

LEGISLATIVE UPDATE

February 11, 2019

Issue 5

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WEEK 5

Included this week

Wetlands

Act 250

H-82 Taxation of timber harvest equipment

Tile-Drainage

S-11 Limit of Senators

Clean Water Funding

H-171 Water Quality Funding

Bills Introduced

Events of Interest

Wetlands

The House Agricultural Committee is working on a committee bill (the bill does not have a number yet) dealing with wetlands. ***This bill proposes to clarify and expand those lands that are not wetlands subject to regulation by the State because of the conduct of farming on the land.*** The bill includes language clarifying fallow or idle ground, when drainage is allowed, maintenance and construction of buildings, construction and maintenance of farm or forest roads, defines what a farm structure is in regards to when needing a permit. The bill also exempts water quality or water conservation practices approved by the Natural Resources Conservation Service or the Agency of Agriculture from a wetland permit. This would not include water quality practice or a water conservation practice that would require the construction of a new farm structure. The committee will be discussing and taking testimony on this bill this week.

Act 250

Vermont's land use regulation Act 250 celebrated 50 years in existence last year. With that, the legislature created the Act 250 Commission to review and recommend changes and updates to the regulations to bring them into the 21st Century. The Commission made up of three Senators and three Representatives spent over a year taking testimony, holding hearings and reviewing Act 250. The full report can be found on the legislative website.

From that report the House Committee on Natural Resources, Fish and Wildlife have created a committee bill. The bill makes several changes and recommendations to the

original ACT 250 legislation. The Natural Resources committee has been hearing from Agencies, advocates and others on the merits and challenges of these the recommendations. The Natural Resources committee will be doing a mark-up of the bill in the next week or so and discussing what recommendations will stay, what recommendations will be modified and what recommendations might be removed. The following are a few of the recommendations that are in review:

- Proposing revisions to Act 250's Capability and Development Plan to address climate change and ecosystem protection
- Amending the criteria to address climate change, including requiring projects to avoid, minimize, or mitigate greenhouse gas emissions and to be designed to withstand and adapt to climate change.
- Amending the criteria to address ecosystem protection through protecting forest blocks and connecting habitat
- Protect ecosystems on ridgelines by reducing the elevation threshold from 2,500 to 2,000 feet.
- Requiring that, to be used in Act 250, local and regional plans must be approved as consistent with the statutory planning goals and clarifying that local and regional plan provisions apply to a project if they meet the same standard of specificity applicable to statutes.
- Clarifying the definition of "commercial purpose" so that it is not necessary to determine whether monies received are essential to sustain a project
- Repealing the exemption for farming, logging, and forestry when those activities take place in critical resource areas.
- Replacing the Natural Resources Board (NRB) with a Vermont Environmental Review Board (the Board), which would hear appeals from the District Commissions and the Agency of Natural Resources in addition to the NRB's current duties. The Environmental Division of the Superior Court would continue to hear enforcement and local zoning appeals.
- Revising and clarifying the statutory authority on the use of other permits to demonstrate compliance with the criteria, including ensuring the reliability of those other permits.
- "Critical resource area" means a river corridor, a significant wetland as defined under section 902 of this title, land at or above 2,000 feet, and land characterized by slopes greater than 15 percent and shallow depth to bedrock.

H-82 An act relating to the taxation of timber harvesting equipment

This bill proposes to exempt from the sales and use tax parts for or accessories sold with timber harvesting equipment.

The House Agriculture and Forestry committee is working with the Tax Department to provide clarity to what is an accessory and what is actually a part regarding timber harvesting equipment. I will keep you updated on the outcome of those discussions.

Tile-Drainage

The House Agriculture and Forestry committee will be taking testimony on tile-drainage Tuesday afternoon at 2:00. They will be hearing from Jeff Carter, UVM Extension, Heather Darby, UVM Extension and Ryan Patch from the Agency of Agriculture.

S-11 An act relating to limiting senatorial districts to a maximum of three members

This bill passed Senate Government Operations unanimously. The bill would restrict the number of Senators representing any Senate district to three. The bill has received no negative comments or concerns. It is expected to pass the full Senate when it comes up for a vote. The bill would then go to the House for consideration.

CLEAN WATER FUNDING

In the Governor's budget address he allotted \$8 million dollars for clean water funding coming from the estate tax. There are many different opinions on this option. Having said that the Agency of Natural Resources (ANR) has created a funding model utilizing this money. The overarching theme of this program, from ANR's view, is getting money out to where it is needed and to be the most flexible. The program would create utilities through out the state that would be managed by local or regional "utilities." The Senate Natural Resources committee is taking this concept on and is developing a bill.

The following bill is an example of different funding mechanisms that are being discussed to support water quality projects.

Representative Till of Jericho introduced **H-171** and it is in the House Natural Resources committee. This is in the very beginning of the process and I do not know if there will interest by the Natural Resources committee to take this bill up. This bill includes the following:

H-171 An act relating to water quality funding

This bill proposes to establish an impervious surface fee on all parcels in the State. The bill would repeal the sunset of the Clean Water Surcharge on the Property Transfer Tax.

- *The bill also would establish a Water Quality Occupancy Surcharge on the rent of each occupancy in the State.*
- *The bill would impose on milk handlers a fee per pound of fluid milk purchased from a milk producer for the purpose of bottling, manufacturing, processing, distribution, or sale of dairy products in the State.*
- *The bill would require a manufacturer of asphalt to pay an assessment per ton of asphalt sold in the State each year.*
- *The revenue from the impervious surface fee, the Water Quality Occupancy Surcharge, and the asphalt assessment would be deposited in the Clean Water Fund.*

- *The revenue from the milk handling fee would be deposited in the General Fund.*

Below is the link to the Vermont Legislative website
Legislature.vermont.gov

BILLS OF INTEREST

PR-1 Elections; Governor; four-year term of office

H-10 An act relating to the establishment of year-round U.S. Eastern Daylight Saving Time

H-33/H-74 An act relating to the use of disposable carryout bags

H-36 An act relating to notifying property owners of a recorded lien

H-64 An act relating to financing water quality programs

H-76 An act relating to studying the creation of sales tax zones

H-79 An act relating to eligibility for farm-to-school grant assistance

H-81 An act relating to the definition and sale of milk

H-82 An act relating to the taxation of timber harvesting equipment

H-86 An act relating to revenues designated for the Vermont Housing and Conservation Trust Fund

H-84 H-92 H-93 H-94 H-95 H-96 All dealing with Telecommunications and Broadband

H-147 An act relating to presuit mediation of disputes related to access to landlocked property

H-190 An act relating to the management of fish and wildlife

S-23 An act relating to increasing the minimum wage

S-52 An act relating to creating an education property tax that is adjusted by income for all taxpayers

S-55 An act relating to the regulation of toxic substances and hazardous materials

S-58 An act relating to the State hemp program

S-64 An act relating to presuit mediation of disputes related to access to landlocked property

S-85 An act relating to the valuation of landlocked parcels

20th Annual
VERMONT DAIRY PRODUCERS
CONFERENCE
Tuesday February 26, 2019
8:00 am to 4:00 pm
DoubleTree by Hilton Hotel
Register at vermontdairyproducers.com

DAIRY RECEPTION

CELEBRATE
The 2 + 2 Program at VTC and UVM
Wednesday March 27, 2019
4:00 TO 6:00
CEDAR CREEK ROOM
STATEHOUSE

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Coming together is a beginning, keeping together is progress, staying together is
success”
- Henry Ford