

#### **VERMONT LEGISLATIVE**

# Joint Fiscal Office

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • https://ljfo.vermont.gov

### Fiscal Note

April 25, 2025

James Duffy, Fiscal Analyst

## H.86 – An act relating to establishing the Chloride Contamination Reduction Program at the Agency of Natural Resources

As recommended by the House Committee on Ways and Means<sup>1,i</sup>

#### **Bill Summary**

his bill aims to reduce chloride pollution caused by the use of road salt. The bill would direct the Secretary of Natural Resources to establish a Chloride Contamination Reduction Program in the Agency of Natural Resources (ANR), which would offer voluntary training and certification in best practices to ensure pedestrian and motorist safety while minimizing environmental damage. While certification would only be available to commercial salt applicators, the bill would also direct the Secretary of Natural Resources to incorporate similar training for municipal salt applicators into the voluntary Vermont Local Roads curriculum.

The bill would also establish liability protections for certified salt applicators and their clients for damages arising from snow and ice conditions. The bill would establish the accepted standards of care for applying salt and salt alternatives in ways that provide pedestrian and motor vehicle safety while reducing environmental impacts.

#### **Fiscal Impact**

As recommended by the House Committee on Ways and Means, the bill would appropriate \$400,000 from the General Fund to ANR in fiscal year 2026:

- \$150,000 for a permanent classified ANR staff position. This is expected to be a recurring cost.
- \$250,000 for ANR to contract with an external organization to establish a training and certification program.

The bill would authorize ANR to administer the program with agency staff, a third-party contractor, or a combination thereof. No later than January 15, 2026, the Secretary would be required to solicit interest from third-party contractors and recommend a certification fee for commercial salt applicators to the committees of jurisdiction to support program administration costs. As recommended by the House Committee on Ways and Means, ANR's fee report would also recommend whether entities who supply commercial salt applicators with salt or salt alternatives should be assessed an annual fee.

<sup>&</sup>lt;sup>1</sup> The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis — this fiscal note is meant to provide information for legislative consideration, not to provide policy recommendations.



The bill may generate long-term cost savings by reducing and preventing chloride pollution in Vermont's waterbodies. However, these savings are difficult to quantify due to uncertainties such as Program participation rates, the extent of salt applicator behavioral change, and future winter weather conditions.

#### **Background and Details**

This bill aims to reduce chloride pollution caused by the application of road salt to outdoor surfaces. The bill would direct ANR to establish a voluntary certification program to train commercial road salt applicators in methods that ensure pedestrian and motorist safety while minimizing negative environmental impacts. The bill would also direct ANR to incorporate similar training for municipal salt applicators into the voluntary Vermont Local Roads program.

Certified salt applicators and their clients would receive liability protection for damages related to snow and ice conditions. This bill would establish the accepted standards of care for the application of salt and salt alternatives that, when properly followed and documented, would provide liability protection.

Other provisions of the bill would require the Secretary of Natural Resources to:

- Conduct education and outreach to potential program participants and the general public; and
- Report to the committees of jurisdiction on or before January 15, 2026 on the management of road
  salt and sand storage facilities. The report would include an estimate of the number of storage facilities
  in the State and how many of them are covered to mitigate chloride-contaminated stormwater runoff.
  It would also include an estimate of the annual funding required to place these facilities under cover.

#### **Section 2: Chloride Contamination Reduction Program**

Section 2 of the bill would direct the Secretary of Natural Resources to establish the Chloride Contamination Reduction Program. The Secretary of Natural Resources would be required to adopt the program's underlying best management practices through rulemaking before July 1, 2026. These best management practices would specify various standard practices, such as how and when salt and salt alternatives are applied to minimize their transport into waters of the state, as well as program administrative and certification requirements. This section would authorize the Secretary of Natural Resources to implement the program through agency staff, a third-party vendor, or a combination thereof.

#### **Section 5: Fee report**

As recommended by the House Committee on Ways and Means, this section would direct the Secretary of Natural Resources to do the following by January 15, 2026:

- Solicit interest from third-party vendors in training and certifying commercial salt applicators under the Chloride Contamination Reduction Program;
- Recommend to the committees of jurisdiction a certification fee to be charged either by the State or by a third-party vendor for the certification of commercial salt applicators; and
- Recommend to the committees of jurisdiction whether suppliers of salt or salt alternatives should be assessed an annual fee to supply salt or salt alternatives in the State.

Any fees recommended by the Secretary of Natural Resources and approved by the General Assembly would support program administration costs.

#### Section 6: Authorized position and appropriations

This section would appropriate \$400,000 from the General Fund to ANR in fiscal year 2026 to establish and implement the Chloride Contamination Reduction Program. \$150,000 of this appropriation would fund a permanent classified position. This cost is expected to recur annually. The remaining \$250,000 would be for ANR to contract with an external organization to establish a certification program.



#### **Additional Fiscal Considerations**

Many of the costs and savings associated with the Chloride Contamination Reduction Program would be experienced by municipal or private entities. While the Joint Fiscal Office (JFO) cannot estimate fiscal impacts on municipalities or private actors, it offers the following considerations.

**Avoided pollution:** To the extent that the program successfully reduces or prevents water quality impairments from chloride pollution, this would represent avoided costs to the State, municipalities, private organizations, and individuals.

**Reduced road salt purchases:** If successful, the program could reduce road salt usage, reducing costs for municipalities and private entities. Savings would vary depending on factors such as winter severity, pavement area maintained, and the extent to which the program alters purchasing and operational behavior. It should be noted that cost savings may not be realized for some time after program implementation, given factors such as pre-implementation bulk purchases of salt and salt alternatives.

**Participation costs:** While reduced salt use could generate cost savings for program participants, this would be offset somewhat by program participation costs.

<sup>1</sup> The full fiscal note history is available on the fiscal tab of the bill page on the General Assembly website and can be accessed through a bill number search on the JFO page.

VT LEG #382983 v.2