



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

January 30, 2013

The Honorable Shannon Chandley, Chairman
Resources, Recreation and Development Committee
Legislative Office Building, Room 305
Concord, NH 03301

RE: HB 428, relative to funds for dam maintenance, removal and improvement

Dear Chairman Chandley:

Thank you for the opportunity to testify in support of HB 428, which would amend RSA 482:55-a to allow use of the Dam Maintenance Revolving Loan Fund by municipalities, as well as private dam owners, to fund the repair, removal or improvement of their dams.

The Dam Maintenance Revolving Loan Fund was established with enactment of Chapter 272:5 of the Laws of 2008 (SB 519). The primary purpose of that law was to establish a per diem fine on dam owners and operators for failure to comply with New Hampshire's Dam Safety statutes and regulations or failure to perform required maintenance work on their dams. During the debate on the bill, the legislature determined that any fines collected under this new authority should be dedicated to a revolving fund which could provide low-interest loans to dam owners to help fund the necessary repairs, and it modified the bill accordingly. The statute was amended in 2009 with the enactment of Chapter 110 of the Laws of 2009 to authorize the Dam Maintenance Revolving Loan Fund to accept revenue from other sources including the general fund, principal and interest from the repayment of loans, grants and awards from the federal government, interest earned from the investment of fund balances, and private gifts.

HB 428 would amend the statute further to allow municipalities, in addition to private dam owners, access to the Dam Maintenance Loan Fund, and would allow the fund to be used for removal or improvement to the dams, instead of only repair. DES supports these changes.

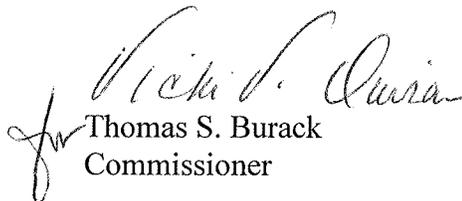
Of the 829 dams in New Hampshire that could cause loss of life or property damage if they were to fail, approximately half of them are privately-owned and 25% of them are owned by municipalities. Of these, approximately 70 privately-owned dams and 50 municipally-owned dams have outstanding Letters of Deficiency requiring some maintenance, repair or either reconstruction or removal to be performed so that the dams do not pose a threat of actual failure. The costs to address these deficiencies can range from thousands to millions of dollars, and the private or municipal owners are responsible for these expenses. In some cases, a dam may no longer serve any useful purpose, and the private or municipal dam owner may prefer to remove rather than repair the dam to eliminate the safety hazard as well, as the long-term maintenance costs.

The Honorable Shannon Chandley, Chairman
January 30, 2013
Page 2 of 2

The current balance of the Dam Maintenance Revolving Fund from fines collected to date is approximately \$49,000, which is much less than the costs of a typical repair, improvement or removal project, and currently funding is not available from any of the other revenue sources identified in the statute. However, if funding from these sources were ever to become available, the Dam Maintenance Revolving Fund, authorized under RSA 482:55-a as amended by HB 428, provides a framework to help municipal and private dams owners improve the safety of their dams.

Thank you for the opportunity to comment in support of this bill. Please contact Jim Gallagher, Dam Bureau Administrator, at 271-1961 or james.gallagher@des.nh.gov, or me at 271-2958 or thomas.burack@des.nh.gov if you have any questions or need additional information.

Sincerely,


Thomas S. Burack
Commissioner

cc: Representative Suzanne Smith
Representative Karen Ebel
Representative Rebecca Brown