

**CONFIDENTIAL**  
**LEGISLATIVE BILL REVIEW FORM: 2015-2016**

Bill Number: H. 518 Name of Bill: \_\_\_\_\_

Agency/ Dept: ANR/DEC Author of Bill Review: Kari Dolan

Date of Bill Review: 1/15/2015 Related Bills and Key Players: Representative Bob Krebs

Status of Bill: (check one): ☒ Upon Introduction \_\_\_\_\_ As passed by 1<sup>st</sup> body \_\_\_\_\_ As passed by both

**Recommended Position:**

\_\_\_\_\_ Support ☒ Oppose \_\_\_\_\_ Remain Neutral \_\_\_\_\_ Support with modifications identified in #8 below

**Analysis of Bill**

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

The bill requires six new appointments to the Clean Water Fund Board. The bill directs the Speaker of the House of Representatives to appoint three members of the public or House. The members are to be from separate large watersheds, and at least one of which must be a municipal official. Similarly, the bill directs the Senate Committee on Committees to appoint the three members of the public or Senate. These members must also be from separate major watersheds, and at least one of which must be a municipal official.

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

There is no need for this bill. The current structure of the Clean Water Fund Board includes the secretaries of the state agencies of Administration, Natural Resources, Agriculture, Food and Markets and Commerce and Community Development. The current makeup of the Clean Water Fund Board was designed to promote the strategic targeting of funding to the most critical water pollution sources based on science. The addition of political appointees may result in decisions based on political considerations rather than science. With the current Board, there is ample opportunity for municipalities, the public and even the General Assembly to be involved. The process includes two public comment periods and an annual investment report. The Clean Water Fund and Board were only recently established and no funds have been spent (operations funds to the Agency of Agriculture notwithstanding). Thus, it may make sense to gain experience with the existing process and Board to determine its effectiveness before making changes.

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

The bill will significantly increase the workload of the Department beyond current staffing capacity. Act 64 did not provide additional resources to aid in the administration of the Clean Water Fund Board. It directs the five state agencies represented on the Clean Water Fund Board to use their own budgets to cover agency staff time associated with providing the Board administrative, technical and legal assistance. The bill calls for more than doubling the size of the Board. DEC, responsible for coordinating Board assistance, does not have the resources in its current budget to administratively support six additional board members. Moreover, the non-scientific make-up of the additional Board members will place a greater administrative burden on the Department to ensure that investment decisions are based on scientific considerations focused on mitigating the greatest pollution sources.

*Please return this bill review as a Microsoft Word document to [laura.gray@state.vt.us](mailto:laura.gray@state.vt.us) and [jessica.mishaan@state.vt.us](mailto:jessica.mishaan@state.vt.us)*

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? Other state agencies represented on the Board, particularly the Agency of Agriculture, Food and Markets and the Agency of Transportation, will also likely experience additional administrative costs to support the six additional board members and maintain the focus on using technical data and planning process to address priority water quality problems through targeted, strategic funding decisions.
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) Municipalities, businesses and regulated entities would likely support the bill. It will provide them a greater voice in making recommendations for Clean Water Fund allocations.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why? As mentioned above, special interest groups – such as the League of Cities and Towns, business groups and environmental advocacy organizations – would likely support this bill. The bill broadens representation in the Board, giving an appearance of allowing for greater active participation in Board decisions. However, as Board representation grows more diverse, competing interests are likely to dilute the focus on science and strategic funding focused on high priority projects identified in tactical basin planning.


6.2 Who else is likely to oppose the proposal and why?


This change could undermine the strong public interest in ensuring that the Clean Water Fund investments are targeting priority pollution sources. Adding these new members heightens the risk of Board decision-making on Clean Water Fund priorities based on politics rather than science.

7. Rationale for recommendation: *Justify recommendation stated above.* It will increase the workload of the Department beyond current staffing capacity and will heighten the risk that politics and other factors other than science will influence Board decisions on the use of the Clean Water Fund.

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.* In lieu of an expansive and potentially unwieldy Board made up of a mix of state agency secretaries and political appointments, consider two options. The first option is to table the bill for the time being and support the current Board's commitment to establish a robust and inclusive public engagement process as it develops annual recommendations for Clean Water Fund allocations. Re-evaluate the Board's processes in two to four years, after the Board has gained some experience with its current makeup and processes to determine whether expansion of the Board is warranted. A second option is to establish an advisory council, made up of special interest groups, that can provide the Board more formal input. An advisory council could help maximize transparency in the management of the funds and build support for a long-term and sustainable Clean Water Fund.

9. Gubernatorial appointments to board or commission?

Commissioner has reviewed this document:  Date: \_\_\_\_\_

Secretary has reviewed this document:  Date: 1 - 22

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