

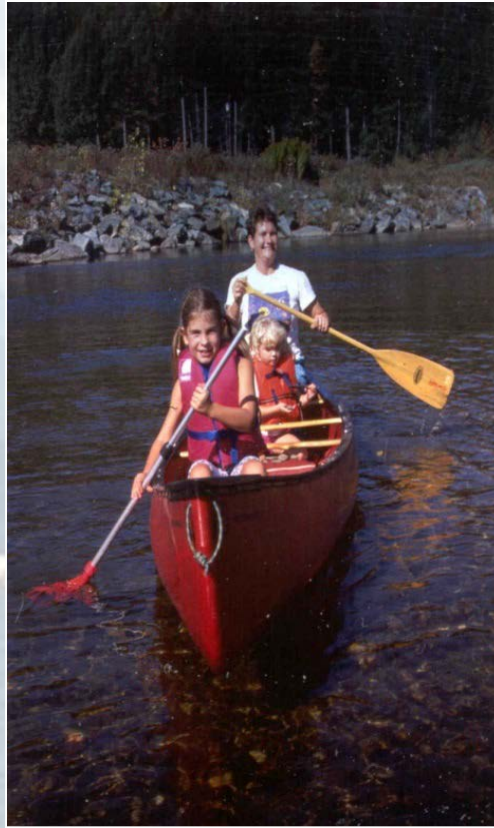


Legislative Report on Clean Water Funding Due January 15, 2017

Agriculture Stakeholder Meetings

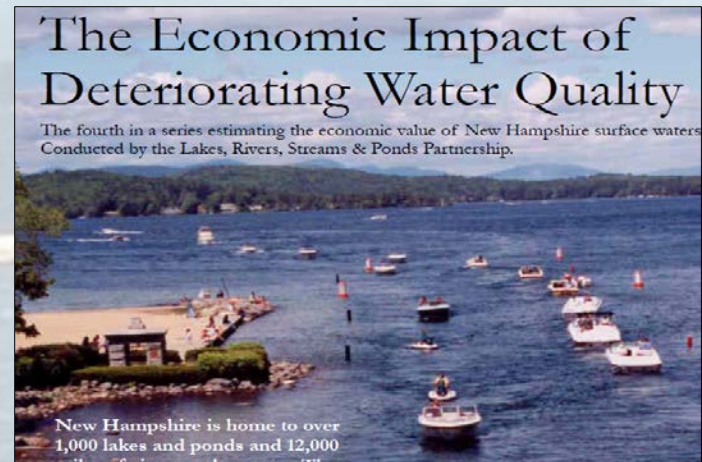
**State of Vermont
September 27 & 29, 2016**

Our Waters Are Critical Community Assets



Why We Need Clean Waters

- Provide for the human use of water resources
 - Drinking water
- Support Tourism, at annual spending of \$2.5 billion
 - Overnight visitors in Champlain Valley spend over \$300 million annually
 - Day visitors spend \$30 million annually
- Maintain Property Values
- Support the Vermont State Brand
- Farms which embrace water quality strengthen their farm's long-term economic viability



Meeting Agenda

- Introductions & Agenda Review
- Vermont Clean Water Act & EPA TMDL
(Total Maximum Daily Limit for phosphorus)
- Legislative Report
- Cost Estimates
- Revenue Options
- Stakeholder Discussion

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

Mar

Spring Stakeholder Meetings

Focus: Introduction to revenue needs and funding options

Jun

Aug

Fall Stakeholder Meetings

Focus: Evaluation of funding needs and options

Public Meetings

Final Report

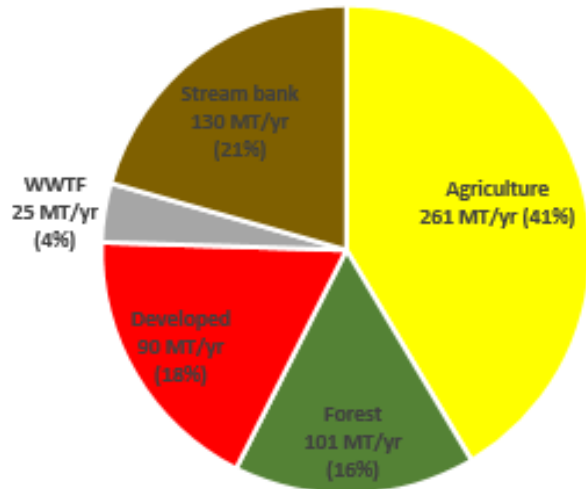
Dec

Today

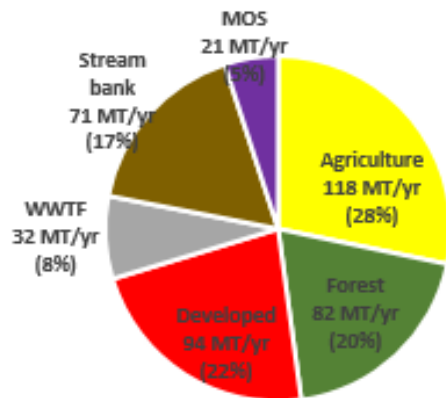
Land Uses Can Harm Our Waters



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

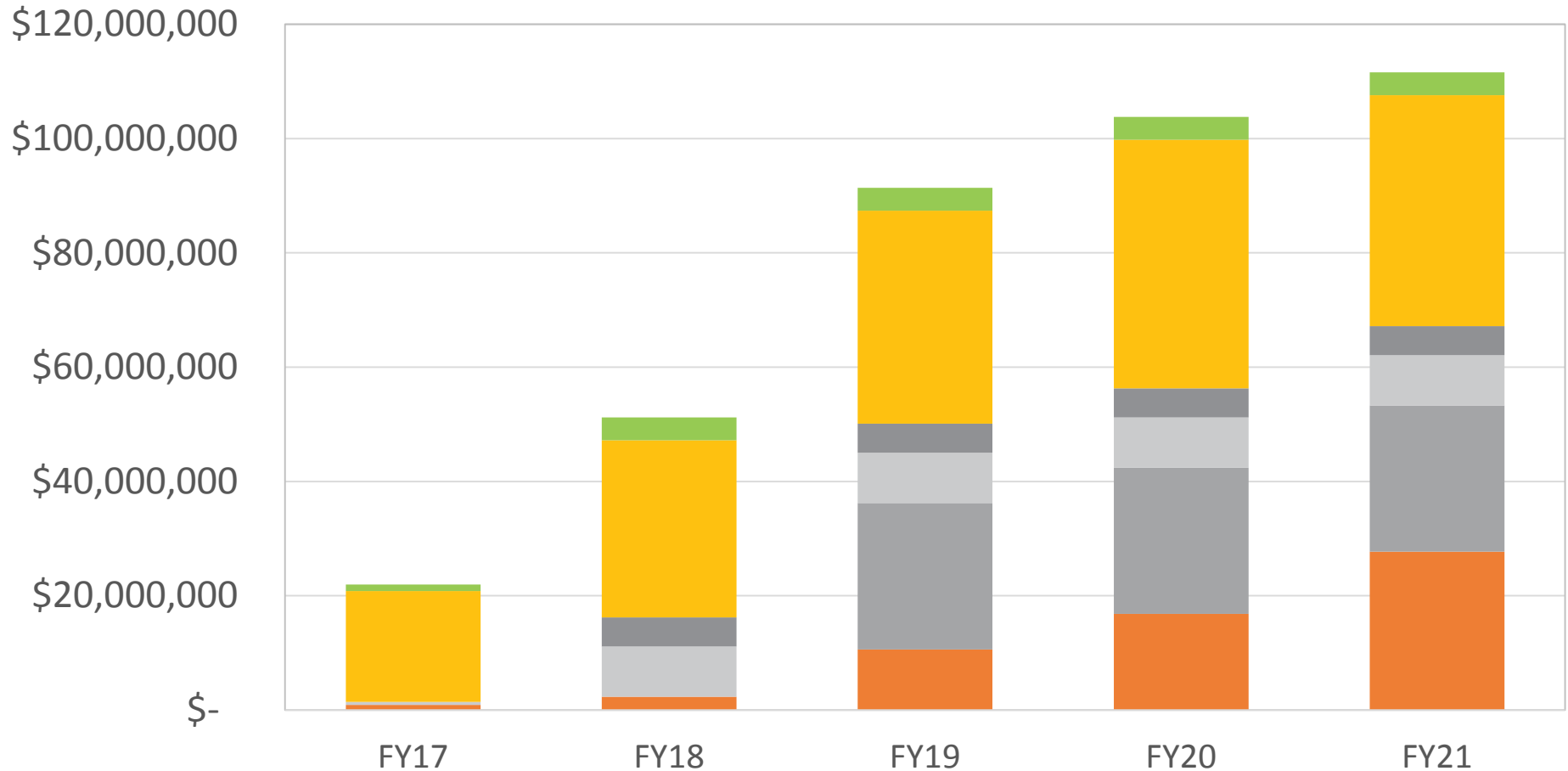


Agriculture



Roads

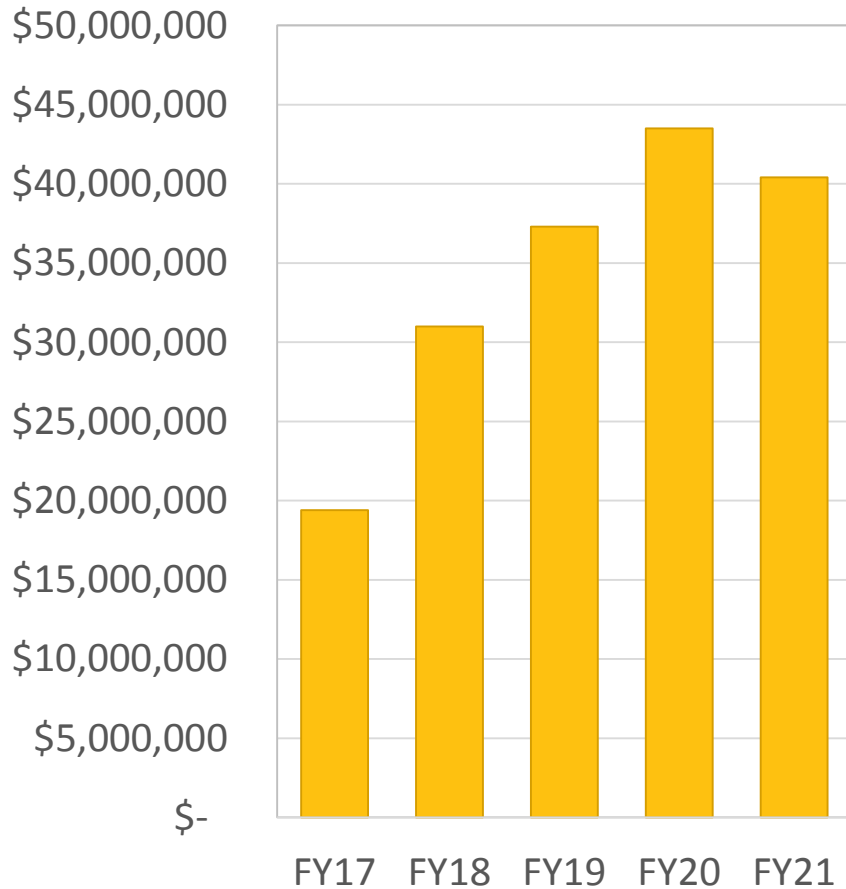
Lake Champlain TMDL & Clean Water Act Estimated Annual Implementation Costs



Wastewater Treatment Plants
Municipal Roads
Agriculture

Non-road developed land
State Roads
Natural Resources

Lake Champlain TMDL & Clean Water Act Estimated Annual Implementation Costs



Production Area BMP Implementation
Capital Equipment Assistance Program
Manure and soil tests
Cropland BMP Implementation
Livestock exclusion (includes CREP)
NMP & CNMP Development
NMP Plan Implementation
NMP classes for farmers
Manure Applicator Training Program
NMP Classes for Technical Service Providers
Incentive Payments
Farm Relocation
Technical Assistance needed for BMPs
Technical Assistance needed for NMPs
Technical Assistance needed for manure and soil testing
Partner Support and Technical Assistance
LaRosa Lab Support for Precision Monitoring

The Cost of Clean Water

Required Phosphorus Load Reduction in the Lake Champlain Basin (metric tons/year)



* Reduction in permitted load allocation

Annualized Statewide Funding Gap (millions of dollars)



Total = \$68 million/year over 20 years

Equivalent to \$1.36 Billion

Revenue Sources

Summary of Revenue Sources

Revenue Criteria Exercise

Revenue Criteria Exercise

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

Discussion and Next Steps

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



Send comments to: anr.cleanwatervt@Vermont.gov