

House Institution Committee – Capital Bill Water Quality

Agree there is compelling need for money for ag needs and that watershed groups provide valuable services. Concern that using VHCB monies for other uses reduces overall federal funds available because important match to RCPP and ALE – 1 to 1 loss of federal dollars.

Additional monies could be used. Estimated amount would be 500K.

Let's use FY16 to learn what we need and use to inform decision for FY17

Issues with VHCB money utilization:

- 1) Fed monies will be lost on 1 to 1 basis from either RCPP or Ale
- 2) Spending state dollars instead of available fed \$
 - a. Have 4.5 yrs to draw down 60+ mill of fed
- 3) Watershed groups have access to RCPP Tech Asst monies
 - a. Can utilize \$12.5 mill fed monies for projects
- 4) Reduction in 250K of VHCB will result in some farms not being conserved
- 5) VHCB/ALE conserved farms must be managed to 1T and meet VT state water quality laws and regs
- 6) VHCB/ALE farms will have higher priority for EQIP monies
- 7) Miss opportunity to buy natural capital lands for water quality
 - a. Wetlands and buffers
- 8) Miss opportunity to conserve farms
 - a. Help new farmer get started
 - b. Implement WQ improvements as function of sale conditions by VHCB
- 9) Negatively Affect VLT farmland conservation for FY16, maybe beyond

Agency Capital Fund Summary

FY15 Carry forward	700,000
FY16 Cap Budget	1,750,000
Total	2,450,000
Less RFP (watersheds)	-250,000
Less Engineer contract	-250,000
Balance	1,950,000
Current Obligations VAAF	2,472,000
Will be some erosion	
FY17	1,800,000