

33           432 Purpose Statement. The general court finds that people and animals accessing lakes and  
34 rivers across the state have been impacted by cyanobacteria blooms, which pose a threat of acute and  
35 chronic illnesses from the toxins they release. Many of these blooms have been triggered by  
36 phosphorus loading from direct run-off, poor culvert design, inefficient or failed septic systems,  
37 internal loading of phosphorus, among other causes. The cost of designing, installing and repairing

1 mitigation systems or projects for many communities, watershed management associations, and lake  
2 associations, would result in dramatically higher property taxes or would take many years of  
3 fundraising and delay projects exacerbating the problem. The mitigation of contributors to  
4 cyanobacteria blooms requires a strategy to protect, preserve, and enhance the water quality that  
5 New Hampshire citizens and the natural environment depend upon.

6 433 New Subdivision; Cyanobacteria Mitigation Loan Program. Amend RSA 485-A by inserting  
7 after section 57 the following new subdivision:

8 Cyanobacteria Mitigation Loan Program

9 485-A:58 Establishment and Implementation of Cyanobacteria Mitigation Loan Program.

10 I. There is established in the department of environmental services the cyanobacteria  
11 mitigation loan program. The program shall provide low interest loans to:

12 (a) Municipalities, community water systems and non-profit lake and river watershed  
13 associations whose testing shows confirmed and chronic exceedances of the state health advisory for  
14 cyanobacteria, for remediation efforts begun after September 30, 2023.

15 (b) Publicly-owned and non-profit lake or river watershed associations that have a  
16 watershed management plan which specifies sources of phosphorus loading approved by the  
17 department of environmental services.

18 II. Projects shall only be financed after the applicant's proposed mitigation plan or  
19 watershed management plan demonstrates that such plan is the most cost-effective solution, as  
20 reviewed and approved by the department of environmental services. The applicant shall provide  
21 evidence in the application for funding that there are no no-cost or low-cost efforts that would result  
22 in a substantial decrease in external phosphorus loading. The applicant shall also show that there is  
23 no responsible party identified by department of environmental services or that the responsible  
24 party, potentially including the applicant, has provided their appropriate share of the funding for the  
25 proposed project.

26 III. Loans or grants may be made for up to the total cost of the project, after any responsible  
27 party's contribution, addressing the contamination.

28 IV. The cyanobacteria mitigation program shall forgive up to 10 percent of the loan principal  
29 to community water systems, publicly owned or non-profit lake or river watershed associations using  
30 the same qualifying standards for forgiveness used in the drinking water state revolving loan  
31 program established under RSA 486:14.

32 V. Total loan forgiveness under this section shall not exceed \$1,000,000 in a fiscal year.

33 485-A:59 Duties.

34 I. The department of environmental services shall:

35 (a) Administer the cyanobacteria mitigation loan and grant program to assist  
36 municipalities; community and non-profit, lake and river watershed association; with the cost of  
37 reducing the number of chronic and extended cyanobacteria bloom that the department considers to

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1 be a threat to long term health of water bodies. For purposes of this subparagraph, administration  
2 includes oversight of the grant or loan expenditures to ensure they are not misused.

3 (b) Administer a loan forgiveness program to assist municipalities, community, and non-  
4 profit, lake and river watershed association with loan repayment.

5 (c) Award loan or grant funds to projects that meet the following criteria:

6 (1) The project is or was necessary to reduce phosphorus loading identified in an  
7 accepted watershed management plan and the applicant for funding is a municipality, a community  
8 water system, or a non-profit, lake or river watershed association.

9 (2) The applicant has demonstrated, to the satisfaction of the department, that low  
10 or no-cost solutions are neither viable nor effective.

11 (d) Award reimbursements to projects from the fund in a manner consistent with this  
12 chapter.

13 II. Every year beginning December 1, 2024, the department of environmental services shall  
14 prepare and file a report with the general court evaluating the progress made relative to mitigating  
15 cyanobacteria blooms, the efficiency of the program established under this chapter, and whether it  
16 continues to provide the maximum benefit to New Hampshire citizens, and providing any  
17 recommendations on potential additional tasks for which the fund could be used to address  
18 cyanobacteria blooms.

19 485-A:60 Rules. The department of environmental services shall adopt rules, under RSA 541-A,  
20 relative to administering cyanobacteria loan and grant programs for eligible projects.

21 485-A:61 Cyanobacteria Mitigation Loan and Grant Fund Established. There is hereby  
22 established in the department of environmental services the cyanobacteria mitigation loan and grant  
23 fund which shall be maintained by the state treasurer in distinct and separate custody from all other  
24 funds. The state treasurer may invest the fund in accordance with RSA 6:8. Any earnings on fund  
25 moneys shall be added to the fund. All moneys in the fund shall be nonlapsing and continually  
26 appropriated to the department of environmental services. The cyanobacteria mitigation loan and  
27 grant fund shall be used to fund loans, grants, and reimbursements in accordance with this  
28 subdivision. Funds from any bond proceeds, grants, loan repayments, legislative appropriations,  
29 donations, and other funds shall be credited to this fund.

30 434 New Subparagraph; Cyanobacteria Mitigation Loan and Grant Fund. Amend RSA 6:12, I(b)  
31 by inserting after subparagraph (387) the following new subparagraph:

32 (388) Moneys deposited in the cyanobacteria mitigation loan and grant fund  
33 established in RSA 485-A:61.

34 435 Appropriation; Department of Environmental Services. The sum of \$1,000,000 for the fiscal  
35 year ending June 30, 2023 is hereby appropriated to the department of environmental services for  
36 deposit into the cyanobacteria mitigation loan and grant fund. The governor is authorized to draw a  
37 warrant for said sum out of any money in the treasury not otherwise appropriated.

1        436 Effective Date. Section 435 of this act shall take effect June 30, 2023.