

## AMENDMENTS TO SENATE BILL NO. 799

Sponsor: SENATOR KILLION

Printer's No. 1258

1 Amend Bill, page 1, lines 1 through 3, by striking out all of  
2 said lines and inserting

3 Amending Title 27 (Environmental Resources) of the Pennsylvania  
4 Consolidated Statutes, in environmental stewardship and  
5 watershed protection, further providing for legislative  
6 findings, for the Environmental Stewardship Fund and for  
7 agencies; establishing the Pennsylvania Clean Water  
8 Procurement Program and the Watershed Innovation and  
9 Improvement Fund.

10 Amend Bill, page 1, lines 6 through 18; pages 2 through 6,  
11 lines 1 through 30; page 7, lines 1 through 6; by striking out  
12 all of said lines on said pages and inserting

13 Section 1. Section 6102 of Title 27 of the Pennsylvania  
14 Consolidated Statutes is amended to read:  
15 § 6102. Legislative findings.

16 The General Assembly hereby determines, declares and finds as  
17 follows:

18 [(1) Ninety-six percent of the water-quality-impaired  
19 watersheds in this Commonwealth are polluted because of  
20 nonpoint sources of pollution such as past mining activities,  
21 urban and agricultural runoff, atmospheric deposition, on-lot  
22 sewage systems and earthmoving.

23 (2) The Commonwealth continues to have unmet needs in  
24 the area of water and sewer infrastructure. New and improved  
25 water sources, treatment and distribution systems are  
26 necessary for public drinking water supplies.

27 (3) The Commonwealth owns approximately 2.4 million  
28 acres of State park and State forest lands and many of these  
29 lands suffer from past environmental problems, including  
30 unreclaimed mines, acid mine drainage and abandoned oil and  
31 gas wells.

32 (4) Open space, greenways, recreational trails, river  
33 corridors, fish and wildlife habitats, parks and recreation  
34 areas and scenic environments protect the environment,  
35 conserve natural resources and add value to communities.

1 (5) State programs and State funding should provide  
2 maximum flexibility for elected county and municipal  
3 governmental officials to identify, prioritize and address  
4 local environmental concerns, including odor abatement  
5 problems at sewage treatment plants.]

6 (1) As stated in section 27 of Article I of the  
7 Constitution of Pennsylvania:

8 The people have a right to clean air, pure water and to  
9 the preservation of the natural, scenic, historic and  
10 esthetic values of the environment. Pennsylvania's public  
11 natural resources are the common property of all the  
12 people, including generations yet to come. As trustee of  
13 these resources, the Commonwealth shall conserve and  
14 maintain them for the benefit of all the people.

15 (2) The Commonwealth has an obligation to provide  
16 greater investments to conserve land and water resources,  
17 restore damaged waterways and land and to create prosperous  
18 and sustainable communities.

19 (3) Clean water is vital:

20 (i) to the continued economic growth of this  
21 Commonwealth;

22 (ii) to support tourism, agriculture, industry,  
23 power generation and recreation;

24 (iii) for drinking water supplies; and

25 (iv) to protect public health and aquatic life.

26 (4) This Commonwealth has over 19,000 miles of streams  
27 and rivers that do not meet Federal and State water quality  
28 standards to protect aquatic life and provide swimmable  
29 rivers and drinkable water supplies.

30 (5) Nonpoint sources of pollution continue to have a  
31 negative impact on this Commonwealth's environment.

32 (6) This Commonwealth continues to have water and sewer  
33 infrastructure needs. New and improved water sources,  
34 treatment and distribution systems are necessary for public  
35 drinking water supplies.

36 (7) As noted in the Commonwealth's award-winning 2014-  
37 2019 Pennsylvania Statewide Comprehensive Outdoor Recreation  
38 Plan, our 5,600 local parks and recreation areas are the most  
39 frequently visited recreational assets in this Commonwealth,  
40 and most need additional funding to address aging  
41 infrastructure, deferred maintenance and capacity to carry  
42 out programs and services.

43 (8) The Commonwealth owns approximately 2.5 million  
44 acres of State park and State forest lands. Our State park  
45 system has estimated many of these parks have environmental  
46 projects and infrastructure and deferred maintenance needs,  
47 such as dams, roads, bridges, water and wastewater treatment  
48 facilities, buildings and boat launches.

49 (9) Conservation of public and private forest lands is a  
50 cost-effective method for protecting water quality. Forest  
51 lands function as a reserve of clean water for this

1 Commonwealth, including municipalities that rely on public  
2 water supplies drawn from water resources on public and  
3 private forested properties. Forest lands act as groundwater  
4 recharge areas, protect surface water quality, reduce soil  
5 erosion, enhance fish and wildlife habitats and provide  
6 opportunities for fishing, boating, hunting and trapping.

7 (10) Abandoned mines remain across 189,000 acres in 43  
8 counties and are the cause of more than 5,500 miles of  
9 biologically compromised streams.

10 (11) More than 2,000 working farms remain on county  
11 waiting lists to be preserved for continued agricultural use.

12 (12) Open space, greenways, recreational trails, river  
13 corridors, fish and wildlife habitats, parks and recreation  
14 areas and scenic areas protect the environment, conserve  
15 natural resources and add quality of life value that attracts  
16 jobs, are essential to Pennsylvania's outdoor recreation and  
17 tourism industries and improve public health.

18 (13) Investments in urban parks, trails, greenways,  
19 riverfronts, green infrastructure and other natural assets  
20 are increasingly understood to be advantageous to local  
21 economies, attracting and retaining residents and providing  
22 opportunities to creatively address significant challenges  
23 such as storm water and flooding.

24 (14) State programs and State funding should provide  
25 opportunity and flexibility for elected county and municipal  
26 government officials and authorized organizations to  
27 identify, prioritize and address local environmental  
28 concerns.

29 Section 2. Section 6104(d) (6) of Title 27 is amended and the  
30 subsection is amended by adding a paragraph to read:

31 § 6104. Fund.

32 \* \* \*

33 (d) Allocation.-- The money appropriated in subsection (c)  
34 shall be allocated annually as follows:

35 \* \* \*

36 (6) For fiscal year 2007-2008 [and each year thereafter]  
37 through 2016-2017, moneys in the fund shall be allocated in  
38 accordance with paragraph (2).

39 (7) For fiscal year 2017-2018 and each fiscal year  
40 thereafter, moneys in the fund shall be allocated as follows:

41 (i) Twenty-eight and nine-tenths percent to the  
42 Department of Conservation and Natural Resources, which  
43 shall use the allocation as follows:

44 (A) At least 50% for grants for projects of  
45 which the recipient is a county or other  
46 municipality, council of governments, conservation  
47 district or authorized organization.

48 (B) At least 10% for land trust projects.

49 (C) At least 4.5% for the Heritage Areas  
50 Program.

51 (D) For fiscal year 2017-2018 through 2022-2023,

1 at least 30% for projects and programs located within  
2 the watershed of the Susquehanna River and its  
3 tributaries.

4 (ii) Thirty-eight and two-tenths percent to the  
5 Department of Environmental Protection which for fiscal  
6 year 2017-2018 through 2022-2023, shall use at least 40%  
7 of the allocation for projects and programs within the  
8 watershed of the Susquehanna River and its tributaries.

9 (iii) Nineteen and seven-tenths percent to the  
10 Department of Agriculture, which shall use the allocation  
11 as follows:

12 (A) At least 12% for grants to authorized  
13 organizations to preserve farmland.

14 (B) For fiscal year 2017-2018 through 2022-2023,  
15 at least 40% for projects and programs located within  
16 the watershed of the Susquehanna River and its  
17 tributaries.

18 (iv) Four and six-tenths percent to the authority  
19 which for fiscal years 2017-2018 through 2022-2023, shall  
20 use at least 40% of the allocation for projects and  
21 programs located within the watershed of the Susquehanna  
22 River and its tributaries.

23 (v) Three and six-tenths percent to the Department  
24 of Community and Economic Development.

25 (vi) Two and six-tenths percent to the Pennsylvania  
26 Fish and Boat Commission.

27 (vii) One and three-tenths percent to the  
28 Pennsylvania Game Commission.

29 (viii) One and one-tenth percent to the Pennsylvania  
30 Historical and Museum Commission.

31 \* \* \*

32 Section 3. Section 6105 of Title 27 is amended to read:

33 § 6105. Agencies.

34 (a) The Department of Conservation and Natural Resources.--

35 (1) The Department of Conservation and Natural Resources  
36 shall utilize money it receives from the fund for the  
37 following purposes:

38 (i) To rehabilitate, repair and develop State park  
39 and State forest lands and facilities and the acquisition  
40 of [interior] lands [within] for State parks and State  
41 forests.

42 (ii) To provide grants to a county or other  
43 municipality, council of governments, conservation  
44 districts and authorized organizations for the purpose of  
45 planning, education, acquisition, development,  
46 rehabilitation and repair of greenways, recreational  
47 trails, including connections between trails, open space,  
48 natural areas, river corridors and access to riverfronts,  
49 watersheds, community [and heritage] parks and recreation  
50 facilities; community conservation and beautification  
51 projects; forest conservation[;], including conservation

1 of forested riparian buffers; heritage areas; and other  
2 conservation and recreation purposes. Grants under this  
3 paragraph may not be used by an authorized organization  
4 for land acquisition unless the authorized organization  
5 obtains the approval of all counties in which the land is  
6 situated. Grant moneys may also be used for the  
7 acquisition of farmland for the purposes set forth in  
8 this paragraph.

9 (iii) To provide grants to a county or other  
10 municipality and authorized organizations for the purpose  
11 of research, planning, inventories and technical  
12 assistance intended to protect and conserve the  
13 biological diversity of this Commonwealth.

14 (iv) To support forest conservation easements,  
15 including funding for a working forest conservation  
16 easement initiative to preserve the availability of  
17 privately owned forest land for sustainable, commercial  
18 timbering and other forest-dependent economic uses.

19 (v) To provide funding to the Wild Resource  
20 Conservation Fund for the conservation of nongame  
21 wildlife and native wild flora and their habitats, to  
22 conduct and support research to preserve this  
23 Commonwealth's biodiversity and to educate the public on  
24 the value of conserving these species and their habitats.

25 (vi) To provide funding for the Heritage Areas  
26 Program established under Article XVI-J of the act of  
27 April 9, 1929 (P.L.343, No.176), known as The Fiscal  
28 Code.

29 (2) The Department of Conservation and Natural Resources  
30 may require matching funds as a condition of the award of a  
31 grant under this subsection.

32 (b) The Department of Environmental Protection.--

33 (1) The Department of Environmental Protection shall  
34 utilize money it receives from the fund for the following  
35 purposes:

36 (i) To implement acid mine drainage abatement and  
37 cleanup efforts and abandoned mine land cleanup efforts  
38 and plug abandoned and orphan oil and gas wells.

39 (ii) To provide funding for technical assistance and  
40 financial incentives to facilitate reining.

41 (iii) To provide grants to a county or other  
42 municipality, council of governments, county conservation  
43 districts, watershed organizations and other authorized  
44 organizations for acid mine drainage abatement and  
45 cleanup, mine and mine land cleanup efforts and well  
46 plugging.

47 (iv) To provide grants and technical assistance to a  
48 county or other municipality, council of governments,  
49 county conservation districts, watershed organizations  
50 and other authorized organizations to plan and implement  
51 local watershed-based conservation efforts.

1 (v) To improve water-quality-impaired watersheds,  
2 including those polluted by past mining activities,  
3 agricultural and urban runoff, atmospheric deposition,  
4 on-lot sewage systems and earthmoving activities.

5 (vii) For watershed protection.

6 (viii) For the reduction of nonpoint source  
7 pollution and protection of local drinking water supplies  
8 through grants to watershed organizations and other  
9 authorized organizations, the creation of forested and  
10 other vegetative stream buffers and watershed restoration  
11 efforts, including, but not limited to, reducing runoff  
12 from agriculture, construction, waste disposal and  
13 abandoned mine and mine land sites.

14 (ix) For grants to characterize, remediate or  
15 eliminate environmental hazards at abandoned industrial  
16 properties or brownfields and to promote economic  
17 development by facilitating the return of these  
18 properties to productive use.

19 (x) For nonstructural floodplain management and  
20 mitigation measures to minimize flood damage, reclaim and  
21 restore the quality of floodplains, remove obstacles and  
22 improve the natural functions of stream channels.

23 (xi) For grants to municipalities and municipal  
24 authorities to design and build projects and implement  
25 best management practices, with an emphasis on green  
26 infrastructure, in order to implement municipal separate  
27 storm sewer system plans or which count toward the  
28 reductions identified in the Pennsylvania integrated  
29 water quality monitoring and assessment report, implement  
30 total maximum daily load plans or the Chesapeake Bay  
31 total maximum daily load requirements.

32 (xii) For the Pennsylvania Energy Harvest Program  
33 for the purpose of providing grants to owner of farms and  
34 small businesses for renewable energy systems, including,  
35 but not limited to, solar, wind and methane digester  
36 technologies.

37 (xiii) For funding to participating county  
38 conservation districts to assist the owners of farms and  
39 other properties in protecting local water quality and  
40 improving the soil, water and air through the  
41 installation and maintenance of best maintenance  
42 practices.

43 (2) County conservation districts may further distribute  
44 grants received under this section to watershed organizations  
45 and other authorized organizations to assist in the  
46 implementation of this chapter.

47 (3) The Department of Environmental Protection may  
48 require matching funds as a condition of the award of a grant  
49 under this subsection.

50 (4) For the period commencing with the effective date of  
51 this chapter and ending June 30, 2004, the Department of

1 Environmental Protection may utilize up to 10% of the money  
2 allocated annually to it under section 6104(d) (relating to  
3 fund) to provide grants for safe drinking water projects and  
4 wastewater treatment projects. Grants under this paragraph  
5 shall be made for the same purposes and shall be subject to  
6 the same limitations as grants authorized in section 6110.

7 (c) Department of Agriculture.--Funds allocated to the  
8 Department of Agriculture under this chapter shall be [deposited  
9 in the] used for the following purposes:

10 (1) For counties to preserve farmland through the  
11 Agricultural Conservation Easement Purchase Fund [and are]  
12 subject to the provisions of the act of June 30, 1981  
13 (P.L.128, No.43), known as the Agricultural Area Security  
14 Law.

15 (2) For grants to authorized organizations to preserve  
16 farmland through the acquisition of conservation easements  
17 conforming with section 170(h) of the Internal Revenue Code  
18 of 1986 (Public Law 99-514, 26 U.S.C. § 170(h)).

19 (3) For disbursement to the State Conservation  
20 Commission for the cost of tax credits for eligible  
21 agricultural operations that implement the best management  
22 practices and meet the requirements of the Resource  
23 Enhancement and Protection Tax Credit under Article XVII-E of  
24 the act of March 4, 1971 (P.L.6, No.2), known as the Tax  
25 Reform Code of 1971.

26 (4) To provide funding and technical assistance, in  
27 cooperation with the State Conservation Commission, to assist  
28 the owners of farms and other properties in protecting local  
29 water quality and in improving the quality of the soil, water  
30 and air through the installation and maintenance of best  
31 management practices. Fifty percent of the funding  
32 distributed under this paragraph shall be provided to  
33 participating county conservation districts.

34 (5) To encourage new farmers and assure the viability of  
35 preserved farms by creating financial incentives and  
36 enhancing access to farmland and capital through a low-  
37 interest loan program administered by the Department of  
38 Agriculture.

39 (d) The authority.--The authority shall utilize money it  
40 receives from the fund to provide financial assistance in the  
41 form of grants and matching grants for storm water, water and  
42 sewer infrastructure projects, including construction or  
43 rehabilitation of collection and conveyance systems. The  
44 authority shall develop criteria to be used to award grants  
45 under this subsection. The criteria and proposed changes thereto  
46 shall be submitted to the Environmental Resources and Energy  
47 Committee of the Senate and the Environmental Resources and  
48 Energy Committee of the House of Representatives for review and  
49 comment. The committees shall have 60 days to submit comments to  
50 the authority. Criteria shall be reviewed by the authority and  
51 the committees at least once every three years.

1 (d.1) Department of Community and Economic Development.--

2 (1) The Department of Community and Economic Development  
3 shall utilize money it receives from the fund for the  
4 following purposes:

5 (i) For grants to fund grassroots community and  
6 regional planning efforts that support wise land use  
7 decisions by balancing development needs with  
8 conservation, recreation and preservation needs.

9 (ii) For grants to support the greening of urban  
10 communities, including, but not limited to, bicycle and  
11 pedestrian trails, greenways, downtown parks, community  
12 gardens, retrofits of significant community buildings for  
13 energy efficiency and reuse, streetscape improvements and  
14 renewable energy projects. Grants must have a  
15 demonstrable environmental or conservation benefit. The  
16 Department of Community and Economic Development shall  
17 consult with the Department of Environmental Protection  
18 and the Department of Conservation and Natural Resources  
19 on recommendations of projects to be funded.

20 (iii) For the Elm Street Program created by the act  
21 of February 9, 2004 (P.L.61, No.7), known as the Elm  
22 Street Program Act.

23 (iv) For the Main Street Program created by the act  
24 of April 23, 2002 (P.L.298, No.39), known as the Main  
25 Street Act.

26 (2) The Department of Community and Economic Development  
27 may require matching funds as a condition of the award of a  
28 grant under this subsection.

29 (d.2) Pennsylvania Fish and Boat Commission.--Funds  
30 allocated to the Pennsylvania Fish and Boat Commission under  
31 this chapter shall be used for the following purposes:

32 (1) For improvements to public access areas owned by the  
33 commission or grants to municipalities or organizations for  
34 the purpose of improving public access to the waters of this  
35 Commonwealth.

36 (2) For maintenance and rehabilitation of dams located  
37 at lakes owned by the commission, including the installation  
38 of habitat enhancements and improved public access.

39 (3) For upgrades and improvements to State fish  
40 hatcheries to maintain and improve water quality and reduce  
41 operating costs.

42 (4) For grants to organizations that participate in the  
43 cooperative nursery program.

44 (5) For projects to improve fish and aquatic habitat,  
45 including, but not limited to, instream fish habitat,  
46 riparian buffers, fish passages and the removal of small  
47 dams.

48 (d.3) Pennsylvania Game Commission.--Funds allocated to the  
49 Pennsylvania Game Commission under this chapter shall be used  
50 for the following purposes:

51 (1) To rehabilitate water control structures on State



1 game lands in order to improve wetland habitat for water fowl  
2 and other wildlife and to improve water quality.

3 (2) For improvements to facilities on State game lands,  
4 including, but not limited to, improved road access, enhanced  
5 access for persons with disabilities and older persons and  
6 the construction of two wildlife conservation education  
7 centers.

8 (d.4) Pennsylvania Historical and Museum Commission.--Funds  
9 allocated to the Pennsylvania Historical and Museum Commission  
10 under this chapter shall be used for a historic preservation  
11 project grant program for the planning and development of  
12 publicly accessible historic resources listed in or eligible for  
13 listing in the National Register of Historic Places. The grants  
14 shall support projects that identify, preserve, promote and  
15 protect historic and archaeological resources of this  
16 Commonwealth for both the benefit of the public and the  
17 revitalization of communities.

18 (e) Administrative expense limitation.--The departments, the  
19 commissions and the authority may not expend more than [2.5%] 5%  
20 of the moneys received from the fund on administrative expenses.  
21 The Department of Environmental Protection may not expend more  
22 than an aggregate of 2.5% of the moneys received from the fund  
23 and the moneys directed to the Hazardous Sites Cleanup Fund  
24 pursuant to section 6104(d) (4) and (5) on administrative  
25 expenses. Grant recipients that receive moneys from the fund for  
26 the purposes set forth in this section may not expend more than  
27 [5%] 7.5% of the moneys received from the fund on administrative  
28 expenses.

29 (f) Expenditure limitation.--

30 (1) No moneys made available through the fund shall be  
31 used for any purpose which, directly or indirectly, precludes  
32 access to or use of any forested land for the practice of  
33 sustainable forestry and commercial production of timber or  
34 other forest products.

35 (2) This subsection shall not apply to funds used [by  
36 the Department of Conservation and Natural Resources,  
37 counties or municipalities] for the purchase or improvement  
38 of park land to be used for public recreation.

39 (g) Regulations.--The departments, commissions and the  
40 authority may promulgate regulations necessary to carry out the  
41 purposes of this chapter.

42 Section 4. Title 27 is amended by adding a chapter to read:

43 CHAPTER 67

44 PENNSYLVANIA CLEAN WATER PROCUREMENT PROGRAM

45 Sec.

46 6701. Scope of chapter.

47 6702. Definitions.

48 6703. Pennsylvania Clean Water Procurement Program.

49 6704. Watershed Innovation and Improvement Fund.

50 6705. Regulations.

51 § 6701. Scope of chapter.

1 This chapter relates to the Pennsylvania Clean Water  
2 Procurement Program.

3 § 6702. Definitions.

4 The following words and phrases when used in this chapter  
5 shall have the meanings given to them in this section unless the  
6 context clearly indicates otherwise:

7 "Authority." The Pennsylvania Infrastructure Investment  
8 Authority.

9 "BMP." Best Management Practices Manual.

10 "Chesapeake Bay TMDL." The Chesapeake Bay Total Daily  
11 Maximum Load for Nitrogen, Phosphorus and Sediment, established  
12 by the United States Environmental Protection Agency on December  
13 29, 2010.

14 "Commission." The State Conservation Commission.

15 "Department." The Department of Environmental Protection of  
16 the Commonwealth.

17 "Entity." An entity that generates and sells certified  
18 nutrient credits.

19 "Fund." The Watershed Innovation and Improvement Fund  
20 established under this chapter.

21 "Modeled Best Management Practice Reductions." Reduction in  
22 best management practices approved by the Chesapeake Bay Program  
23 Watershed Model and that incorporates an uncertainty factor of  
24 the Environmental Protection Agency.

25 "Nonpoint source pollution reduction benefits." Pollution  
26 reductions that can be directly measured and quantified, or  
27 modeled incorporating EPA uncertainty factors, including, but  
28 not limited to, nonpoint source phosphorous, nitrogen and  
29 sediment loads to surface water and groundwater resources and  
30 pathogens.

31 "Nutrient pollutant." Nitrogen or phosphorous.

32 "Program." The Pennsylvania Clean Water Procurement Program  
33 established under this chapter.

34 "Request for proposal" or "RFP." A request for proposal that  
35 defines contract terms, future delivery dates and technical  
36 specifications and is issued by the authority, in conjunction  
37 with the department, to procure verified TMDL nutrient credits  
38 from a load reduction activity that meets the requirements of  
39 any applicable offset program in force regarding the Chesapeake  
40 Bay.

41 "Sediment." Soils or other erodible materials transported by  
42 storm water as a product of erosion.

43 "TMDL." Total maximum daily load.

44 "Verified TMDL nutrient credit." A unit of nutrient  
45 pollutant load reduction.

46 "Water year." The 12-month period beginning October 1 of  
47 each calendar year.

48 § 6703. Pennsylvania Clean Water Procurement Program.

49 (a) Establishment.--The Pennsylvania Clean Water Procurement  
50 Program is established and shall provide for the purchase of  
51 verified TMDL nutrient credits from nutrient credit generators

1 through a competitive bidding process consistent with 62 Pa.C.S.  
2 Pt. I (relating to Commonwealth Procurement Code) and any other  
3 competitive process determined to be appropriate by the  
4 commission, in consultation with the department.

5 (b) Powers and duties.--The department shall administer the  
6 program and take any action necessary to effectuate the purposes  
7 of this chapter.

8 (c) Contracts with verified TMDL nutrient credit sellers.--

9 (1) The department shall, beginning with the water year  
10 in which this section takes effect and the following water  
11 years, publish a notice of the aggregate unmet Chesapeake Bay  
12 TMDL nutrient pollutant reduction requirements in the  
13 Pennsylvania Bulletin.

14 (2) Subject to the availability of funding to purchase  
15 credits, no later than 60 days following publication of the  
16 notice under paragraph (1), the authority shall issue, in  
17 consultation with the department, a request for proposals  
18 from verified nutrient credit entities under 62 Pa.C.S. Pt. I  
19 for the supply of long-term verified TMDL nutrient credits  
20 for future delivery in order to fulfill the unmet Chesapeake  
21 Bay TMDL nutrient pollutant reduction requirement for those  
22 water years included in the notice.

23 (3) The RFP under paragraph (2) shall be for a minimum  
24 term of 10 years and shall allow sufficient time for the  
25 delivery of verified reductions of TMDL parameters consistent  
26 with the time frame necessary for the permitting and  
27 development of public or private credit generator facilities.

28 (4) Factors to be considered as part of the criteria for  
29 evaluation of responses received to the RFP and the weighted  
30 percentage to be applied to each factor shall be included by  
31 the commission in temporary regulations published under  
32 section 6705 (relating to regulations) and in final  
33 regulations and shall include:

34 (i) Environmental and recreational benefits to this  
35 Commonwealth and local communities resulting from the  
36 TMDL nutrient pollutant reduction activities, including  
37 verified and modeled green infrastructure benefits and  
38 other TMDL parameter reductions to the surface water and  
39 groundwater resources of this Commonwealth.

40 (ii) Additional criteria determined relevant by the  
41 commission and the department.

42 (5) The award granted for the RFP shall determine the  
43 adjusted cost of verified TMDL nutrient credits less the  
44 value of the local environmental benefit or green  
45 infrastructure reductions.

46 (6) Consistent with 62 Pa.C.S. Pt. I (relating to  
47 Commonwealth Procurement Code), Federal policy  
48 recommendations regarding the procurement of results in lieu  
49 of funding solutions and any applicable State statute,  
50 payments to entities may occur only after the department has  
51 verified the nutrient pollutant reductions. The verifications

1 shall be performed monthly based upon required data  
2 submissions from nutrient credit generators certified by the  
3 department.

4 § 6704. Watershed Innovation and Improvement Fund.

5 (a) Establishment.--The Watershed Innovation and Improvement  
6 Fund is established in the State Treasury.

7 (b) Source of funding.--The fund shall consist of  
8 appropriations made to the fund and interest earned on money of  
9 the fund.

10 (c) Use.--Money in the fund shall be used by the authority  
11 for the purchase of verified TMDL nutrient credits under section  
12 6703 (relating to Pennsylvania Clean Water Procurement Program),  
13 provided that winning bids must offer 20% of total nutrient  
14 reduction allotment to be available for participation for 30  
15 days by modeled BMP's to sell their credits into this pool and  
16 receive the winning bid price absent the need to participate in  
17 the bidding process.

18 § 6705. Regulations.

19 The department may promulgate regulations to carry out the  
20 provisions of this chapter.

21 Section 5. This act shall take effect in 60 days.