



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

February 5, 2019

The Honorable Suzanne Smith
Chair, House Resources, Recreation and Development Committee
Legislative Office Building, Room 305
Concord, NH 03301

RE: HB 682, An Act establishing a water resources fund for certain application and permit fees

Dear Chair Smith and Members of the Committee:

Thank you for the opportunity to testify on HB 682. This bill establishes a water resources fund and increases existing fees and adds fees for uncharged services for the wetlands, shoreland, and alteration of terrain (AOT) programs. The New Hampshire Department of Environmental Services (NHDES) supports this bill for the reasons outlined in this letter.

Each year NHDES processes over 3,000 applications, issues approximately 60 emergency authorizations, hosts over 500 pre-application meetings, and responds to over 15,000 phone calls associated with application reviews for land development. This bill will maintain the staff necessary to sustain the water resources program functions that are critical to protecting New Hampshire's environment, public health, water quality, aquatic resources, and shorelands. In NH's tourist-based economy, these services are key elements in maintaining a healthy environment which promotes a healthy economy.

The NHDES permit application fees for AOT, shoreland, and wetlands have not changed since they were set in statute in 2007. While at the same time, staffing for these programs has increased from 23 to 33 positions to keep pace with increasingly complex application reviews, and to meet statutorily accelerated and mandated review timelines. Since 2007, the water resources programs have lost State General Funds and federal funds for five positions which has further increased reliance on fee funding. The proposed fees in this bill are in line with or lower than most New England states.

Between rising costs (salaries & benefits have increased over 25%), and increasing staffing levels, the current fees can no longer sustain the programs. If new fees are not established, NHDES will not be able to maintain the current level of water resources staff and there will be a significant reduction in customer service. NHDES will face a considerable challenge in meeting statutory turnaround times processing applications, conducting needed compliance inspections, and providing timely responses to public complaints. We further expect that public assistance and outreach would need to be

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The Honorable Suzanne Smith

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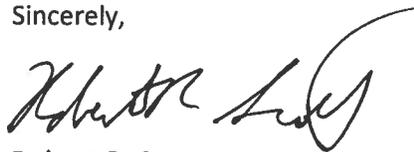
Page 2

curtailed. Since 1992, NHDES has been issued a US Army Corps of Engineers Programmatic General Permit, where the vast majority of NHDES permits serve as federal permits under the Clean Water Act. A reduction in staff could jeopardize the Corps' General Permit and require the public to apply for individual permits through the Corps, as well as NHDES, resulting in lengthy permit review times and significant additional costs.

The bill's rulemaking authority will authorize NHDES the ability to make, in consultation with stakeholders, incremental fee adjustments to keep pace with increased costs. Common costs for administration, application review, permit inspections, and database system improvements have been shared by these programs creating the need for a consolidated account. This bill provides account consolidation and the necessary resources to maintain critical program functions.

Thank you again for the opportunity to comment on HB 682. Should you have questions or need additional information, please feel free to contact either Assistant Water Division Director, Rene Pelletier (Rene.Pelletier@des.nh.gov, 271-2951) or me (Robert.Scott@des.nh.gov, 271-2958).

Sincerely,

A handwritten signature in black ink, appearing to read "Robert R. Scott", with a large, sweeping flourish extending from the end of the signature.

Robert R. Scott
Commissioner

cc: Representative Spang; Senators D'Allesandro, Watters