

Overview of Recent ANR Unfunded Mandates

The Agency's capacity is being significantly strained by a suite of under-resourced legislatively prescribed responsibilities in recently enacted laws. These obligations are in addition to our leading role in deploying hundreds of millions of dollars in federal funds for water infrastructure and climate action, to say nothing of our ongoing disaster response and recovery role as a result of the unprecedented seven federally-declared disasters Vermont experienced in the last 18 months. Above all, the Agency prioritizes addressing matters within our jurisdiction that have immediate impacts on life and safety. This prioritization includes a focus on responding to the catastrophic flood events of 2023 and 2024, which have consumed considerable staff capacity without alleviating any of the Agency's non-disaster statutory requirements.

While our employees continue to skillfully navigate these challenges with impressive ability, it is evident to Agency leaders that the majority of staff is experiencing significant stress and anxiety because of their unrealistic workloads. Our capacity to take on new obligations, or even to fulfill many of our existing obligations, is completely exhausted. The high likelihood of additional disaster events befalling the state over the next few years only heightens our concerns about capacity and staff wellness.

Some of the larger initiatives ANR is involved with, or directly leading include:

- Leading on climate action, including direct support to the climate council, on behalf of state agencies, as mandated in Act 153 (2020).
- Standing up an environmental justice unit responsible for direct legal and administrative support for the requirements of Act 154 (2022).
- Managing \$195 million in investments related to ARPA (over five years)
- Managing \$445 million for IIAJA Funds (over five years)
- Fulfilling the implementation requirements of Vermont's Clean Water Act, Act 64 (2015), and Act 76 (2019) related to establishing Clean Water Service Providers; and coordinating more than \$50 million in annual investments in clean water.
- Implementing the requirements of the Flood Resiliency Act (Act 121) of 2024 within statutory deadlines. This act establishes new requirements for floodplain and wetlands management, dam safety planning, oversight, and administration, and establishes two legislative study committees.
- Leading PFAS monitoring and response efforts.
- Developing the inventory and planning prescribed in Act 59 (2023) to conserve 30% of Vermont's land by 2030 and 50% by 2050.
- Developing and administering a new forestland sub-category, Reserve Forestland, in the Use Value Appraisal program.

- Expanding Vermont's outdoor recreation offerings, including support for the Vermont Outdoor Recreation Economic Collaborative (VOREC) program, and welcoming more than 1 million visitors each year to our state parks.
- Managing one-time appropriations for things like:
 - Brownfields remediation
 - State lands (fishing access areas, wildlife management areas, and state forests) investments
 - Dam safety improvements on ANR-owned dams
- Implementation of Agency requirements within Act 122 (2024), the Climate Superfund Act.
- Act 181 of (2024) made changes to Act 250. The Act created a new criterion to protect forest blocks and habitat connectors from fragmentation, and integrated regional planning and mapping into the tiered jurisdiction system, which will require additional planning and DFW staff support.
- Continuing to fulfill standing responsibilities related to regulatory compliance, law enforcement, planning, providing recreational opportunities, land management, resource management, Agency infrastructure maintenance, etc.

A more detailed list of requirements recently assigned to the Agency without the full technical and financial resources needed to conduct the work is included below. The list is not exhaustive.

Unfunded/Underfunded Legislative Requirements

- 1. New Online Maps and Inventory.** Ongoing capacity for Act 181 mapping requirements and Act 59 conserved lands inventory. Act 181 of 2024 (Act 250 Modernization) requires ANR to update online maps to include a suite of resource information necessary for Act 250 regulatory review, including a new callout of forest block information, and to maintain these maps on an ongoing basis into the future. Act 59 of 2023 (30x30) requires ANR to update and maintain an inventory of conserved lands, reporting the status of the inventory to the legislature bi-annually, through at least 2050. We require an FTE of dedicated, ongoing capacity in either DFW or ADS to do this work. Funding gap \$150k in base.

Funding Gap: \$150,000 in base funding and 1 FTE

- 2. Act 59 (30x30, 50x50) Implementation – VPLD update.** Act 59 requires ANR to maintain an inventory of conserved lands used to report bi-annually to the

Legislature on progress towards the Act's 2030 and 2050 goals. This will require ongoing base funding for staff, which is captured in #1, above, but also requires a one-time investment of resources to update the existing Vermont Protected Lands Database (VPLD) so it can serve the Act 59 inventory function into the future. This requires scrubbing of old data, the addition of new criteria that track to the Act 59 conservation categories, and development of a data management standard, protocol and cooperative to direct how Vermont's broad land trust community formats and submits new land conservation data into the VPLD going forward.

Funding Gap: \$180,000 in one-time funding

- 3. Address funding gap for new positions supporting Act 121 of 2024, Flood Safety Act.** Act 113 of the 2024 Budget Bill established 15 new permanent positions for DEC under Sec. E100 and allocated \$1,750,000 in base funding across two appropriations to support these roles in implementing Act 121 of the 2024 Flood Safety Act. However, this funding left a \$500,000 shortfall to fully cover the costs for the 15 positions and associated operating expenses, currently budgeted at \$150,000 per FTE (\$2,250,000, in total for 15 positions). This \$500,000 shortfall spread across the management and support services (\$25,000) and office of water programs (\$475,000) appropriations. DEC is identifying a \$500,000 gap necessary bringing the total appropriated to \$2,250,000 to recruit the remaining four unfunded positions.

Funding Gap: \$500,000 in base funding

- 4. Act 154 and IAC Capacity.** The Interagency Committee (IAC), established under the Vermont Environmental Justice Law, plays a critical role in coordinating the implementation of Vermont's Environmental Justice (EJ) Policy across state agencies. Its responsibilities include guiding agency actions, consulting on investments that benefit environmental justice focus populations, developing community engagement strategies, and recommending amendments to the definition of EJ focus populations. The IAC must also evaluate how current statutes and policies impact environmental justice outcomes, all of which come with statutory deadlines. However, the IAC lacks the capacity to effectively meet these obligations. This limitation threatens the state's ability to advance its environmental justice goals and fulfill its statutory mandates.

These capacity challenges are compounded by the added responsibilities under the Climate Superfund Act, which have assigned additional work to both the IAC and ANR's Civil Rights and Environmental Justice Unit (CREJU). Given the current

workload and additional legislative tasks, CREJU requires two FTEs to ensure the IAC can meet its mandates. An FTE, the Environmental Justice Coordinator, would assist with covered agency compliance, interagency collaboration, and creation of systems and processes in support of the law, while the Environmental Justice Data and Reporting Coordinator would focus on managing environmental benefit spending reports, analyzing data for the EJ mapping tool, and supporting community engagement efforts. These positions are critical to enabling the IAC to fulfill its statutory duties and successfully implement Vermont's environmental justice policy.

Funding Gap: \$300,000 in base funding and 2 FTEs

5. **Act 154 unfunded mapping tool maintenance mandate.** Act 154 of 2022 tasked ANR with “developing and maintaining a mapping tool to depict environmental justice focus populations and environmental burdens at the smallest geographic level practicable.” This tool is essential for guiding agency decision-making and ensuring the fair and equitable distribution of state resources and actions.

The law assumes the tool will be maintained to help agencies meet key mandates, including proportionality requirements that ensure environmental benefits and burdens are distributed equitably. However, while \$500,000 was appropriated for its creation and initial community engagement, no funding was allocated for ongoing maintenance.

Funding Gap: \$40K per year for five years.

6. **Act 181 (Act 250 modernization) Implementation Staffing.** Act 181 of 2024 expands Act 250 jurisdiction and criteria in ways that will increase both the number and complexity of projects that fall under ANR/DFW purview to review. Specifically, the Act establishes a new road rule and Tier 3/critical resource area jurisdictional triggers that are intended to expand Act 250 review of projects in more environmentally sensitive location, regardless of the size of the development, and the Act adds new sub criteria regulating impacts to forest blocks and connecting habitat, areas where ANR/DFW have particularized expertise and will be required to engage extensively Act 250 project review. The Act also includes two significant rulemaking requirements in FY26 related to Tier 3 and the new criteria, which ANR staff will play a leading role in informing and facilitating. All of this will require more capacity in both the ANR Office of Planning and DFW's regulatory review team. Act 181 provided no positions or staffing to undertake this work.

Funding Gap: \$450,000 in base funding and 3 FTEs (2 in DFW and 1 in ANR OPP)

7. **Legal defense resources for 10 VSA Sec 594 (anticipated future GWSA private right of action) and the Climate Superfund Act 10 VSA Chapter 24A (future litigation – legal support for staff in formulating demands and critical liaison with the AGO during litigation).** Identified needs include contracted services, one attorney for Climate Superfund support, and one paralegal for GWSA private right of action legal defense.

Funding Gap (Climate Superfund Act): \$500,000 one-time for contracted support, and \$175,000 base for 1 FTE in Legal Services. Note: additional resources are also required by the Treasurer's Office to fulfill their mandates under the Act.

Funding Gap (GWSA defense): \$150,000 base funding and 1 FTE.

8. **Staffing for Act 121 Study Committees.** Administrative support was stripped from the committee charges prior to the legislation passing. The Legislature was originally going to administer these committees, and there was value in incorporating the legislative members originally envisioned for these Committees that were stripped in the final language. There are two such Study Committees set forth by Act 121 – one for Dam Safety emergency planning, and one for Floodplain permitting administration.

Funding Gap: Total one-time funding gap to manage both committees is \$95,000, comprising the work of 0.6FTE.

9. **Vermont HFC Rule: Act 65 (2019), amended Act 121 (2022).** The Division supports the legislation and has no substantive proposed changes. The rule has been adopted. However, additional resources would be helpful to implement and enforce the rules (part-time FTE). This unfunded mandate has been achieved but is a good example of new well-intended work disrupting core work.

Funding Gap: \$75,000 in base funding and 0.5 FTEs

10. **Act 146 of 2022 (Use Value Appraisal (UVA).** Reserve Forestland) requires FPR to develop and implement the Reserve Forestland sub-category within UVA and submit a comprehensive report by January 2026. This report will evaluate the

contributions of the Reserve Forestland sub-category to old forests, assess impacts on working lands enrollments, and provide recommendations to promote the long-term enrollment of land in the Reserve Forestland sub-category to achieve old forest conditions, functions, and values. Significant progress has already been made in developing the criteria and outreach with the forestry community and landowners, and enrollment is now open. However, this heavy lift has been unfunded and will require ongoing efforts to ensure its integrity and proper oversight.

Funding Gap: \$150,000 in base funding and 1 FTE

Total Funding and Position Gaps by Funding Type

	Funding Gap	Position Gap
Total Base Funding and Position Gap	\$1,990,000	9.5
One-time Funding and Position Gap	\$775,000	0.6