- 1 b. sections three and five of this act shall take effect July 1, 2017; 2
- c. section six of this act shall expire April 1, 2019; however, such 3 expiration shall not invalidate or otherwise impact any sale of accounts receivable effected pursuant to such section prior to its expiration.

PART T 6

- 7 Section 1. This act shall be known and may be cited as the "clean water infrastructure act of 2017".
- § 2. Article 15 of the environmental conservation law is amended by 9 adding a new title 33 to read as follows:

11 TITLE 33 12

## SOURCE WATER PROTECTION PROJECTS

Section 15-3301. Definitions.

15-3303. Land acquisition projects for source water protection.

15-3305. Approval and execution of projects.

16 § 15-3301. Definitions.

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As used in this title the following terms shall mean:

- 1. "Land acquisition projects" means open space acquisition projects undertaken with willing sellers including, but not limited to, the purchase of conservation easements, undertaken by a municipality, a not-for-profit corporation, or purchase of conservation easements by a soil and water conservation district.
- 2. "Municipality" means the same as such term as defined in section 56-0101 of this chapter.
- 3. "Not-for-profit corporation" means a corporation formed pursuant to the not-for-profit corporation law and qualified for tax-exempt status under the federal internal revenue code.
- 4. "Soil and water conservation district" means the same as such term as defined in section three of the soil and water conservation districts <u>law.</u>
- "State assistance payment" means payment of the state share of the cost of projects authorized by this title to preserve, enhance, restore and improve the quality of the state's environment.
- § 15-3303. Land acquisition projects for source water protection.
- 1. The commissioner is authorized to provide state assistance to municipalities, not-for-profit corporations and soil and water conservation districts to undertake land acquisition projects for source water protection, in cooperation with willing sellers. Land acquisition projects for source water protection shall support, expand or enhance drinking water quality protection, including but not limited to aquifers, watersheds, reservoirs, lakes, rivers and streams.
- 2. a. Any buffer encumbered by a conservation easement acquired pursuant to this section that encumbers lands used in agricultural production as defined in section three hundred one of the agriculture and markets law in a county designated state certified agricultural district created under section three hundred three of the agriculture and markets law may allow agricultural activity that qualifies such lands, provided such activity on such lands does not impair drinking water and complies with an agricultural environmental management program plan developed by the state soil and water conservation committee, in partnership with the 51 <u>department</u>.

- b. Notwithstanding any limitations provided herein on lands acquired pursuant to this title a license or easement may be granted by the owner of such property to a public utility for a public purpose.
  - 3. In evaluating land acquisition projects for source water protection pursuant to this section, the department shall give priority to projects which protect or recharge drinking water sources and watersheds including riparian buffers and wetlands.

- 4. a. No state assistance may be provided pursuant to this section to fund any land acquisition project which is undertaken by eminent domain unless such process is undertaken with a willing seller.
- b. The department shall not provide funding pursuant to this title for any land acquisition project for source water protection by a not-for-profit corporation, if any town, village or city within which such a project is located, by resolution, within ninety days of notification by such corporation of its interest in acquiring such projects, objects to such acquisition.
- 5. Consistent with section eleven-b of the soil and water conservation districts law, the soil and water conservation committee in consultation with the commissioner of agriculture and markets is authorized to provide state assistance payments to county soil and water conservation districts, within amounts appropriated, for land acquisition projects for source water protection projects to support, expand or enhance drinking water quality protection, including but not limited to aquifers, watersheds, reservoirs, lakes, rivers and streams. Such committee shall give priority to projects which establish buffers from waters which serves as or are tributaries to drinking water supplies for such projects using state assistance pursuant to this section.
- 6. Real property acquired, developed, improved, restored or rehabilitated by or through a municipality or not-for-profit corporation with funds made available pursuant to this title shall not be sold, leased, exchanged, donated or otherwise disposed of or used for other than the public purposes of this title without the express authority of an act of the legislature, which shall provide for the substitution of other lands of equal environmental value and fair market value and reasonably equivalent usefulness and location to those to be discontinued, sold or disposed of, and such other requirements as shall be approved by the commissioner.
- 7. If the state acquires a real property interest in land purchased by a municipality or not-for-profit with funds made available pursuant to this title, the state shall pay the fair market value of such interest less the amount of funding provided by the state pursuant to this section.
- 8. To the fullest extent practicable, it is the policy of the state to promote an equitable regional distribution of funds, consistent with the purpose of this section.
  - § 15-3305. Approval and execution of projects.
  - 1. Land acquisition projects for source water protection may be undertaken pursuant to the provisions of this article and other applicable provisions of law only with the approval of the commissioner.
- 2. The commissioner shall review such project application and may approve, disapprove or recommend modifications thereto consistent with applicable law, criteria, standards or rules and regulations relative to such projects. In reviewing applications for projects pursuant to this section, the commissioner shall give due consideration to:
- 55 <u>a. the project's contribution to the protection of drinking water</u> 56 <u>supplies</u>;

- b. the presence of a water plan, including a source water assessment/protection plan or other similar plan which identifies measures to reduce threats to drinking water sources and priorities for land acquisition projects; and,
  - c. financial need or hardship.

- 3. All land acquisition projects shall be undertaken in the state of New York. The total amount of the state assistance payments toward the cost of any such project shall be set forth in any request for proposal issued to solicit projects and will in no event exceed seventy-five percent of the cost.
- For the purpose of determining the amount of the state assistance payments, the cost of the project shall not be more than the amount set forth in the application for state assistance payments approved by the commissioner. The state assistance payments toward the cost of a project shall be paid on audit and warrant of the state comptroller on a certificate of availability of the director of the budget.
- 4. a. The commissioner and a municipality may enter into a contract for the undertaking by the municipality of a source water protection project. Such project shall be recommended to the commissioner by the governing body of the municipality and, when approved by the commissioner, may be undertaken by the municipality pursuant to this title and any other applicable provision of law.
- b. The commissioner and a not-for-profit corporation may enter into a contract for the undertaking by the not-for-profit corporation of a source water protection project. Such a project shall be recommended to the commissioner by the governing body of a not-for-profit corporation which demonstrates to the satisfaction of the commissioner that it is capable of operating and maintaining such property for the benefit of drinking water and/or water quality protection. Upon approval by the commissioner, such project may be undertaken pursuant to the provisions of this title and any other applicable provision of law.
- 5. No monies shall be expended for source water protection land acquisition projects except pursuant to an appropriation therefor.
  - § 3. The public health law is amended by adding a new section 1114 to read as follows:
  - § 1114. Lead service line replacement grant program. 1. To the extent practicable, the department shall allocate appropriated funds equitably among regions of the state. Within each region, the department shall give priority to municipalities that have a high percentage of elevated childhood blood lead levels, based on the most recent available data. In distributing the awards allocated for each region to such priority municipalities, the department shall also consider whether the community is low income and the number of lead service lines in need of replacement. The department may request that such municipalities provide such documentation as the department may require to confirm award eligibility.
- 2. The department shall publish information, application forms, procedures and quidelines relating to the program on its website and in a manner that is accessible to the public and all potential award recipients.
- 51 § 4. Article 27 of the environmental conservation law is amended by 52 adding a new title 12 to read as follows:

TITLE 12

MITIGATION AND REMEDIATION OF CERTAIN SOLID WASTE SITES AND DRINKING WATER CONTAMINATION

Section 27-1201. Definitions.

27-1203. Mitigation and remediation of solid waste sites.

27-1205. Mitigation of contaminants in drinking water.

27-1207. Use and reporting of the solid waste mitigation account and the drinking water response account.

27-1209. Rules and regulations.

27-1211. Protection against liability and liability exemptions and defenses.

§ 27-1201. Definitions.

When used in this title:

- 1. "Contaminant" means emerging contaminants pursuant to section eleven hundred twelve of the public health law, and, for solid waste sites, shall include parameters identified in regulations required to be tested by landfills to ensure the protection of groundwater quality.
- 2. "Contamination" or "contaminated" means the presence of a contaminant in any environmental media, including soil, surface water, or groundwater, sufficient to cause or substantially contribute to an exceedance of standards, criteria, and guidance values established by the department or drinking water standards, including maximum contaminant levels, notification levels, maximum residual disinfectant levels or action levels established by the department of health.
- 3. "Drinking water contamination site" means any area or site that is causing or substantially contributing to the contamination of one or more public drinking water supplies.
- 4. "Drinking water response account" means the account established pursuant to subdivision one of section ninety-seven-b of the state finance law.
- 5. "Mitigation" means the investigation, sampling, management, or treatment of a solid waste site or drinking water contamination site required to ensure the availability of safe drinking water, including public water systems and individual onsite water supply systems necessary to meet standards, criteria, and quidance values established by the department or drinking water standards, including maximum contaminant levels, notification levels, maximum residual disinfectant levels, or action levels established by the department of health that can be successfully carried out with available, implementable and cost-effective technology. "Mitigation" activities include but are not limited to the installation of drinking water treatment systems, the provision of alternative water supplies, or repair of a landfill cap. "Mitigation" does not mean remediation.
- 6. "Solid waste site" means a site where (a) the department has a reasonable basis to suspect that the illegal disposal of solid waste occurred or, (b) a court of competent jurisdiction has determined that an illegal disposal of solid waste occurred, or (c) the department knows or has a reasonable basis to suspect that an inactive solid waste management facility which does not have a current monitoring program is impacting or contaminating one or more drinking water supplies. Solid waste site shall not include a site which is currently subject to investigation or remediation pursuant to title thirteen or fourteen of this article or any site which completed such programs and was either delisted by or received a certificate of completion from the department.
- 7. "Solid waste mitigation account" means the account established pursuant to subdivision one of section ninety-seven-b of the state finance law.
- 8. "Solid waste management facility" means any facility employed for solid waste collection, processing and disposal including processing

systems, including resource recovery facilities or other facilities for reducing solid waste volume, sanitary landfills, regulated facilities for the disposal of construction and demolition debris, regulated plants and facilities for compacting, composting or pyrolization of solid wastes, regulated mulch facilities, landspreading and soil amending operations, and incinerators.

§ 27-1203. Mitigation and remediation of solid waste sites.

- 1. The solid waste site priority in this state is to mitigate and remediate any solid waste site causing or substantially contributing to impairments of drinking water quality which may impact public health.
- 2. The department shall, in conjunction with the department of health, develop a system to select and prioritize sites for mitigation and remediation, considering the effects on the health of the state.
- 3. Beginning July first, two thousand nineteen and annually thereafter, the department shall prepare and submit to the governor and the legislature a comprehensive plan designed to mitigate and remediate solid waste sites. This plan shall establish a solid waste site mitigation and remediation priority list.
- 4. The department is authorized to conduct preliminary investigations to determine if a solid waste site is causing or substantially contributing to imminent or documented drinking water source contamination. The department, and any employee, agent, consultant or other person acting at the direction of the department, shall have the authority to enter all solid waste sites for the purpose of preliminary investigation, mitigation and remediation, provided that the department has made a reasonable effort to identify the owner of such property to notify such owner of the intent to enter the property at least ten days in advance. In the event the commissioner of health makes a written determination that such ten day notice will not be sufficient to protect public health, two days' written notice shall be sufficient. Any inspection of the property and each taking of samples shall take place at reasonable times and shall be commenced and completed with reasonable promptness. Such preliminary investigation shall include:
- a. conducting or causing to be conducted field investigations of high priority sites identified in the plan established pursuant to subdivision three of this section for the purpose of further defining necessary mitigation and remediation, if any. To the maximum extent practicable, the department shall utilize existing information including, but not limited to, subsurface borings and any analyses or tests of samples taken from such sites by owners or operators, other responsible persons and any federal or non-federal agencies;
- b. making any subsurface borings and any analyses or tests of samples taken as may be necessary or desirable to effectuate the field investigations of sites as required under this section subject to the requirements of this title. If the owner of a solid waste site can be identified, the department shall provide such owner with a minimum of ten days' written notice of the intent to take such borings or samples in accordance with the provisions of subdivision twelve of section 27-1205 of this title. If any analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner or operator. Upon the completion of all sampling activities, the department or authorized person shall remove, or cause to be removed, all equipment and well machinery and return the ground surface of the property to its condition prior to such sampling, unless the department or authorized person, and the owner of the property shall otherwise agree;

- c. making any record searches or document reviews as may be necessary or desirable to effectuate the purposes of this section subject to the requirements of this title.
  - 5. If the department or the department of health, as appropriate, determines that a solid waste site poses a significant threat to the public health or environment due to hazardous waste, the department shall refer the site to the inactive hazardous waste disposal site remedial program pursuant to title thirteen of this article.
  - 6. Where the department has determined through a preliminary investigation conducted pursuant to subdivision four of this section that a solid waste site is causing or substantially contributing to contamination of a public drinking water supply, the owner or operator of a solid waste site shall, at the department's written request, cooperate with any and all remedial measures deemed necessary and which shall be undertaken by the department, in conjunction with the department of health, for the mitigation and remediation of a solid waste site or area which is necessary to ensure that drinking water meets applicable standards, including maximum contaminant levels, notification levels, maximum residual disinfectant levels, or action levels established by the department of health. The department may implement necessary measures to mitigate and remediate the solid waste site within amounts appropriated for such purposes from the solid waste mitigation account.
- 23 § 27-1205. Mitigation of contaminants in drinking water.

- 1. Whenever the commissioner of health has required a public water system to take action to reduce exposure to an emerging contaminant or emerging contaminants and has determined that the concentration of the emerging contaminant constitutes an actual or potential threat to public health based on the best available scientific information pursuant to section eleven hundred twelve of the public health law, the department in conjunction with the department of health, may, pursuant to the Clean Water Infrastructure Act of 2017 and within the up to one hundred thirty million dollars appropriated for such purposes, undertake all reasonable and necessary additional mitigation measures in any area of the state in which contamination is known to be present. The department shall employ feasible measures that can be successfully carried out with available, implementable and cost effective technology. Such area shall include, at a minimum, all properties served by the public water system, any individual onsite water supply systems impacted by the contamination, and any land and any surface or underground water sources impacted by the contamination. Such approved measures shall be protective of public health and may include but not be limited to the installation of treatment systems or the provision of alternative water supply sources to ensure that drinking water meets applicable standards, including maximum contaminant levels, notification levels, maximum residual disinfectant levels, or action levels established by the department of health.
- 2. If the department or the department of health, as applicable, determines that a drinking water contamination site poses a significant threat to the public health or environment from a hazardous waste, the department shall refer the site to the inactive hazardous waste disposal site remedial program pursuant to title thirteen of this article.
- 3. Whenever the commissioner of health has required a public water system to take action to reduce exposure to emerging contaminants and has determined that the concentration of the emerging contaminant constitutes an actual or potential threat to public health based on the best available scientific information pursuant to section eleven hundred twelve of the public health law:

a. the department shall have the authority to undertake directly in conjunction with the department of health, the development and implementation of all necessary and reasonable mitigation and remediation measures of drinking water contamination, as approved by the department of health, to address emerging contaminants in public water supplies;

b. the commissioner may order, after notice and opportunity for a hearing, the owner and/or operator of the drinking water contamination site and/or any person responsible for such contamination to undertake all reasonable and necessary mitigation and remediation, as approved by the department of health, to ensure that drinking water meets applicable standards, including maximum contaminant levels, notification levels, maximum residual disinfectant levels, or action levels established by the department of health, and employ feasible measures that can be successfully carried out with available, implementable and cost effective technology, subject to the approval of the department and the department of health, at such site, and to implement such program within reasonable time limits specified in the order. Provided, however, that in the event the commissioner of health shall issue an order pursuant to subdivision three of section one thousand three hundred eighty-nine-b of the public health law, such order of the commissioner of health shall supersede any order issued hereunder.

4. The department shall have the authority a. to delegate responsibility for a specific drinking water contamination site to the municipality in which such site is located and b. to contract with any other person to perform necessary work in connection with such sites.

5. Section eight of the court of claims act or any other provision of law to the contrary notwithstanding, the state shall be immune from liability and action with respect to any act or omission done in the discharge of the department's aforesaid responsibility pursuant to this title; provided, however, that this subdivision shall not limit the liability which may otherwise exist for unlawful, willful, or malicious acts or omissions on the part of the state, state agencies, or their officers, employees or agents; or for the ownership or responsibility for the disposal of such contaminant, including liability for the cost of remediation, pursuant to this section.

6. Whenever the commissioner of health, after investigation, finds:

a. that a public drinking water contamination site represents an actual or potential threat to the public health; and

b. the threat makes it prejudicial to the public interest to delay action until a hearing can be held pursuant to this title, the department may, pursuant to paragraph a of subdivision three of this section and within the funds available to the department from the drinking water response account, develop and implement, in conjunction with the department of health, all reasonable and necessary mitigation and remedial measures to address drinking water contamination for such site to ensure that drinking water meets applicable standards, including maximum contaminant levels, notification levels, maximum residual disinfectant levels or action levels established by the department of health. Findings required pursuant to this subdivision shall be in writing and may be made by the commissioner of health on an exparte basis subject to judicial review.

7. Any order issued pursuant to paragraph b of subdivision three of this section shall be issued only after notice and the opportunity for a hearing is provided to persons who may be the subject of such order. The commissioner or the commissioner of health shall determine which persons are responsible pursuant to said subdivision according to appli-

cable principles of statutory or common law liability. Such persons shall be entitled to raise any defense set forth in section 27-1211 of this title or common law defense at any such hearing and such defenses shall have the same force and effect at such hearings as they would have in a court of law. In the event a hearing is held, no order shall be issued by the commissioner under subdivision three of this section until a final decision has been rendered. Any such order shall be reviewable pursuant to article seventy-eight of the civil practice law and rules within thirty days after service of such order. The commissioner or the commissioner of health may request the participation of the attorney general in such hearings.

8. The commissioner shall make all reasonable efforts, in accordance with the requirements of subdivision six of section ninety-seven-b of the state finance law, to recover all mitigation costs incurred pursuant to subdivisions one and three of this section from the owner and/or operator of the drinking water contamination site.

- 9. When a municipality develops and implements remediation to address a drinking water contamination site, determined pursuant to subdivision four of this section, and the plan is approved by the department, in conjunction with the department of health, which is owned or has been operated by such municipality or when the department, in conjunction with the department of health, pursuant to an agreement with a municipality, develops and implements such remediation, the commissioner shall, in the name of the state, agree in such agreement to provide from the drinking water response account, within the limitations of appropriations therefor, seventy-five percent of the eligible design and construction costs of such program for which such municipality is liable solely because of its ownership and/or operation of such site and which are not recovered from or reimbursed or paid by a responsible party or the federal government.
- 10. Nothing contained within this section shall be construed as impairing or in any manner affecting the right or jurisdiction of the attorney general to seek appropriate relief pursuant to his or her statutory or common law authority.
  - 11. Moneys for actions taken or to be taken by the department, the department of health or any other state agency pursuant to this title shall be payable directly to such agencies from the drinking water response account pursuant to section ninety-seven-b of the state finance law.
  - 12. a. Every person shall, upon the written request of the commissioner or a designee, permit a duly designated officer or employee of the department at all reasonable times to have access to and to copy all books, papers, documents and records pertinent to an ongoing investigation of drinking water contamination identified in section 27-1203 of this title.
  - b. The commissioner may sign and issue subpoenas in the name of the department requiring the production of books, papers, documents and other records and may take testimony by depositions under oath of any person relating to the ongoing investigation of a drinking water contamination identified in this title. Such subpoenas and depositions shall be regulated by the state of New York's civil practice law and rules. The commissioner may invoke the powers of the supreme court of the state of New York to compel compliance with any such subpoena or any request to take such depositions.
- 55 <u>c. When the department has substantial evidence that such drinking</u> 56 <u>water contamination site is causing or substantially contributing to the</u>

contamination of drinking water, and subject to the applicable notice provisions set forth in paragraph d of this subdivision, any duly designated officer or employee of the department, or of any state agency, and any agent, consultant, contractor, or other person, including an employee, agent, consultant, or contractor of a responsible person acting at the direction of the department, so authorized in writing by the commissioner, may enter any drinking water contamination site and areas near such site and inspect and take samples of wastes, soil, air, surface water, and groundwater. In order to take such samples, the department or authorized person may utilize or cause to be utilized such sampling methods as it determines to be necessary including, but not limited to, soil borings and monitoring wells.

d. The department or authorized person shall not take any samples involving the substantial disturbance of the ground surface of any property unless it has made a reasonable effort to identify the owner of the property and to notify such owner of the intent to take such samples. If the owner can be identified, the department shall provide such owner with a minimum of ten days' written notice of the intent, unless such owners and occupants consent to an earlier date, to take such samples, unless the commissioner makes a written determination that such ten day notice will not allow the department to protect the environment or public health, in which case two days' written notice shall be sufficient. Any inspection of the property and each such taking of samples shall take place at reasonable times and shall be commenced and completed with reasonable promptness. If any officer, employee, agent, consultant, contractor, or other person so authorized in writing by the commissioner obtains any samples prior to leaving the premises, he or she shall give to the owner or operator a receipt describing the sample obtained and, if requested, a portion of such sample equal in volume or weight to the portion retained. If any analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner or operator. Upon the completion of all sampling activities, the department or authorized person shall remove, or cause to be removed, all equipment and well machinery and return the ground surface of the property to its condition prior to such sampling, unless the department or authorized person, and the owner of the property shall otherwise agree.

e. The expense of any such mitigation by the department or the department of health shall be paid by the drinking water response account, but may be recovered from any responsible person in any action or proceeding brought pursuant to the state finance law, this title, other state or federal statute, or common law if the person so authorized in writing is an employee, agent, consultant, or contractor of a responsible person acting at the direction of the department, then the expense of any such sampling and analysis shall be paid by the responsible person.

f. Any duly designated officer or employee of the department or any other state agency, and any agent, consultant, contractor, or other person acting at the direction of the department, authorized in writing by the commissioner, may enter any drinking water contamination site and areas near such site to undertake all reasonable and necessary mitigation and remediation for such site, provided: (a) the commissioner has sent a written notice to the owners of record or any known occupants of such site or nearby areas of the intended entry and work at least ten days prior to such initial entry unless such owners and occupants consent to an earlier date; and (b) the department has substantial evidence that such drinking water contamination site is causing or

substantially contributing to the contamination of drinking water. In
the event the commissioner of health makes a written determination that
such ten day notice will not be sufficient to protect public health, two
days' written notice shall be sufficient.

- § 27-1207. Use and reporting of the solid waste mitigation account and the drinking water response account.
- 1. Pursuant to the clean water infrastructure act of two thousand seventeen and within the up to one hundred thirty million dollars appropriated for such purposes, mitigation and remediation efforts to address public drinking water contamination from emerging contaminants and solid waste sites causing or substantially contributing to drinking water impairment that impacts public health may be conducted in accordance with this title.
- 2. The solid waste mitigation account shall be made available to the department and the department of health, as applicable, for the following purposes:
  - a. enumeration and assessment of solid waste sites;
- b. investigation and environmental characterization of solid waste sites, including environmental sampling;
  - c. mitigation and remediation of solid waste sites;
  - d. monitoring of solid waste sites; and
- 22 <u>e. administration and enforcement of the requirements of section</u>
  23 <u>27-1203 of this title.</u>
  - 3. The drinking water response account shall be made available to the department and the department of health, as applicable, for the following purposes:
    - a. mitigation of drinking water contamination;
    - b. investigation of drinking water contamination;
    - c. remediation of drinking water contamination; and
  - d. administration and enforcement of the requirements of this title except the provisions of section 27-1203.
- 32 <u>4. On or before July first, two thousand nineteen and July first of</u>
  33 <u>each succeeding year, the department shall report on the status of the</u>
  34 <u>programs.</u>
- 35 § 27-1209. Rules and regulations.

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- The department shall promulgate rules and regulations necessary and appropriate to carry out the purposes of this title and shall at a minimum include such provisions for requisite due process and meaningful public participation as are appropriate to any action undertaken pursuant to this title, taking into consideration the nature and degree of any public health impacts and the urgency of any need for investigation or remediation of contamination.
- 43 § 27-1211. Protection against liability and liability exemptions and 44 defenses.
  - In addition to common law defenses, the provisions of sections 27-1321 and 27-1323 of this article shall apply to a solid waste site that is causing or substantially contributing to contamination of public drinking water supplies or a drinking water contamination site pursuant to this title and shall apply to emerging contaminants in the same way applicable to hazardous materials and hazardous wastes.
  - § 5. Subdivisions 1, 2 and 6 and paragraphs (i) and (j) of subdivision 3 of section 97-b of the state finance law, subdivision 1 as amended and paragraph (j) of subdivision 3 as added by section 4 of part I of chapter 1 of the laws of 2003, subdivision 2 as amended by section 5 of part X of chapter 58 of the laws of 2015, paragraph (i) of subdivision 3 as amended by section 1 of part R of chapter 59 of the laws of 2007, subdi-

vision 6 as amended by chapter 38 of the laws of 1985, are amended and two new paragraphs (k) and (l) are added to subdivision 3 to read as follows:

- 1. There is hereby established in the custody of the state comptroller a nonlapsing revolving fund to be known as the "hazardous waste remedial fund", which shall consist of a "site investigation and construction account", an "industry fee transfer account", an "environmental restoration project account", "hazardous waste cleanup account", [and] a "hazardous waste remediation oversight and assistance account", a "solid waste mitigation account", and a "drinking water response account".
  - 2. Such fund shall consist of all of the following:

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- (a) moneys appropriated for transfer to the fund's site investigation and construction account; (b) all fines and other sums accumulated in the fund prior to April first, nineteen hundred eighty-eight pursuant to section 71-2725 of the environmental conservation law for deposit in the fund's site investigation and construction account; (c) all moneys collected or received by the department of taxation and finance pursuant to section 27-0923 of the environmental conservation law for deposit in the fund's industry fee transfer account; (d) all moneys paid into the fund pursuant to section 72-0201 of the environmental conservation law which shall be deposited in the fund's industry fee transfer account; (e) all moneys paid into the fund pursuant to paragraph (b) of subdivision one of section one hundred eighty-six of the navigation law which shall be deposited in the fund's industry fee transfer account; (f) all [monies] moneys recovered under sections 56-0503, 56-0505 and 56-0507 of the environmental conservation law into the fund's environmental restoration project account; (g) all fees paid into the fund pursuant to section 72-0402 of the environmental conservation law which shall be deposited in the fund's industry fee transfer account; (h) payments received for all state costs incurred in negotiating and overseeing the implementation of brownfield site cleanup agreements pursuant to title fourteen of article twenty-seven of the environmental conservation law shall be deposited in the hazardous waste remediation oversight and assistance account; (i) all moneys recovered pursuant to title twelve of article twenty-seven of the environmental conservation law into the fund's drinking water response account; and [(i)] (j) other moneys credited or transferred thereto from any other fund or source for deposit in the fund's site investigation and construction account.
- (i) with respect to moneys in the hazardous waste remediation oversight and assistance account, non-bondable costs associated with hazardous waste remediation projects. Such costs shall be limited to agency staff costs associated with the administration of state assistance for brownfield opportunity areas pursuant to section nine hundred seventy-r of the general municipal law, agency staff costs associated with the administration of technical assistance grants pursuant to titles thirteen and fourteen of article twenty-seven of the environmental conservation law, and costs of the department of environmental conservation related to the geographic information system required by section 3-0315 of the environmental conservation law; [and]
- (j) with respect to moneys in the hazardous waste remediation oversight and assistance account, technical assistance grants pursuant to titles thirteen and fourteen of article twenty-seven of the environmental conservation law[.]:
- 55 <u>(k) with respect to moneys in the solid waste mitigation account, when</u> 56 <u>allocated, shall be available to the department of environmental conser-</u>

1 vation to undertake mitigation and remediation as the department of environmental conservation may determine necessary related to a solid waste site pursuant to title twelve of article twenty-seven of the environmental conservation law which indicates that conditions on such property are impairing drinking water quality and to ensure the provision of safe drinking water, provided however, that no more than five million dollars will be available annually for such account; and

- (1) with respect to moneys in the drinking water response account, when allocated, shall be available to the department of environmental conservation, and to the department of health, to undertake mitigation and remediation as the departments may determine necessary related to a drinking water contamination site pursuant to title twelve of article twenty-seven of the environmental conservation law which indicates that conditions on such property are impairing drinking water quality, provided however, that no more than twenty million dollars will be available annually for such account.
- 6. The commissioner of the department of environmental conservation shall make all reasonable efforts to recover the full amount of any funds expended from the fund pursuant to paragraph (a) and paragraph (1) of subdivision three of this section through litigation or cooperative agreements with responsible persons. Any and all moneys recovered or reimbursed pursuant to this section through voluntary agreements or court orders shall be deposited with the comptroller and credited to the account of such fund from which such expenditures were made.
- § 6. 1. This section shall be known and be cited as the "New York State water infrastructure improvement act of 2017".
  - 2. For purposes of this act:

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- a. "water quality infrastructure project" shall mean "sewage treatment works" as defined in section 17-1903 of the environmental conservation law or "eligible project" as defined in paragraphs (a), (b), (c) and (e) of subdivision 4 of section 1160 of the public health law.
  - b. "construction" shall mean:
- (i) for sewage treatment works, the same as defined in section 17-1903 of the environmental conservation law; and
- (ii) for eligible projects, the same meaning as defined in section 1160 of the public health law.
- c. "municipality" shall mean any county, city, town, village, district corporation, county or town improvement district, school district, Indian nation or tribe recognized by the state or the United States with a reservation wholly or partly within the boundaries of New York state, any public benefit corporation or public authority established pursuant to the laws of New York or any agency of New York state which is empowered to construct and operate a water quality infrastructure project, or any two or more of the foregoing which are acting jointly in connection with a water quality infrastructure project.
- 3. a. The environmental facilities corporation shall undertake and provide state financial assistance payments, from funds appropriated for such purpose, to municipalities in support of water quality infrastructure projects provided, however, in any such year that funds are appropriated for such purpose, no municipality shall receive more than five million dollars of appropriated funds. Such state financial assistance payments shall be awarded only to water quality infrastructure projects for:
  - (i) replacement or repair of infrastructure; or
- 55 (ii) compliance with environmental and public health laws and regulations related to water quality.



- b. Any state financial assistance payment awarded pursuant to this act shall not exceed seventy-five percent of the project cost.
- c. A municipality may make an application for such state financial assistance payment, in a manner, form and timeframe and containing such information as the environmental facilities corporation may require provided however, such requirements shall not include a requirement for prior listing on the intended use plan.
- d. A municipality shall not be required to accept environmental facilities corporation loan financing in order to obtain a state financial assistance payment pursuant to this act if it can provide proof of having obtained similarly low cost financing or other funding from another source.
- e. In awarding such financial assistance payments, the corporation shall be prohibited from requiring as a condition of receipt, or otherwise giving preference to, applicants who agree to participate in the design, creation, or implementation of a municipal consolidation plan.
- f. In awarding such state financial assistance payments, the environmental facilities corporation shall consider and give preference to municipalities that meet the hardship criteria established by the environmental facilities corporation pursuant to section 1285-m of the public authorities law and projects that result in the greatest water quality improvement or greatest reduction in serious risk to public health. For the purposes of this act, the hardship criteria of section 1285-m of the public authorities law shall also apply to sewage treatment works as defined in section 17-1903 of the environmental conservation law.
- g. Water quality infrastructure projects financed with state financial assistance made available pursuant to this section shall be subject to the requirements of article 8 of the labor law, the requirements of article 17-B of the executive law and the requirements and provisions of all applicable minority- and women-owned business mandates including, but not limited to article 15-A of the executive law.
- § 7. The public authorities law is amended by adding a new section 34 1285-s to read as follows:
  - § 1285-s. New York state intermunicipal water infrastructure grants program. 1. For purposes of this section:
  - (a) "water quality infrastructure project" shall mean "sewage treatment works" as defined in section 17-1903 of the environmental conservation law or "eligible project" as defined in paragraphs (a), (b), (c) and (e) of subdivision four of section eleven hundred sixty of the public health law.
    - (b) "construction" shall mean:

- (i) for sewage treatment works, the same meaning as defined in section 17-1903 of the environmental conservation law; and
- (ii) for eligible projects, the same meaning as defined in section one thousand one hundred sixty of the public health law.
- 47 (c) "municipality" shall mean any county, city, town, village,
  48 district corporation, county or town improvement district, school
  49 district, Indian nation or tribe recognized by the state or the United
  50 States with a reservation wholly or partly within the boundaries of New
  51 York state, any public benefit corporation or public authority estab52 lished pursuant to the laws of New York or any agency of New York state
  53 which is empowered to construct and operate an intermunicipal water
  54 quality infrastructure project, or any two or more of the foregoing
  55 which are acting jointly in connection with an intermunicipal water
- 66 quality infrastructure project.

- 2. (a) The environmental facilities corporation shall undertake and provide state financial assistance payments, from funds appropriated for such purpose, to municipalities in support of intermunicipal water quality infrastructure projects provided, however, in any such year that funds are appropriated for such purpose, each project shall receive an award of up to ten million dollars of appropriated funds; provided that such monies shall not exceed sixty percent of the total project cost; and provided further that the total state financial assistance payment for the project does not represent a disproportionate share of the total amount of available funding in any given year.
- (b) Intermunicipal water quality infrastructure projects shall serve multiple municipalities and may include a shared water quality infrastructure project or interconnection of multiple municipal water quality infrastructure projects and shall be awarded only to water quality infrastructure projects for:
- (i) construction, replacement or repair of infrastructure provided, however, that such assistance shall not be awarded for construction to exclusively support residential or commercial development; or
- (ii) compliance with environmental and public health laws and regulations related to water quality.
- (c) Cooperating municipalities may make an application for an intermunicipal water infrastructure grant, in a manner, form and timeframe and containing such information as the environmental facilities corporation may require provided however, such requirements shall not include a requirement for prior listing on the intended use plan.
- (d) Cooperating municipalities shall not be required to accept environmental facilities corporation loan financing in order to obtain a state financial assistance payment pursuant to this section if it can provide proof of having obtained similarly low cost financing or other funding from another source.
- (e) In awarding financial assistance payments, the corporation shall be prohibited from requiring as a condition of receipt, or otherwise giving preference to, applicants who agree to participate in the design, creation, or implementation of a municipal consolidation plan.
- 3. Intermunicipal water quality infrastructure projects financed with state financial assistance made available pursuant to this section shall be subject to the requirements of article eight of the labor law, the requirements of article seventeen-B of the executive law and the requirements and provisions of all applicable minority- and women-owned business mandates including, but not limited to article fifteen-A of the executive law.
- § 8. The public authorities law is amended by adding a new section 1285-t to read as follows:
  - § 1285-t. Water infrastructure emergency financial assistance. 1. For purposes of this section, "municipality" means any county, city, town, village, district corporation, county or town improvement district, school district, Indian nation or tribe recognized by the state or the United States with a reservation wholly or partly within the boundaries of New York state, any public benefit corporation or public authority established pursuant to the laws of New York or any agency of New York state which is empowered to construct and operate a wastewater or drinking water infrastructure project, or any two or more of the foregoing which are acting jointly in connection with such a project.
- 54 <u>2. Upon a municipality's formal declaration of an emergency, the muni-</u> 55 <u>cipality shall provide the department of environmental conservation or</u> 56 <u>the department of health, as appropriate, with information to assess any</u>

situation in which the state of the municipality's wastewater or water infrastructure is causing or may cause an imminent hazard to the public health or welfare, or the environment. After its assessment, if either department determines the state of the infrastructure is resulting or may result in imminent hazard to the public health or welfare, or to the environment, the corporation shall provide temporary emergency assistance, within amounts appropriated, to the municipality in an amount not to exceed reasonable costs for infrastructure construction, replacement, or repair, and related engineering costs, that is immediately necessary to eliminate or substantially reduce such hazard.

- 3. The corporation and the municipality shall enter into an agreement signed by an officer duly authorized by the governing body of the municipality pursuant to which the corporation shall transmit emergency financial assistance in an amount determined by the department of environmental conservation or the department of health, as applicable, as necessary to address the imminent hazard, and shall provide the assistance payment to the municipality within two business days of receipt of such determination. The municipality shall submit an itemized cost estimate from the municipality's engineer or engineering consultant to the applicable department sufficient to make such determination.
- 4. No later than fourteen days after the cessation of the emergency, the municipality shall provide to the corporation documentation for all costs paid with the emergency assistance and refund to the corporation any portion of the financial assistance not used or committed to pay for the construction, replacement, or repair and related engineering costs determined to be necessary under subdivision one of this section.
- 5. Subject to appropriation or duly authorized indebtedness, the municipality shall repay the corporation within one year of its receipt of emergency financial assistance the full amount of such assistance provided to it under this section. The corporation may extend the time to repay for up to one additional year if the corporation determines in its sole discretion that such an extension is warranted under the circumstances.
- 6. Nothing in this section nullifies the eligibility of a municipality for other infrastructure funding, including grant, which may be provided by the state for water infrastructure directly related to the infrastructure for which emergency financial assistance is awarded under this section, including funding the municipality could use to repay the emergency financial assistance. If the municipality receives such other funding from the state or any financial assistance from a third party for the same infrastructure, the municipality shall within ten days first repay the corporation the outstanding balance of the emergency financial assistance before paying any remaining costs for the water infrastructure.
- 45 § 9. The public authorities law is amended by adding a new section 46 1285-u to read as follows:
- 47 § 1285-u. Septic system replacement fund. 1. Definitions. For 48 purposes of this section:
- 49 <u>(a) "Cesspool" means a drywell that receives untreated sanitary waste</u>
  50 <u>containing human excreta, which sometimes has an open bottom and/or</u>
  51 <u>perforated sides.</u>
- 52 (b) "Fund" means the state septic system replacement fund created by 53 this section.
- 54 (c) "Participating county" means a county that notifies the corpo-55 ration that it seeks authority to administer a septic system replacement 56 program within its municipal boundaries and agrees to abide by the

program's goals, guidelines, eligibility requirements and reimbursement procedures and provide information to property owners regarding program parameters including eligibility criteria.

- (d) "Septic system" means a system that provides for the treatment and/or disposition of the combination of human and sanitary waste with water not exceeding one thousand gallons per day, serving a single parcel of land, including residences and small businesses.
- (e) "Septic system project" means the replacement of a cesspool with a septic system, the installation, replacement or upgrade of a septic system or septic system components, or installation of enhanced treatment technologies, including an advanced nitrogen removal system, to significantly and quantifiably reduce environmental and/or public health impacts associated with effluent from a cesspool or septic system to groundwater used as drinking water, or a threatened or an impaired waterbody.
- (f) "Small business" means any business which is resident in this state, independently owned and operated, not dominant in its field, and employing not more than one hundred individuals.
- 2. (a) There is hereby created the state septic system replacement fund, which shall be administered by the corporation to reimburse property owners for up to fifty percent of the eligible costs incurred for eligible septic system projects, provided that no property owner shall be reimbursed more than ten thousand dollars.
- (b) Eligible costs include design and installation costs, and costs of the system, system components, or enhanced treatment technologies, but shall not include costs associated with routine maintenance such as a pump out of a septic tank.
- (c) The department of environmental conservation, in consultation with the department of health and participating counties, shall from the list of participating counties establish priority geographic areas and, in the absence of county information, identify eligible septic system projects, based on an area's vulnerability to contamination, including the presence of a sole source aquifer, or known water quality impairment, population density, soils, hydrogeology, climate, and reasonable ability for septic system projects to mitigate water quality impacts. The department of environmental conservation may delegate to a participating county the identification of priority geographic areas. The department of environmental conservation, in consultation with participating counties in which priority areas have been identified, shall determine the amount of money from the fund to be provided to each participating county based on density, demand for reimbursement from the fund and the criteria used to establish the priority geographic areas. The corporation shall publish information, application forms, procedures and quidelines relating to the program on its website and in a manner that is accessible to the public.
- (d) The corporation shall provide state financial assistance payments from the fund, from moneys appropriated by the legislature and available for that purpose, to participating counties to administer a septic system replacement program to support septic system projects within their municipal boundaries undertaken by property owners within their municipal boundaries. Where such project is located in a priority geographic area identified by the department of environmental conservation as threatened or impaired by nitrogen, including groundwater used as drinking water, such septic system project must reduce nitrogen levels by at least thirty percent.

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- (e) The corporation shall make payments monthly to a participating county upon the receipt by the corporation of a certification from the participating county of the total costs incurred by property owners within its municipal boundaries for septic system projects within its municipal boundaries that are eligible for reimbursement from the fund.
- 3. (a) A participating county shall notify property owners who may be eligible to participate in the program. Determinations of eligibility will be made by the participating county based on the published program criteria and consideration of a property's location in relation to a waterbody, impacts to groundwater used as drinking water, and the condition of the property owner's current septic system as determined by:
  - (i) the county health department official; or

- (ii) other designated authority having jurisdiction, pursuant to septic inspections required by a municipal separate storm sewer system permit; or
- 16 <u>(iii) a septic contractor pursuant to the applicable county sanitary</u> 17 <u>code.</u>
  - (b) An owner of property served by a septic system or cesspool may apply to a participating county on an application substantially in the form provided by the corporation.
  - (c) Property owners in participating counties must have signed a property owner participation agreement with the county before the start of the design phase to be eligible for reimbursement from the fund. The agreement must be substantially in the form provided by the corporation and include, without limitation, the program's goals, guidelines, eligibility requirements and reimbursement procedures.
  - (d) A property owner may apply for reimbursement of eligible costs by submitting to the participating county a reimbursement application, which must include at least:
    - (i) a signed property owner participation agreement;
  - (ii) a completed reimbursement application form substantially in the form provided by the corporation;
    - (iii) any applicable design approval for the septic system project;
    - (iv) description of all work completed; and
  - (v) cost documentation and invoice or invoices for eligible costs.
  - (e) Participating counties will be responsible for reviewing their property owners' applications and approving, modifying or denying the reimbursement requests as appropriate and issuing reimbursement payments to property owners from financial assistance payments made to the county from the fund.
  - (f) Participation in this program and the receipt of payments shall not prevent participating counties from providing additional reimbursement to property owners.
  - (g) Subject to the limitations of paragraph (d) of this subdivision, the county may set graduated incentive reimbursement rates for septic system projects to maximize pollution reduction outcomes.
- 4. On or before March first, two thousand nineteen, and annually thereafter, the corporation shall submit to the governor, the temporary
  president of the senate and the speaker of the assembly a report regarding the program. Such report shall include, but shall not be limited to,
  the number and amount of grants provided, the number and amount of any
  grants denied, geographic distribution of such projects and any other
  information the corporation determines useful in evaluating the benefits
  of the program.

§ 10. Subdivision 4 of section 11-b of the soil and water conservation districts law, as amended by chapter 538 of the laws of 1996, is amended to read as follows:

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- 4. Eligible costs that may be funded pursuant to this section are architectural and engineering services, plans and specifications, including watershed based or individual agricultural nonpoint source pollution assessments, consultant and legal services, conservation easements and associated transaction costs specific to title thirty-three of article fifteen of the environmental conservation law and other direct expenses related to project implementation.
- § 11. Report on integrated database of infrastructure projects. The environmental facilities corporation shall, in cooperation with the departments of health and environmental conservation, study and prepare a report to the legislature by January 30, 2018, on the feasibility of establishing, an integrated database or platform incorporating past, present, and ongoing infrastructure projects that have been applied for, as well as those which have been funded through grant and loan programs administered by the department of environmental conservation, the department of health, and the environmental facilities corporation relating to water quality infrastructure for the purpose of informing ongoing and future policy and funding initiatives.
- § 12. Subdivision 1 of section 3-0315 of the environmental conservation law, as added by section 1 of part C of chapter 1 of the laws of 2003, is amended to read as follows:
- 1. The department in conjunction with the commissioner of health shall create [or modify an existing] and maintain a geographic information [and maintain such system] and associated data storage and analytical systems for purposes of collecting, streamlining, and visualizing integrated data, permits, and relevant sites about drinking water quality including, but not limited to, incorporating [information from remedial programs under its jurisdiction, and] supply well and monitoring well data, emerging contaminant data, water quality monitoring data, pertinent data from remediation and landfill sites, permitted discharge locations and other potential contamination risks to water supplies. Such system shall also incorporate information from the source water assessment program collected by the department of health, data from annual water supply statements prepared pursuant to section eleven hundred fifty-one of the public health law, information from the database pursuant to title fourteen of article twenty-seven of this chapter, and any other existing data regarding soil and groundwater contamination currently gathered by the department, as well as data on contamination that is readily available from the United States geological survey and other sources determined appropriate by the department. In addition to facilitating interagency coordination and predictive analysis to protect water quality, such system shall provide state agency information to the public through a website, within reasonable limitations to ensure confidentiality and security.
- § 13. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.
- § 14. This act shall take effect immediately; provided, however, that emergency financial assistance will not be available under section 1285-t of the public authorities law established pursuant to section

1 eight of this act until one hundred twenty days after this act shall 2 take effect; and provided further that the provisions of section nine of 3 this act shall take effect on the one hundred eightieth day after it 4 shall become a law.

- § 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.
- § 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through T of this act shall be as specifically set forth in the last section of such Parts.