The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES

Thomas S. Burack, Commissioner

February 19, 2009

The Honorable Judith T. Spang, Chair
Resources, Recreation and Development Committee
Legislative Office Building, Room 305
Concord, New Hampshire 03301

RE: HB 674-FN-A relative to eliminating the water resources council, relative to dams, and authorizing the Connecticut lakes headwaters citizens committee to advise the department of environmental services on the management of Lake Francis and associated property

Dear Chairman Spang:

Thank you for the opportunity to testify in support of HB 674-FN-A, which eliminates the New Hampshire Water Resources Council, transfers title of state-owned property held by the Council to the Department of Environmental Services, and authorizes the Connecticut Lakes Headwaters Citizens Committee to advise the Department on the leasing of land at Lake Francis. If enacted, the bill would increase efficiency and reduce costs to the Department, improve management of the 2,000-acre Lake Francis property through better coordination with the management of the contiguous 171,000-acre Connecticut Lakes Headwaters Land, and resolve statutory conflicts that have existed since the time the Department of Environmental Services and the Water Resources Council were created from the former Water Resources Board.

In 1986, with the passage of Chapter 202, the legislature created the New Hampshire Water Resources Council from the former Water Resources Board, and transferred much of the responsibilities of the Board to the new Department of Environmental Services, which it also created under Chapter 202. While this law reserved some authority to the Water Resources Council, much of Chapter 202 changed most references to the Water Resources Board, or its Chairman, to read the Water Resources Division (of the Department of Environmental Services) or Director, thereby transferring to the Department many of the public corporation functions of the Water Resources Board. The Department of Environmental Services was reorganized with enactment of Chapter 228, Laws of 1996, which changed all references to the Water Resources Division or Director to read the Department of Environmental Services or Commissioner. Chapter 228 also stripped the Council of much of its remaining duties, leaving it with only the authority to administer the property leasing program at Lake Francis. Since then, this leasing program has been administratively managed by the Department of Environmental Services under the oversight of the Council.

Under the proposed legislation, the Department of Environmental Services will continue to manage the leasing program at Lake Francis, but the Council will be abolished and the advisory function over the leasing program and over the management of Lake Francis and the Lake Francis property will be performed by the existing Connecticut Lakes Headwaters Citizens Committee. The Connecticut

Lakes Headwaters Citizens Committee was established under Chapter 148:3, Laws of 2002, to provide advice to the Department of Resources and Economic Development on the management of the 171,000-acre Connecticut Lakes Headwaters Land. There are currently fourteen members on the committee, including five members from the local communities, as well as members with expertise in outdoor recreation and tourism, forestry and timber harvesting, and forest ecology and management of natural areas. As shown on the attached figure, the Connecticut Lakes Headwaters Land is contiguous to the Lake Francis property. Under the bill, the Commissioner of the Department of Environmental Services or designee would become a member of the Connecticut Lakes Headwaters Citizens Committee, ensuring that the Department's management of Lake Francis and associated property remains responsive to the needs of the local communities and is consistent with the goals established for the Connecticut Lakes Headwater Land.

The proposed bill will also:

- Repeal the so-called public corporation functions of the Water Resources Board, including bonding authority, that have remained in state statute since abolishment of the Board in 1986, but are currently in conflict with other state statutes and no longer appropriate with the former powers of the Board now vested in the Department of Environmental Services.

- Transfer ownership of dams owned by the Water Resources Council to the Department of Environmental Services, which has been operating, maintaining and repairing these dams since the creation of the department in 1986.

- Simplify the procedure for developing Water User Contracts and hydroleases as a source of revenue for the operation, maintenance and repair of state-owned dams.

- Continue payments in lieu of taxes for property held by the Council to the towns to which payments are currently being paid, including to the towns of Pittsburg, Clarkesville, and Laconia, but exempt other property of the Council from all taxation, consistent with all other property owned by the Department of Environmental Services.

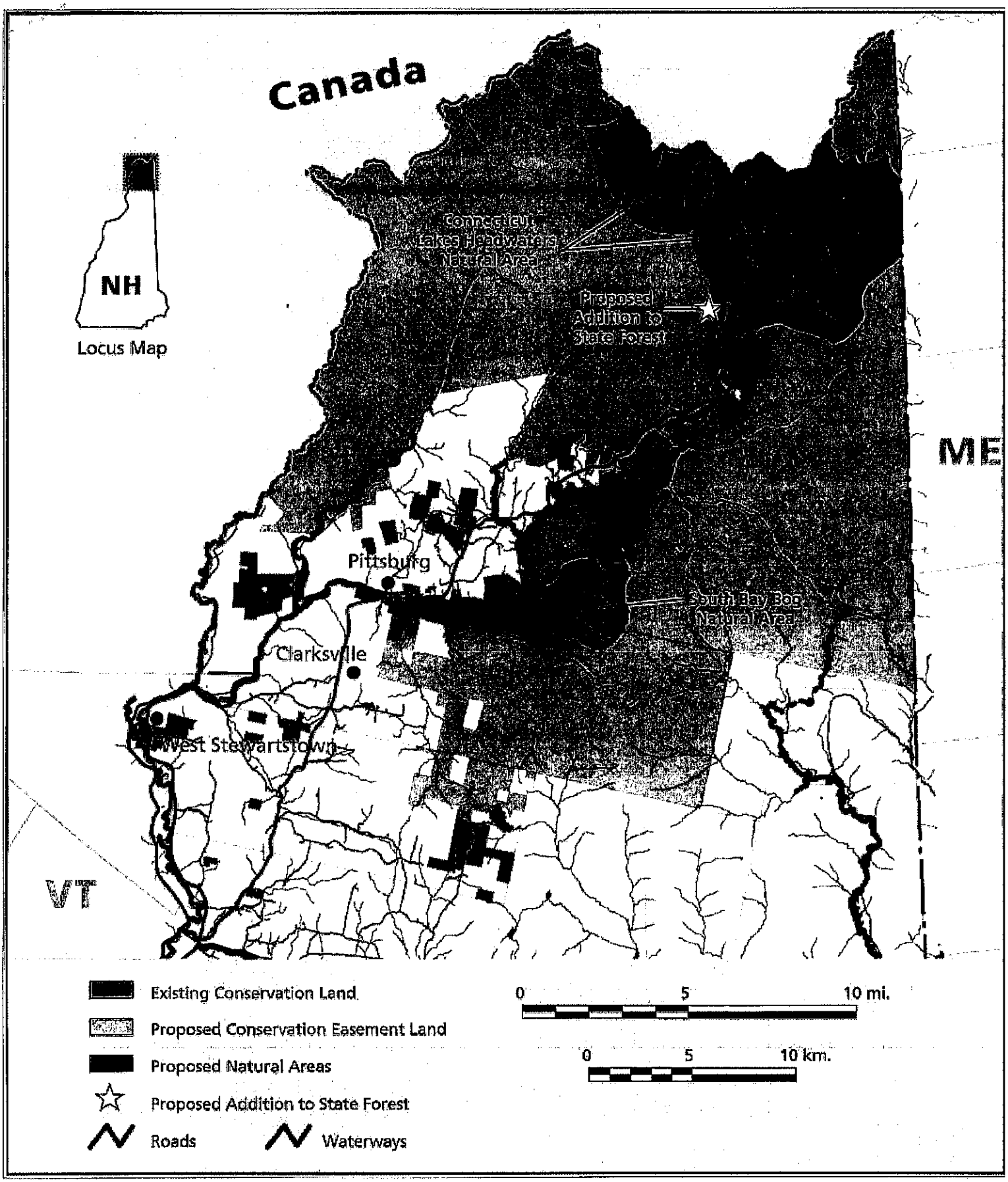
Thank you for this opportunity to testify in support of this bill. Please call either me at 271-2958 or Jim Gallagher at 271-1961, if you have any questions or need additional information.

Very truly yours,

Muriel Walls, Ass't. Comm

For Thomas S. Burack
Commissioner

Attachment
cc: Representative Eric Stohl
Senator Amanda Merrill
Senator John Gallus



the Connecticut Headwaters campaign

A Conservation Partnership for New Hampshire's North Country