water otherwise |
| 4 | regulated by the Agency of Natural Resources; |
| 5 | (v) an agricultural waste storage facility regulated by the Agency |
| 6 | of Agriculture, Food and Markets under 6 V.S.A. chapter 215; or |
| 7 | (vi) any other structure identified by the Department by rule. |
| 8 | * * * |
| 9 | (10) "Harm" means any personal injury or property damage. |
| 10 | Sec. 14. 10 V.S.A. § 1091 is added to read: |
| 11 | <u>§ 1091. LIABILITY FOR DAM BREACH</u> |
| 12 | Any person who owns legal title to a dam or the owner of land on which a |
| 13 | dam is located shall be held strictly, jointly, and severally liable for harm |
| 14 | caused by the breach of a dam, provided: |
| 15 | (1) a dam has been classified as a significant or high hazard potential |
| 16 | dam by the Department; or |
| 17 | (2) the person who owns legal title to a dam or the owner of land on |
| 18 | which a dam is located is not in full compliance with any Department rules |
| 19 | related to dam safety, including rules that set standards for dam design, |
| 20 | construction, and maintenance to protect public safety. |

- 2 Sec. 15. EFFECTIVE DATE
- 3 <u>This act shall take effect on July 1, 2024.</u>