

Clean Water Legislative Briefing

November 30, 2016

Alyssa Schuren, Commissioner

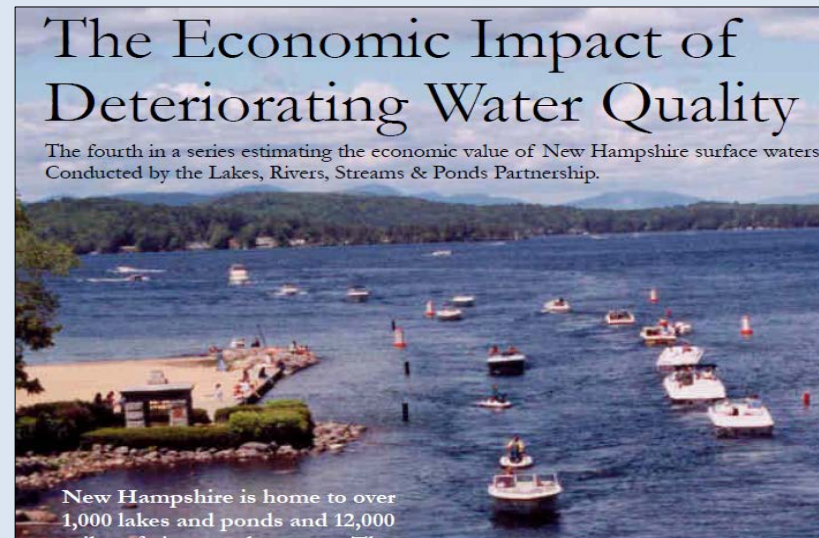
Department of Environmental Conservation

dec.vermont.gov/watershed/cwi/cwf/future



Why We Need Clean Water

- **Provide for the human use of water resources**
 - Drinking water
- **Support Tourism, at annual spending of \$2.5 billion**
 - For example, Lake Champlain a key attraction for visitors
 - Second home-owners in towns bordering the Lake spend \$150 million annually
 - Overnight visitors in Champlain Valley spend over \$300 million annually
 - Day visitors spend \$30 million annually
- **Maintain Property Values**
- **Support the Vermont State Brand**



Meeting Agenda

- Welcome & Overview
- Legislative Report and Stakeholder Process
- Cost Estimates
- Revenue Options
- Next Steps

Act 64 Legislative Report

2015 Act 64, Sec. 40. STATE TREASURER REPORT ON LONG-TERM FINANCING OF STATEWIDE WATER QUALITY IMPROVEMENT

On or before January 15, 2017, the State Treasurer, after consultation with the Secretary of Administration, the Commissioner of Environmental Conservation, and the Commissioner of Taxes, shall submit ... a recommendation for financing water quality improvement programs in the State.



Act 64 Legislative Report

Recommend long-term funding sources for Clean Water Fund.

Recommendations shall Include:

- (1) Proposed revenue sources
- (2) Recommendation for incentivizing Best Management Practices
- (3) Estimated amount of revenue to be generated by source
- (4) Summary of how each source will be administered, collected and enforced
- (5) Assessment of whether the State should use bonds to finance water quality improvements
- (6) Legislative proposal to implement each of the proposed revenue sources



Clean Water Funding Legislative Report Timeline & Stakeholder Meetings

23 Stakeholder and Public Outreach Events, March - November

Mar Spring Stakeholder Meetings (6)

Focus: Introduction to revenue needs and funding options

Jun

Aug Fall Stakeholder Meetings (16)

Focus: Evaluation of funding needs and options

Oct

Nov Public Meeting

Public Comment Period
Nov. 16th - Dec. 1st

Jan Final Report

6 Spring Stakeholder Meetings

16 Autumn Stakeholder Meetings
3 Business Community Meetings
2 Chambers of Commerce Meetings
1 Business Roundtable Meeting
4 Municipality-Focused Meetings
2 Agricultural Sector Meetings
1 Non-Governmental Meeting
3 State Agency Secretary Meetings

1 Public Meeting
To Discuss Revenue Options



Land Uses Can Harm Our Waters



“All-In” Approach

Wastewater Treatment



Developed Land
≥ 3 acres



Roads



Agricultural Land



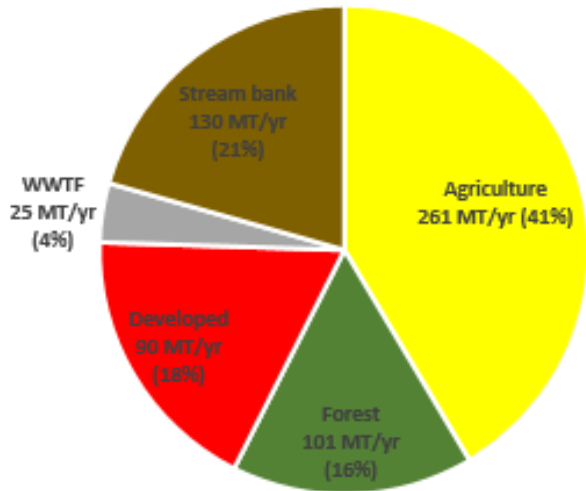
Forest Land



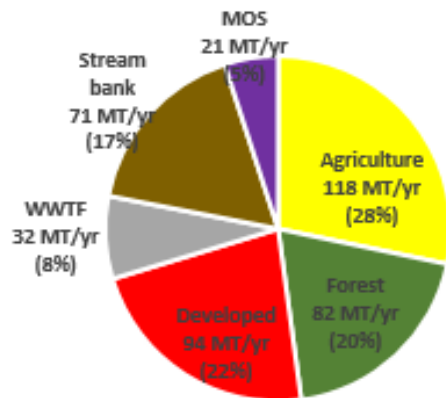
River Channels



Base Load
631 Metric Tons/Year



Vermont Reduction
Required = 213 mt/yr (34%)

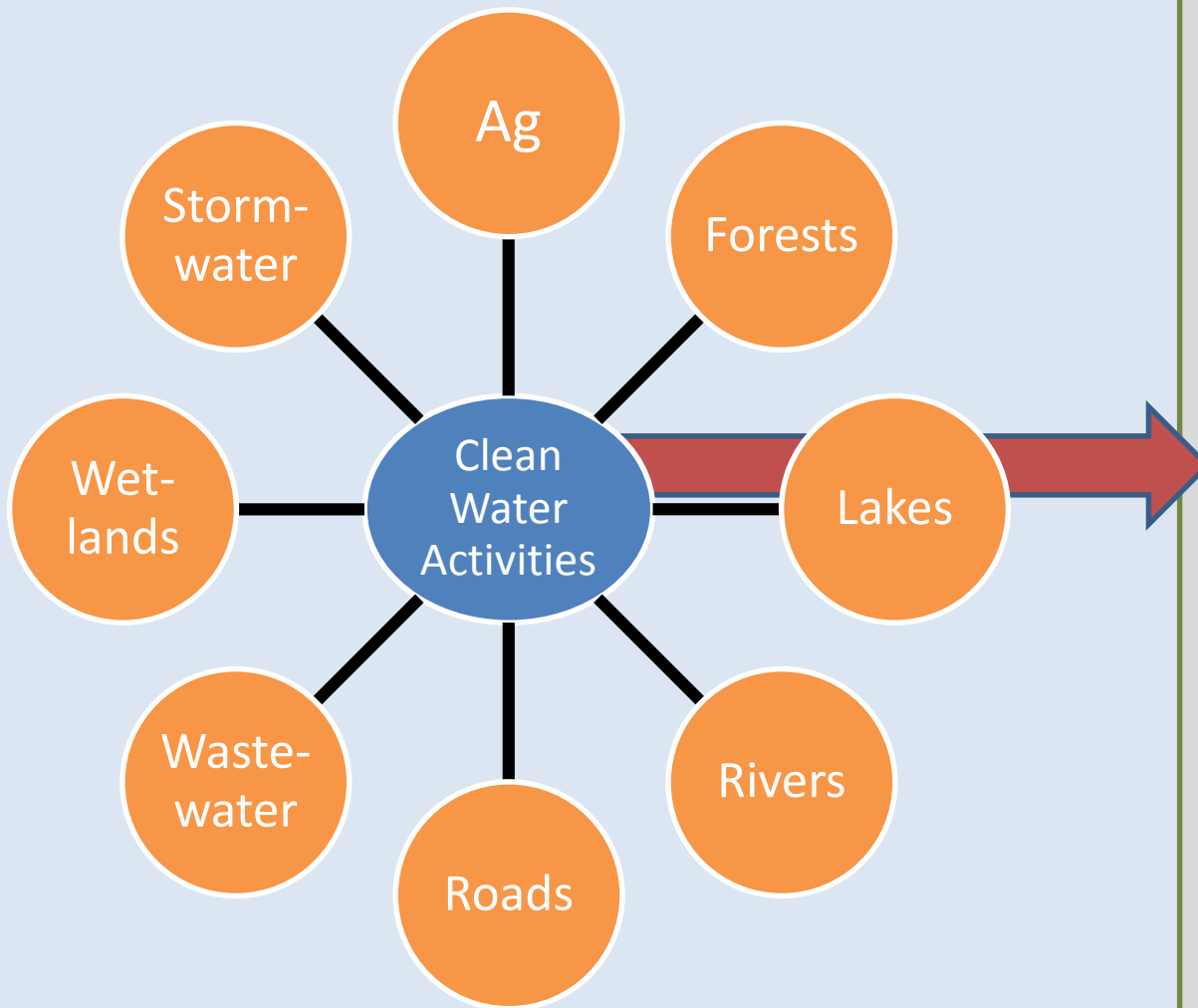


TMDL Loading Capacity and Allocations
418 Metric Tons/yr

34% phosphorus
reduction over
20 years



Tracking Our Progress



Annual Clean Water Performance Report (Act 64)

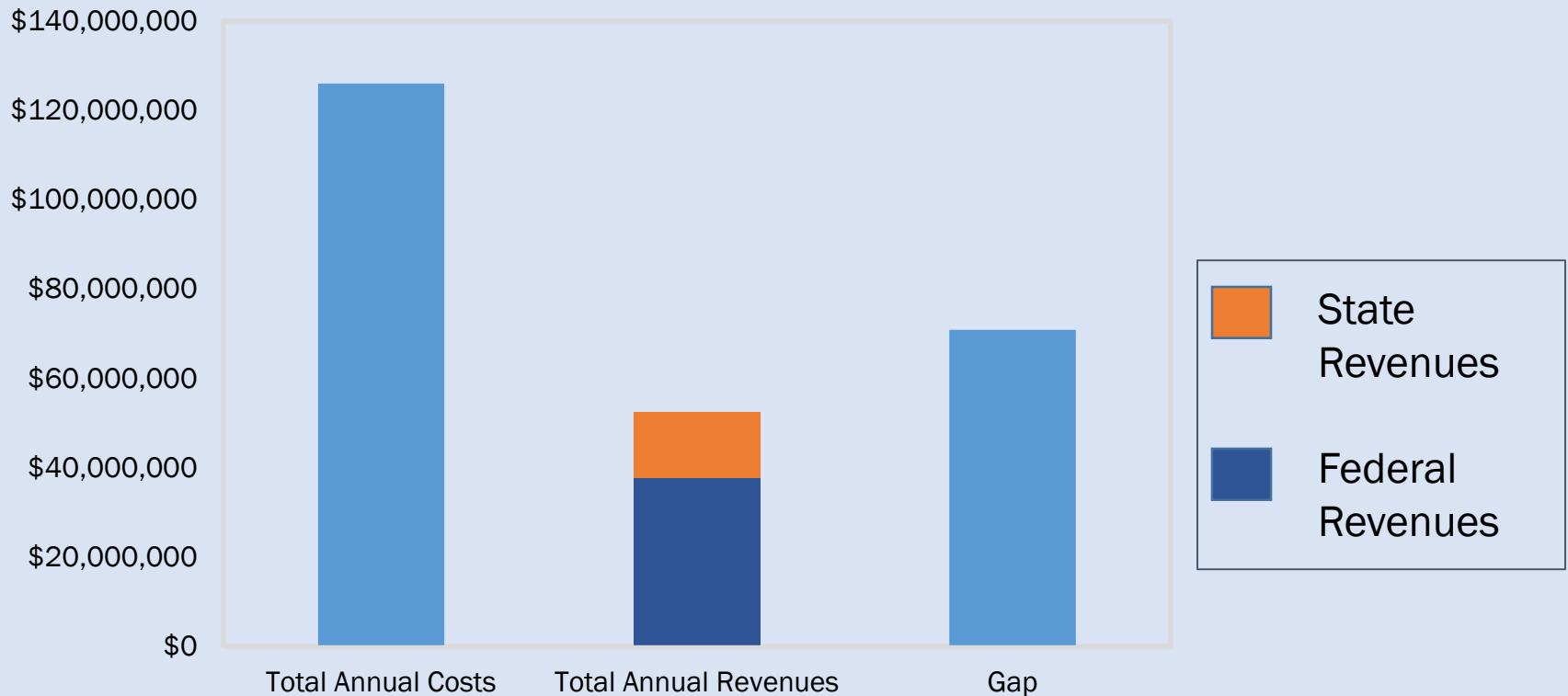
Social Measures

Investment Measures

Performance Measures

Environmental Measures

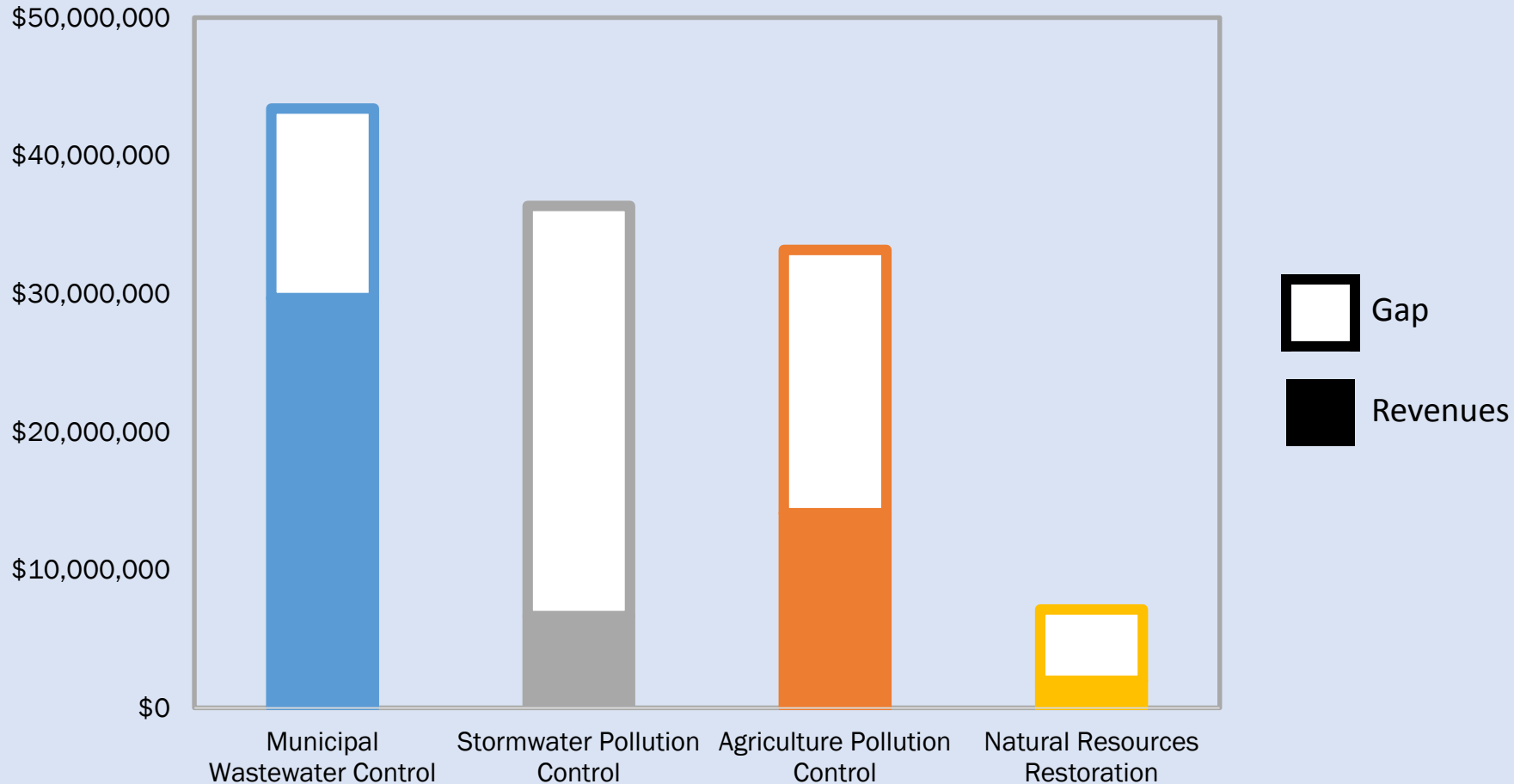
Vermont Total Annualized Clean Water Costs, Revenues and Funding Gap*



Annual Costs = \$120M, Annual Revenues = \$52.4M, Annual Gap = \$67.7M

* Includes Public and Private Costs Statewide

Vermont Total Annualized Clean Water Costs, Revenues and Funding Gap*

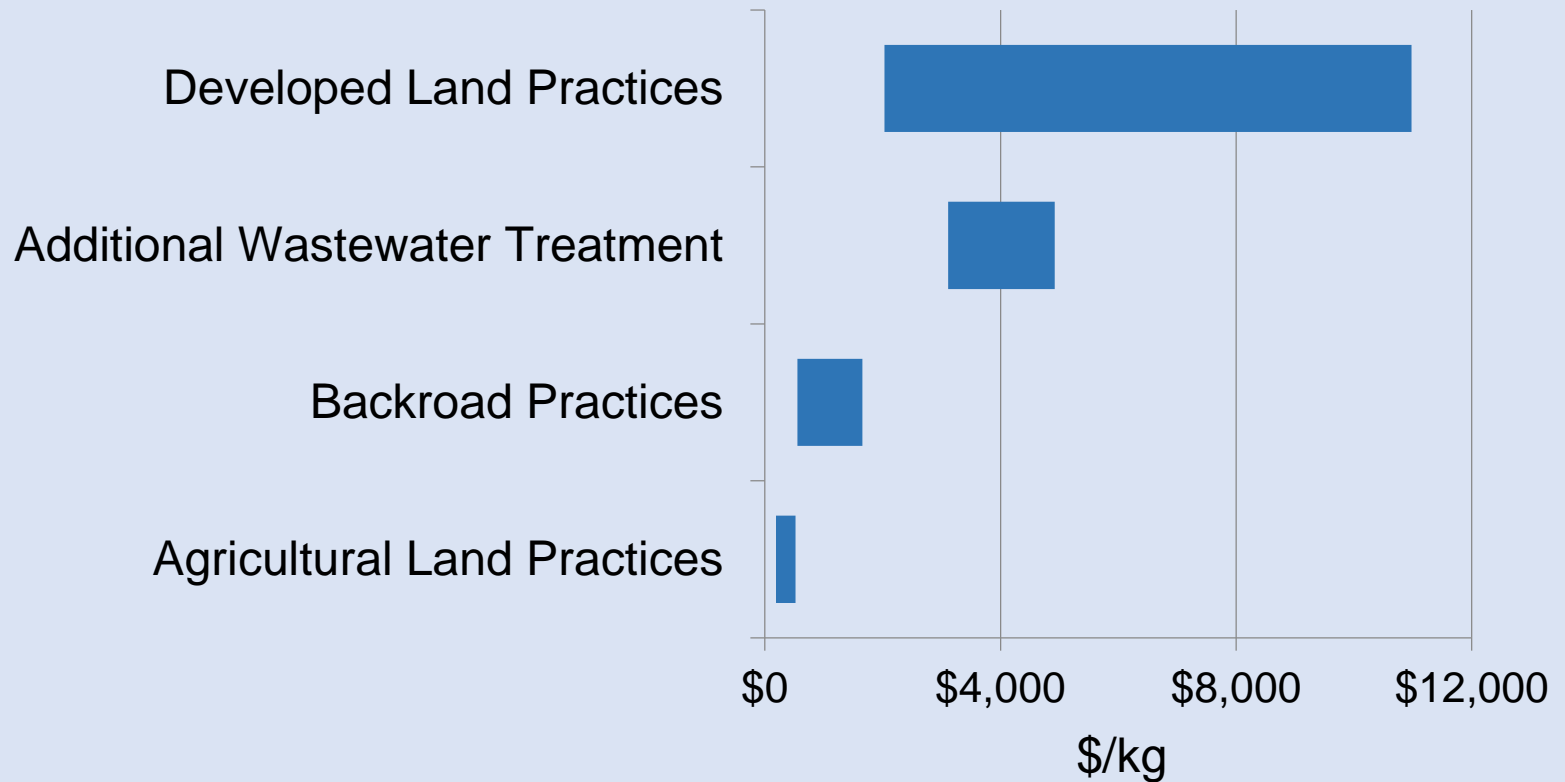


Annual Costs = \$120M, Annual Revenues = \$52.4M, Annual Gap = \$67.7M

* Includes Public and Private Costs Statewide

Relative Cost-Effectiveness of Actions by Source

Range of Annualized Cost
(per kilogram of Phosphorus Reduced)



Revenue Sources

Summary of Revenue Sources

Revenue Criteria Exercise

Revenue Evaluation Criteria

Revenue Potential

Predictability

Sufficiency

Effect on Outside Dollars

Economic Impact

Nexus to Water Quality

Promotes Mitigation

Administration and Compliance

Accountability

Geographic Distribution

Income Equity

Other Criteria

Categories of Revenue Sources

Category 1	Existing Revenue Source
Category 2	Revenue Options: Act 138 (2013) and Act 97 (2014) Legislative Reports
Category 3	Revenue Options: Stakeholder Suggestions
Category 4	Re-Appropriation of Existing Funds

NOTE: These sources were proposed through the stakeholder process and are not recommendations or endorsements by the Treasurer's Office. The projections and descriptions are provided for the purpose of public information and discussion.

Public Comment Open from November 16-December 1

Please send via email to:
treasurers.office@Vermont.gov



Additional Information:

<http://dec.vermont.gov/watershed/cwi/cwf/future>