



Legislative Report on Clean Water Funding Due January 15, 2017

Business Stakeholder Meeting

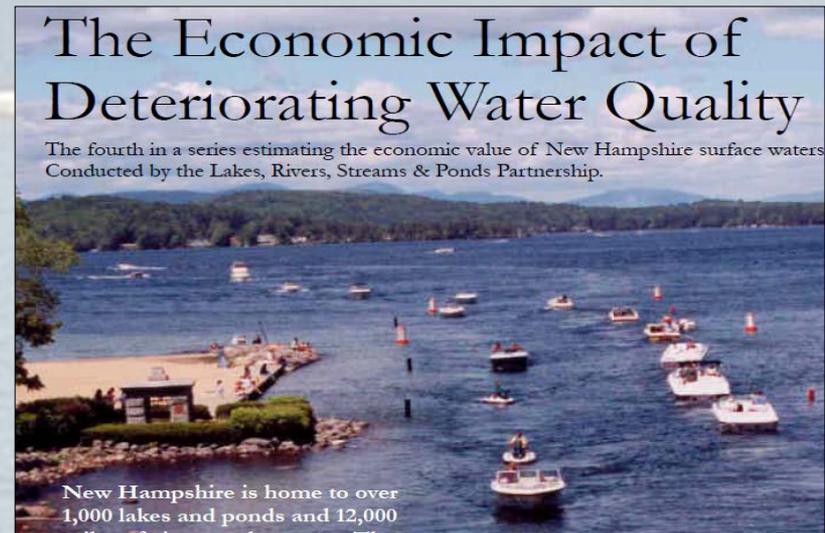
**State of Vermont
September 7, 2016**

Meeting Agenda

- Introductions & Agenda Review
- Clean Water & the Vermont Economy
- Legislative Report
- Vermont Clean Water Act (Act 64)
- EPA Lake Champlain TMDL
(total maximum daily limit for phosphorus)
- Cost Estimates
- Revenue Options
- Stakeholder Discussion

Why We Need a Clean Water

- Provide for the human use of water resources
 - Drinking water
- Support Tourism: VT receives \$2.5 billion annually
 - VT's rivers and lakes are a key attraction for visitors
 - Eg. 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



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, Section 4: Legislative Report: Funding Clean Water Improvements Statewide

Recommend long-term funding sources for Clean Water Fund.

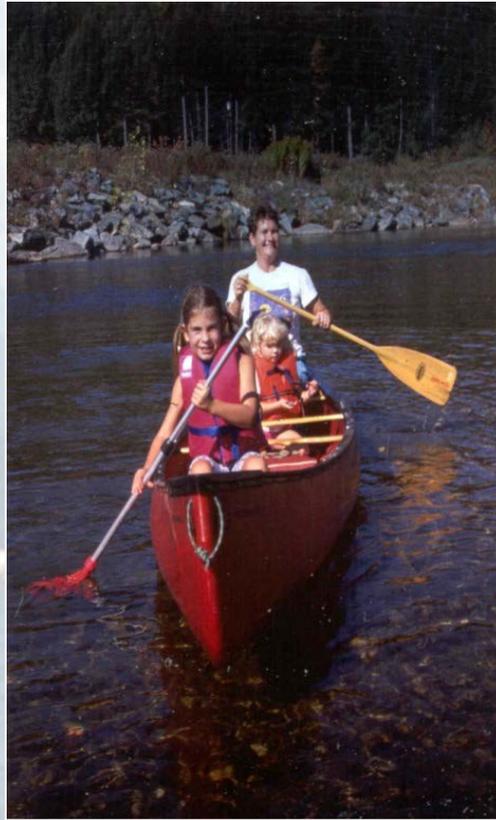
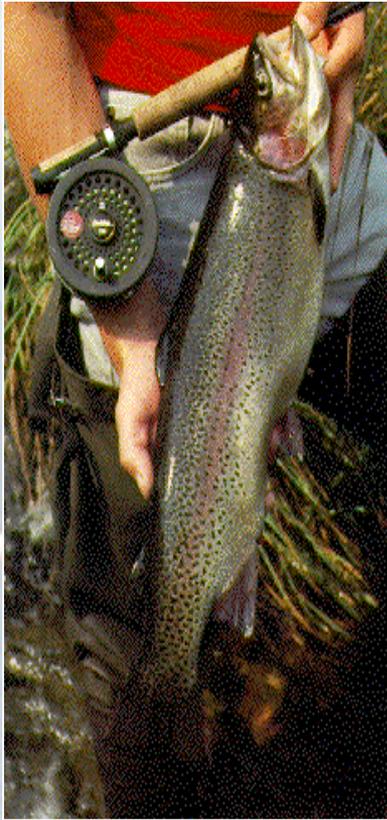
Recommendations shall Include:

- (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

Investing in Clean Water Legislative Report Timeline



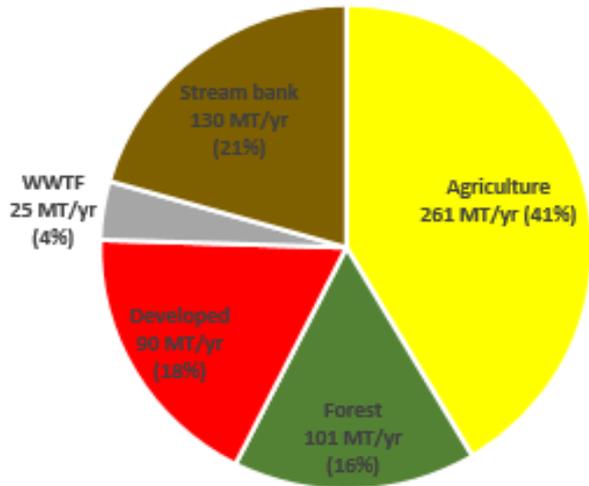
Vermont's Surface Waters are Critical Community Assets



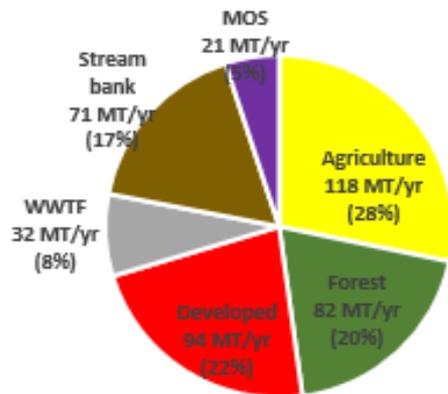
Land Uses Harm Water Quality



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



“All In” Approach

Wastewater
Treatment



Developed
Land \geq 3 acres

Forestry



River
Channels

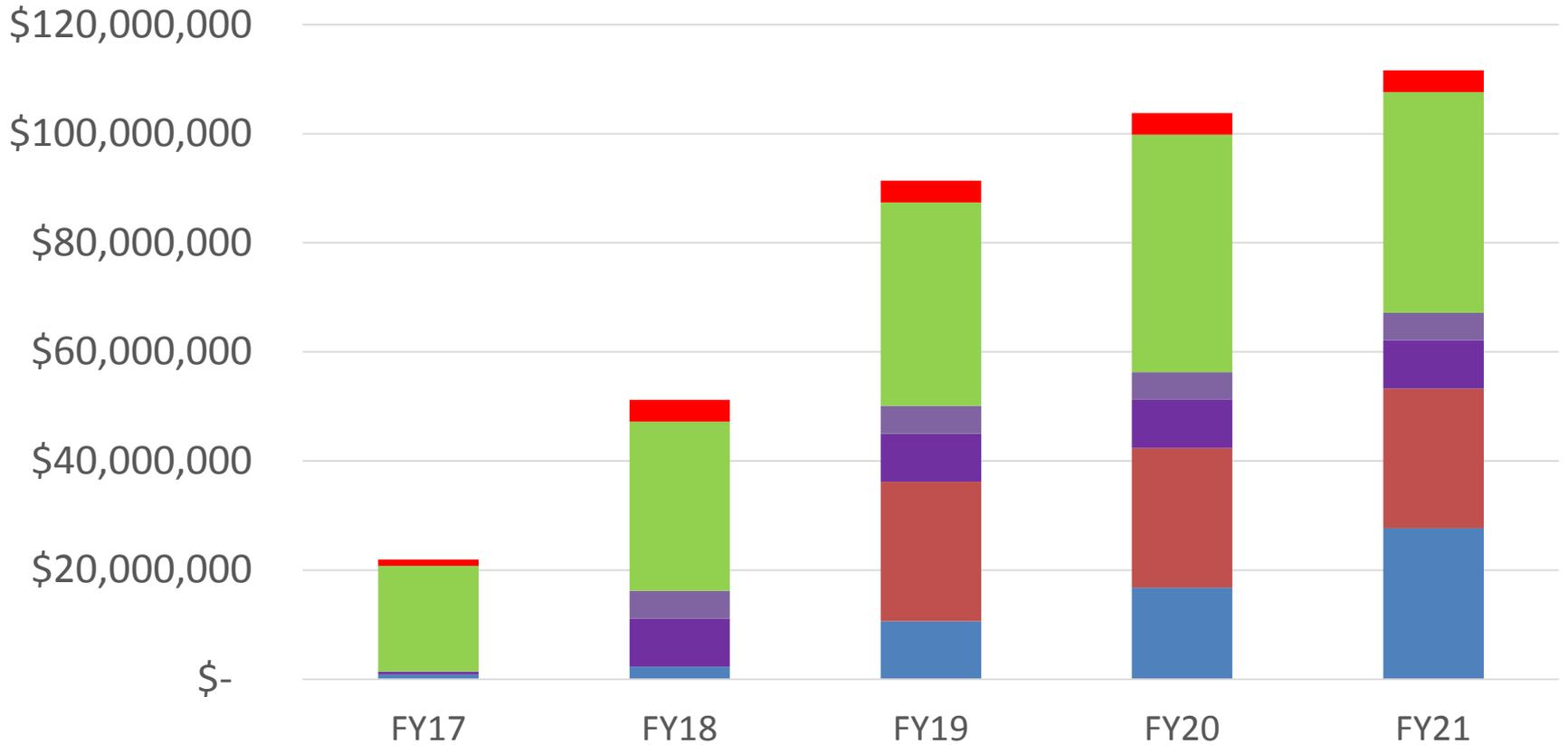


Agriculture

Roads



Vermont Clean Water Act Estimated Annual Implementation Costs

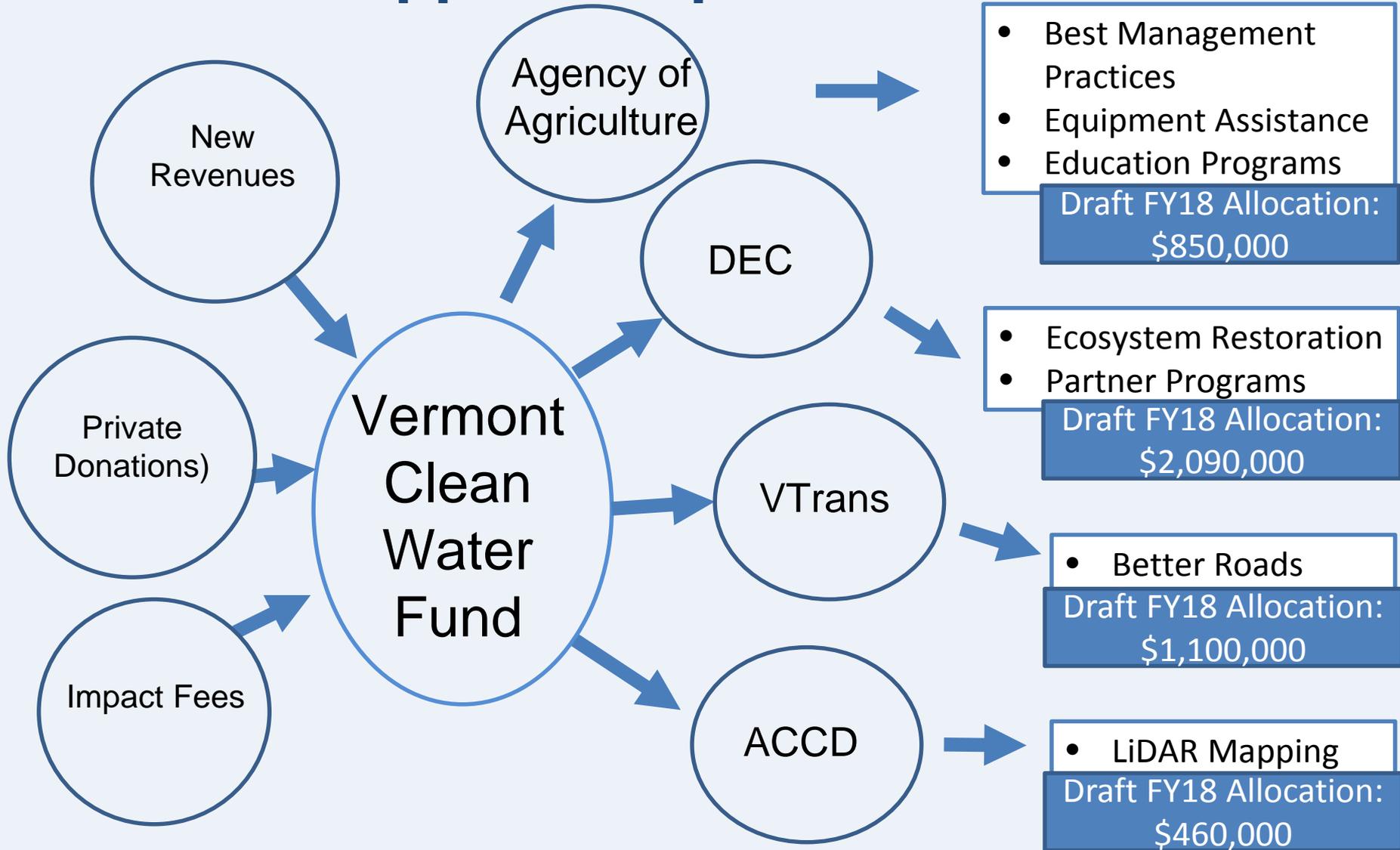


- Wastewater Treatment Plants
- Municipal Roads
- Agriculture
- Non-road developed land
- State Roads
- Natural Resources

Funding Vermont's Clean Water Needs



Vermont's Clean Water Fund Supports Implementation



See: www.cleanwater.Vermont.gov

Revenue Sources

Revenue Criteria Exercise
Summary of Revenue Sources

Criteria	Points
Revenue Potential	
Predictability	
Sufficiency	
Economic Impact	
Nexus to Water Quality	
Promotes Mitigation	
Administration & Compliance	
Accountability	
Geographic Distribution	
Income Equity	
Other Criteria or Considerations	

Stakeholder Discussion: Who Pays and How Much?

How much of the cost should be borne by property owners (private, municipal, state)?

How much of the cost should be shifted to the Clean Water Fund?

Questions?

<http://dec.vermont.gov/watershed/cwi/restoring>



Send comments to: anr.cleanwatervt@Vermont.gov