

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2016

Bill Number: H.610 Name of Bill: An act relating to clarifying the Clean Water State Revolving Fund and Water Pollution Control Grant Programs

Agency/ Dept: ANR/DEC Author of Bill Review: Rebecca Ellis, Eric Blatt, and Elizabeth Schilling

Date of Bill Review: 4/29/2016 Related Bills and Key Players:

Status of Bill: (check one): ☐ Upon Introduction ☒ As passed by house and senate

Recommended Position:

☒ Support ☐ Oppose ☐ Neutral ☐ Support with modifications

Analysis of Bill

1. **Summary of bill and issue it addresses.** *Describe what the bill is intended to accomplish and why.*

- Overall purpose: To clarify and modernize the grant and loan processes for clean water projects, and to make funds more accessible to municipalities.
- Moves all loan provisions to title 24; and all grant provisions remain in title 10. All references to potable water loans are struck from title 10 and moved to title 24 because these are all loan programs. Planning advances are moved to title 24 because they are loans, payable when construction starts.
- Establishes a new definition in title 10, chp. 55 for "water pollution abatement and control facilities," which includes sewer collection systems, combined sewer and storm water systems, separate storm water systems, and indirect discharge systems. Broader definition is consistent with the "all in" approach of Vermont Clean Water Act and Lake Champlain TMDL.
- Consolidates three existing grant programs (CSOs, dry weather sewage flows, and waste water treatment plants) into a single grant program for "water pollution abatement and control facilities."
- Updates the criteria DEC shall incorporate into its priority system rule for awarding grants and loans for "water pollution abatement and control facilities." Criteria shall include: condition of the waters (impaired or subject to TMDL); whether the project abates or controls pollution; whether the project addresses an emergency; cost effectiveness; ability to pay (median household income, unemployment rates, population trends); etc.
- Requires DEC to submit a report by December 15, 2016 on whether to extend loans to private entities for "water pollution abatement and control facilities" and/or water supply systems.

2. **Is there a need for this bill?** *Please explain why or why not.*

Yes. Over the years, the statutes governing DEC's clean-water grant and loan programs have become a tangled mess. DEC devotes considerable time achieving compliance with outdated mandates, while municipalities struggle to identify applicable law. H.610 will lighten the administrative burden of

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implementing clean-water grant and loan programs and will facilitate alignment between the 2015 Vermont Clean Water Act and the types of projects eligible for grants and loans.

3. **What are likely to be the fiscal and programmatic implications of this bill for this Department?**

DEC will go through rulemaking to align its loan and grant processes with the mandates of H.610.

4. **What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?**

H.610 will not implicate other departments in state government.

5. **What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)**

H.610 will impact municipalities. H.610 places greater emphasis on a municipality's eligibility to pay for a project, so municipalities with lower median household income will benefit. H.610 also places greater emphasis on the water-quality benefits of a project, so municipalities that are able to put forth better projects will receive greater grant and loan assistance. Finally, H.610 expands the scope of projects eligible for grants and loans to stormwater projects, which may increase overall demand and competition for state grants and loans. Municipalities and VLCT support this bill because it simplifies and expands eligibility for the State's grant and loan programs for clean water.

6. **Other Stakeholders:**

6.1 **Who else is likely to support the proposal and why?**

Environmental groups are likely to support this bill because it aligns the State's grant and loan programs with the 2015 Vermont Clean Water Act.

6.2 **Who else is likely to oppose the proposal and why? N/A**

7. **Rationale for recommendation:** *Justify recommendation stated above.*

This bill represents a long over-due revision of the State's clean water grant and loan programs. DEC is very grateful that the Legislature took up this thankless task and saw it through to the end.

8. **Specific modifications that would be needed to recommend support of this bill:** *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

9. **Gubernatorial appointments to board or commission?** No

Commissioner has reviewed this document:



Date: 5/2/16

Secretary has reviewed this document:



Date: 5-3/16

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