

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: April 20, 2021

Prepared by: Daniel Dickerson

H.446 An act relating to miscellaneous natural resources and development subjects – As introduced

<https://legislature.vermont.gov/Documents/2022/Docs/BILLS/H-0446/H-0446%20As%20Introduced.pdf>

Bill Summary

This bill proposes numerous changes to laws relating to natural resources management and development. All provisions in the bill would be effective on July 1, 2021.

Fiscal Impacts

Sec. 4 – Environmental Contingency Fund

Currently, the statute restricts use of the Environmental Contingency Fund (ECF) monies to eleven spending categories stemming from an emergency hazardous material release. Expenses attributable to each of the categories are not allowed to exceed \$100,000 without the approval of the General Assembly, or the Joint Fiscal Committee when the General Assembly is not in session. H.446 proposes to increase the expense threshold to \$350,000 and would apply the threshold to each response to a hazardous material release rather than to each spending category. This provision would alter how emergency funds could be used in the event of a hazardous material release but would not create a new expenditure.

No estimated fiscal impact.

Sec. 5 – Waste Management Assistance Fund

Within the Waste Management Assistance Fund there is a Solid Waste Management Assistance Account (SWMAA) which consists of revenues from the franchise tax on waste facilities. There are several possible uses of funds from this account specified in statute, one of which is a requirement that at least 17% of anticipated yearly funds are required to go towards implementation of state and municipal solid waste management plans each year. H.446 proposes to increase this annual threshold to 20%. Per Dept. of Environmental Conservation (DEC) staff, this 20% funding threshold is being met in practice due to surplus revenues the past several years.

Additionally, under current law, excess revenues in the SWMAA can be transferred to the ECF at the end of a year after all Agency of Natural Resources (ANR) costs are covered, if ECF funds are deemed insufficient to cover obligations stemming from a release(s) of hazardous material

and only for use in covering costs associated with one ECF spending category.¹ H.446 proposes to expand the use of transferred funds to all ECF spending categories but would require that prior to any transfer of excess funds to the ECF, an additional 10% of SWMAA receipts shall go towards state and municipal solid waste management plan implementation. A transfer from the SWMAA to the ECF has not occurred in the past five fiscal years based on a limited JFO search but an increased demand for ECF monies is possible in future years, which could necessitate a future transfer.²

No estimated fiscal impact

Sec. 17 – Solid Waste Hauler – permit fees

Currently, solid waste haulers must pay a fee for septage pumped from a septic system. The current fee is \$10 per 1,000 gallons based on the rated capacity of a tank and rounded to the nearest 1,000 gallons. H.446 proposes to change the fee to \$0.01 per gallon. The proposal would change the fee structure but would not change the overall fee.

Fiscal impact negligible

¹ Under current law, a transfer from the SWMAA to the ECF can only be used to cover costs outlined in 10 V.S.A. §1283(b)(9), which are capital contributions, operation and maintenance associated with a Superfund clean-up, as defined in 42 U.S.C. §9601 et. Seq.

² The Governor's FY22 budget includes a \$10 million General Fund transfer to the ECF, partially to help the fund remain solvent in future years but also to help provide polychlorinated biphenyl (PCB) testing for schools.