Journal of the House

Wednesday, April 15, 2009

At one o'clock in the afternoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rev. Connie Moser of Ascutney Union Church.

Senate Bill Referred

S. 136

Senate bill, entitled

An act relating to reducing the drop-out rate in Vermont secondary schools to zero by the year 2020;

Was taken up, read the first time and referred to the committee on Rules.

Bills Referred to Committee on Appropriations

House bills of the following titles, appearing on the Calendar, carrying appropriations, under the rule, were referred to the committee on Appropriations:

H. 231

House bill, entitled

An act relating to the creation of the Farm-to-Plate Corporation

H. 450

House bill, entitled

An act relating to the state fiscal year 2009 transportation program

Joint Resolution Referred to Committee

J.R.S. 26

Whereas, industrial hemp refers to the nondrug oilseed and fiber varieties of Cannabis which have less than three-tenths of one percent (0.3%) tetrahydrocannabinol (THC) and which are cultivated exclusively for fiber, stalk, and seed, and

Whereas, industrial hemp is genetically distinct from drug varieties of Cannabis (also known as marijuana), and the flowering tops of industrial hemp cannot produce any drug effect when smoked or ingested, and

Whereas, Congress never intended to prohibit the production of industrial hemp when restricting the production, possession and use of marijuana, and

Whereas, the legislative history of the Marijuana Tax Act of 1937 (50 Stat.. 551), the statutory source for the federal definition of marijuana, shows that industrial hemp farmers and manufacturers of industrial hemp products were assuaged by the Federal Bureau of Narcotics commissioner, that the proposed legislation bore no threat to hemp-related activities, and

Whereas, the United States Court of Appeals for the Ninth Circuit ruled in Hemp Industries v. Drug Enforcement Administration, 357 F.3d 1012 (9th Cir. 2004), that the federal Controlled Substances Act of 1970 (21 U.S.C. Sec. 812(b)) explicitly excludes nonpsychoactive industrial hemp from the definition of marijuana, and the federal government declined to appeal that decision, and

Whereas, the Controlled Substances Act of 1970 specifies the findings to which the government must attest in order to classify a substance as a Schedule I drug, and those findings include that the substance has a high potential for abuse, has no accepted medical use, and has a lack of accepted safety for use, none of which applies to industrial hemp, and

Whereas, Article 28, § 2 of the Single Convention on Narcotic Drugs of 1961, as amended by the 1972 Protocol, states that, "This Convention shall not apply to the cultivation of the cannabis plant exclusively for industrial purposes (fibre and seed) or horticultural purposes," and

Whereas, industrial hemp is commercially produced in more than 30 countries, including Australia, Canada, China, Great Britain, France, Germany and Romania, without undue restriction or complications, and

Whereas, American companies are forced to import million of dollars' worth of hemp seed and fiber products, denying American farmers the opportunity to compete for and share in profits for cultivating hemp, and

Whereas, nutritious hemp foods can be found in grocery stores nationwide, and strong durable hemp fibers can be found in the interior parts of millions of American cars, and

Whereas, buildings are being constructed of a hemp and lime mixture that sequesters carbon, and

Whereas, retail sales of hemp products in this country are estimated to be \$365 million annually, and

Whereas, industrial hemp is a high-value low-input crop that is not genetically modified, requires little or no pesticides, can be dry-land farmed, and uses less fertilizer than wheat or corn, and

Whereas, the reluctance of the United States Drug Enforcement Administration to permit industrial hemp farming is denying agricultural producers in this country the ability to benefit from a high-value low-input crop, which can provide significant economic benefits to producers and manufacturers, and

Whereas, the United States Drug Enforcement Administration has the authority under the Controlled Substances Act to allow this state to regulate industrial hemp farming under existing laws and without requiring individual federal applications and licenses, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges Congress to:

- 1) Recognize industrial hemp as a valuable agricultural commodity;
- 2) Define industrial hemp in federal law as a nonpsychoactive and genetically identifiable species of the genus *Cannabis*;
- 3) Acknowledge that allowing and encouraging farmers to produce industrial hemp will improve the balance of trade by promoting domestic sources of industrial hemp; and
- 4) Assist United States producers by removing barriers to state regulation of the commercial production of industrial hemp, *and be it further*

Resolved: That the United States Drug Enforcement Administration allow the states to regulate industrial hemp farming without federal applications, licenses or fees, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Administrator of the United States Drug Enforcement Administration, United States Secretary of Agriculture Tom Vilsack, and the Vermont Congressional delegation.

Which was read and, in the Speaker's discretion, treated as a bill and referred to the committee on Agriculture.

Joint Resolution Adopted in Concurrence

J.R.S. 29

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 17, 2009, it be to meet again no later than Tuesday, April 21, 2009.

Was taken up read and adopted in concurrence.

House Resolution Adopted

H.R. 14

House resolution, entitled

House resolution designating April 29, 2009 as Walk @ Lunch Day

Offered by: Representatives Frank of Underhill, Till of Jericho, Larson of Burlington, Bissonnette of Winooski, Bohi of Hartford, Botzow of Pownal, Cheney of Norwich, Clarkson of Woodstock, Condon of Colchester, Conquest of Newbury, Deen of Westminster, Donovan of Burlington, French of Shrewsbury, Greshin of Warren, Kitzmiller of Montpelier, Lanpher of Vergennes, Leriche of Hardwick, Maier of Middlebury, Manwaring of Wilmington, Martin of Wolcott, Miller of Shaftsbury, Minter of Waterbury, Mitchell of Barnard, Moran of Wardsboro, Nuovo of Middlebury, Orr of Charlotte, Pellett of Chester, Peltz of Woodbury, Pugh of South Burlington, Shand of Weathersfield, Sharpe of Bristol, Stevens of Waterbury, Stevens of Shoreham and Webb of Shelburne

Whereas, getting 30 minutes of moderate physical activity, such as a brisk walk, at least five times a week can result in significant health benefits such as lowering the risk of developing or dying from cardiovascular disease, hypertension, or type 2 diabetes and improving the health of muscles, bones, and joints, and

Whereas, the U.S. Department of Health and Human Services estimates the cost to treat illness and chronic disease caused by inactive lifestyles is nearly \$1,000.00 for every family in America, every year, and

Whereas, physical activity is vital to the well-being of all Americans, and National Walk @ Lunch Day is an opportunity for Americans to carve time out of their busy work schedules to exercise and become healthier, and

Whereas, National Walk @ Lunch Day is a workplace walking program that encourages employees to walk during their lunch break, making exercise a convenient and easy choice during the day, and

Whereas, many states will participate in National Walk @ Lunch Day, improving the health of those residents on a step-by-step basis, now therefore be it

Resolved by the House of Representatives:

That this legislative body designates April 29, 2009 as National Walk @ Lunch Day and encourages Vermonters to walk at lunch, and be it further

<u>Resolved</u>: That the Clerk of the House be directed to send a copy of this resolution to the American Heart Association in Williston and to Blue Cross and Blue Shield of Vermont in Berlin.

Which was read and adopted.

Bill Amended, Read Third Time and Passed H. 147

House bill, entitled

An act relating to the operation of a motor vehicle by junior operators and primary safety belt enforcement

Was taken up and pending third reading of the bill, **Rep. Grad of Moretown** moved to amend the bill as follows:

By striking Secs. 4 and 5 in their entirety and inserting in lieu thereof new Secs. 4 and 5 to read:

Sec. 4. 23 V.S.A. § 1095a is added to read:

§ 1095a. USE OF WIRELESS TELEPHONES AND HANDHELD

ELECTRONIC DEVICES

- (a)(1) For the purposes of this section, "wireless telephone" shall mean a telephone that is:
- (A) capable of sending or receiving telephone communications without being physically connected to a telephone wire or cord; and
- (B) used pursuant to a subscription with a commercial entity that provides wireless telephone service.
 - (2) "Wireless telephone" shall not be construed to include:
- (A) a two-way radio that is operated by using a push-to-talk feature and does not require proximity to the ear of the user; or

- (B) a communication feature of a voice-activated global positioning or navigation system that is affixed within the passenger compartment of a motor vehicle.
- (b) For the purposes of this section, "hands-free use" shall refer to the use of a mobile telephone or electronic communication device that has an internal feature or function, or that is equipped with an attachment or addition, whether or not permanently part of the mobile telephone or electronic communication device, by which a user engages in a conversation without the use of either hand; provided, however, this definition shall not preclude the use of either hand to activate, deactivate, or initiate a function of the telephone or device.
- (c) Subject to the exceptions set forth in subsection (b) of this section, for the purposes of this section, the term "use," when referring to the utilization of a wireless telephone or handheld electronic device, shall include telephone calls, texting, and all other functions.
- (d) A person under 18 years of age shall not use any wireless telephone or handheld electronic device while operating a motor vehicle on the traveled portion of the highway. This prohibition shall not apply if it is necessary to place an emergency 911 call.
- (e) A person 18 years of age or older shall not use a wireless telephone or electronic communication device while operating a motor vehicle on the traveled portion of a highway. This prohibition shall not apply to:
 - (1) hands-free use;
 - (2) placement of an emergency 911 call; or
- (3) use by the following persons for the purpose of and during the course of performing their official duties:
 - (A) law enforcement officers;
 - (B) firefighters;
- (C) operators of authorized emergency vehicles as defined in section 4 of this title; and
- (D) state or municipal employees and their contractors who are actively engaged in road maintenance activities.
- Sec. 5. WIRELESS TELEPHONE AND HANDHELD ELECTRONIC DEVICE REPORT

By July 1, 2011, the Vermont League of Cities and Towns, the Vermont State Firefighters Association, and the Vermont department of public safety,

after consulting with their constituents and other appropriate entities whether or not under their direct control, shall submit to the house committee on judiciary a report regarding their constituents' progress toward utilization of hands-free communications technology in the course of motor vehicle operation.

Which was agreed to.

Pending third reading of the bill, **Rep. Donahue of Northfield** moved to amend the bill by striking Sec. 5 in its entirety and inserting in lieu thereof the following:

Sec. 5. 23 V.S.A. § 1091 is amended to read:

§ 1091. NEGLIGENT OPERATION; GROSSLY NEGLIGENT OPERATION

- (a) Negligent operation.
- (1) A person who operates a motor vehicle on a public highway in a negligent manner shall be guilty of negligent operation.
- (2) The standard for a conviction for negligent operation in violation of this subsection shall be ordinary negligence, examining whether the person breached a duty to exercise ordinary care.
- (A) Evidence of the use of a wireless telephone or other electronic communication device immediately prior to a motor vehicle collision shall create a rebuttable presumption of negligent operation under this subsection, unless it is a hands-free wireless telephone or hands-free electronic communication device or unless the device was being used to place an emergency 911 call.
- (B) As used in this section, "hands-free" means a mobile telephone or electronic communication device that has an internal feature or function or that is equipped with an attachment or addition, whether or not permanently part of the mobile telephone or electronic communication device, by which a user engages in a conversation without the use of either hand.
- (3) A person who violates this subsection shall be imprisoned not more than one year or fined not more than \$1,000.00, or both. If the person has been previously convicted of a violation of this subsection, the person shall be imprisoned not more than two years or fined not more than \$3,000.00, or both.
 - (b) Grossly negligent operation.
- (1) A person who operates a motor vehicle on a public highway in a grossly negligent manner shall be guilty of grossly negligent operation.

- (2) The standard for a conviction for grossly negligent operation in violation of this subsection shall be gross negligence, examining whether the person engaged in conduct which involved a gross deviation from the care that a reasonable person would have exercised in that situation. Evidence of the use of a wireless telephone or other electronic communication device immediately prior to a motor vehicle collision that results in any personal injury or in property damage in excess of \$5,000.00 shall create a rebuttable presumption of grossly negligent operation under this subsection, unless it is a hands-free wireless telephone or hands-free electronic communication device or unless the device was being used to place an emergency 911 call.
- (3) A person who violates this subsection shall be imprisoned not more than two years or fined not more than \$5,000.00, or both. If the person has previously been convicted of a violation of this section, the person shall be imprisoned not more than four years or fined not more than \$10,000.00, or both. If serious bodily injury as defined in section 1021 of Title 13 or death of any person other than the operator results, the person shall be imprisoned for not more than 15 years or fined not more than \$15,000.00, or both. If serious bodily injury or death results to more than one person other than the operator, the operator may be convicted of a separate violation of this subdivision for each decedent or person injured.
- (c) The provisions of this section do not limit or restrict the prosecution for manslaughter.
- (d) A person convicted of violating subsection (b) of this section shall be assessed a surcharge of \$50.00, which shall be added to any fine or surcharge imposed by the court. The court shall collect and transfer the surcharge assessed under this subsection to be credited to the DUI enforcement fund. The collection procedures described in 13 V.S.A. § 5240 shall be utilized in the collection of this surcharge.

Which was disagreed to.

Pending the question, Shall the bill pass? **Rep. Davis of Washington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass? was decided in the affirmative. Yeas, 104. Nays, 40.

Those who voted in the affirmative are:

Acinapura of Brandon Adams of Hartland Ancel of Calais Andrews of Rutland City Aswad of Burlington Audette of South Burlington Bissonnette of Winooski Botzow of Pownal Branagan of Georgia Bray of New Haven Browning of Arlington Burke of Brattleboro Clarkson of Woodstock Clerkin of Hartford Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Courcelle of Rutland City Deen of Westminster Devereux of Mount Holly Dickinson of St. Albans Town Donaghy of Poultney Edwards of Brattleboro **Emmons of Springfield** Evans of Essex Fisher of Lincoln Flory of Pittsford Frank of Underhill French of Shrewsbury French of Randolph Geier of South Burlington Gilbert of Fairfax Grad of Moretown Greshin of Warren Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Rutland City Howrigan of Fairfield Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City

Kitzmiller of Montpelier Klein of East Montpelier Koch of Barre Town Krawczyk of Bennington Lanpher of Vergennes Larson of Burlington Lawrence of Lyndon Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Maier of Middlebury Malcolm of Pawlet * Manwaring of Wilmington Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCullough of Williston McDonald of Berlin Milkey of Brattleboro Miller of Shaftsbury Minter of Waterbury Mitchell of Barnard Mook of Bennington Moran of Wardsboro Morrissey of Bennington Mrowicki of Putney Myers of Essex Nease of Johnson

Nuovo of Middlebury O'Brien of Richmond Obuchowski of Rockingham Orr of Charlotte Partridge of Windham Pearce of Richford Pellett of Chester Poirier of Barre City Potter of Clarendon Pugh of South Burlington Ram of Burlington Reis of St. Johnsbury Savage of Swanton Shand of Weathersfield Smith of Mendon South of St. Johnsbury Spengler of Colchester Stevens of Waterbury Sweaney of Windsor Till of Jericho Toll of Danville Townsend of Randolph Turner of Milton Waite-Simpson of Essex Webb of Shelburne Weston of Burlington Wilson of Manchester Wizowaty of Burlington Young of St. Albans City

Those who voted in the negative are:

Ainsworth of Royalton
Atkins of Winooski *
Baker of West Rutland
Bohi of Hartford
Canfield of Fair Haven
Clark of Vergennes
Condon of Colchester
Corcoran of Bennington
Crawford of Burke
Davis of Washington
Donahue of Northfield
Donovan of Burlington
Fagan of Rutland City
Helm of Castleton

Higley of Lowell
Hube of Londonderry
Hubert of Milton
Johnson of Canaan
Kilmartin of Newport City
Komline of Dorset
Larocque of Barnet
Lewis of Derby
Marcotte of Coventry
McAllister of Highgate
McNeil of Rutland Town
Morley of Barton
O'Donnell of Vernon
Peaslee of Guildhall

Peltz of Woodbury
Perley of Enosburg
Rodgers of Glover *
Scheuermann of Stowe
Sharpe of Bristol
Stevens of Shoreham
Westman of Cambridge
Wheeler of Derby
Winters of Williamstown
Wright of Burlington
Zenie of Colchester
Zuckerman of Burlington

Those members absent with leave of the House and not voting are:

Brennan of Colchester McFaun of Barre Town

Trombley of Grand Isle

Cheney of Norwich Taylor of Barre City

Rep. Atkins of Winooski explained his vote as follows:

"Mr. Speaker:

I vote no on H. 147.

I have stated my feelings many times regarding my dislike of creating small groups for special regulations.

I have also stated that primary enforcement of this bill be by guess and by gosh. The ability to stop a vehicle because an officer thinks the driver may not be wearing a seat belt is not acceptable to me."

Rep. Malcolm of Pawlet explained his vote as follows:

"Mr. Speaker:

I vote yes but I find it ironic to vote for a cell phone use ban before most people in my district have the opportunity to use cell phones to begin with."

Rep. Rodgers of Glover explained his vote as follows:

"Mr. Speaker:

I vote no for this bill and yes to freedom.

I now have to put my faith in the wisdom of the Senate to stop the erosion of our freedom."

Bill Amended; Third Reading Ordered

H. 92

Rep. South of St. Johnsbury, for the committee on General, Housing and Military Affairs, to which had been referred House bill, entitled

An act relating to rent-to-own agreements

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. STUDY; SPECIAL COMMITTEE ON MOBILE HOME

OWNERSHIP

(a) There is created a special committee on mobile home ownership, the organization of which shall be as follows:

- (1) The committee shall hold its first meeting no later than June 30, 2009 at a place and time agreed to by a majority of the members. The commissioner of the department of housing and community affairs, or his or her designee, shall chair the first meeting, at which the committee shall elect a chair and vice chair and shall establish a schedule for accomplishing its duties under this act.
- (2) Following its first meeting, the committee shall provide bi-monthly progress reports to the chairs of the house committee on general, housing and military affairs and the senate committee on economic development, housing and general affairs, and shall submit its final report to those committees on or before January 15, 2010.
- (3) The staff of the department of housing and community affairs shall provide technical and clerical support to the committee.
 - (b) The committee shall consist of the following individuals:
- (1) The commissioner of the department of housing and community affairs or designee.
- (2) The commissioner of the department of banking, insurance, securities, and health care administration or designee.
- (3) A representative of the banking industry with experience in real estate transactions recommended by the Vermont Bankers Association, Inc.
- (4) A member representing the interests of Vermont town clerks who shall be appointed collaboratively by the Vermont League of Cities and Towns, Inc. and the Vermont Municipal Clerks' & Treasurers' Association.
- (5) Two members representing the interests of mobile home tenants, one of whom shall be appointed by Vermont Legal Aid, and one of whom shall be appointed by the Champlain Valley Office of Economic Opportunity.
- (6) A member representing the interests of mobile home park owners who shall be appointed by the Vermont Apartment Owners Association, LLC.
- (c) The committee shall take such testimony and review such reports or other information to examine and develop proposals to address the following issues, and any additional issues it deems necessary, to accomplish its duties under this act:
- (1) The historical and current practice of mobile home purchases on a "rent-to-own" basis, including:
 - (A) The prevalence of purchases on a rent-to-own basis.

- (B) Whether rent-to-own purchases occur pursuant to written agreement, the form and content of those agreements, whether those agreements comply with current law, and whether a standard agreement unique to rent-to-own purchases of mobile homes should be adopted.
- (C) The extent to which rent-to-own sellers and purchasers are aware of, and follow, notice and documentation requirements, including bills of sale, UCC filings, tax filings, and related recording requirements, and whether these requirements are sufficient to create an adequate public record of ownership.
- (D) The extent to which rent-to-own purchasers utilize counsel or other resources when entering into agreements to purchase a mobile home.
- (2) The current framework regulating foreclosure of interests in mobile homes and whether and how that framework sufficiently addresses rent-to-own purchases.
- (3) The treatment of mobile homes as personal property, with emphasis on whether such treatment causes legal, financial, or other uncertainty with respect to ownership, and any potential resolution of these issues.

Sec. 3 EFFECTIVE DATE

This act shall take effect upon passage.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time, report of the committee on General, Housing and Military Affairs agreed to and third reading ordered.

Senate Proposal of Amendment Concurred in

H. 91

The Senate proposed to the House to amend House bill, entitled

An act relating to technical corrections to the juvenile judicial proceedings act of 2008

In Sec. 2, 33 V.S.A. § 5123 in subsection (a) by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) minimizes physical and psychological trauma;

Pending the question, Shall the House concur in the Senate proposal of amendment? **Rep. Donahue of Northfield** moved that the House concur with the Senate proposal of amendment with a further amendment thereto:

In Sec. 2, 33 V.S.A. § 5123, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read:

- (a) The commissioner of the department for children and families shall ensure that all reasonable and appropriate measures consistent with public safety are made to transport or escort a child subject to this chapter in a manner that:
 - (1) avoids physical and psychological trauma;
 - (2) respects the privacy of the individual; and
- (3) represents the least restrictive means necessary for the safety of the child.

Which was agreed to.

Third Reading; Bills Passed

House bills of the following titles were severally taken up, read the third time and passed:

H. 192

House bill, entitled

An act relating to electronic benefit machines for farmers' markets;

H. 405

House bill, entitled

An act relating to K-12 and higher education partnerships;

Consideration Interrupted by Recess

H. 442

House bill, entitled

An act relating to miscellaneous tax provisions

Was taken up and pending third reading of the bill, **Rep. Hubert of Milton** moved to amend the bill as follows:

First: By striking Sec. 13 in its entirety

Second: By striking Secs. 40–42 in their entirety

and by renumbering all sections to be numerically correct.

Pending the question, Shall the House amend the bill as recommended by Rep. Hubert of Milton? **Rep. Hubert of Milton** asked that the question be divided.

Pending the question, Shall the bill be amended as offered by Rep. Hubert of Milton in the first instance only? **Rep. Hubert of Milton** demanded the

Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as offered by Rep. Hubert of Milton in the first instance only? was decided in the negative. Yeas, 50. Nays, 93.

Those who voted in the affirmative are:

Acinapura of Brandon Adams of Hartland Ainsworth of Royalton Andrews of Rutland City Baker of West Rutland Branagan of Georgia Brennan of Colchester Canfield of Fair Haven Clark of Vergennes Clerkin of Hartford Courcelle of Rutland City Crawford of Burke Devereux of Mount Holly Dickinson of St. Albans Town Donaghy of Poultney Donahue of Northfield

Fagan of Rutland City Flory of Pittsford Geier of South Burlington * Helm of Castleton Higley of Lowell Howrigan of Fairfield Hube of Londonderry Hubert of Milton Johnson of Canaan Komline of Dorset Krawczyk of Bennington Larocque of Barnet Lawrence of Lyndon Lewis of Derby Marcotte of Coventry McAllister of Highgate McDonald of Berlin

McNeil of Rutland Town Morley of Barton Morrissey of Bennington Myers of Essex O'Donnell of Vernon Pearce of Richford Peaslee of Guildhall Perley of Enosburg Reis of St. Johnsbury Savage of Swanton Scheuermann of Stowe Townsend of Randolph * Turner of Milton Westman of Cambridge Wheeler of Derby Winters of Williamstown Wright of Burlington

Lippert of Hinesburg

Those who voted in the negative are:

Ancel of Calais Atkins of Winooski Audette of South Burlington Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Bray of New Haven Browning of Arlington Burke of Brattleboro Cheney of Norwich Clarkson of Woodstock Condon of Colchester Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Corcoran of Bennington Davis of Washington Deen of Westminster Donovan of Burlington Edwards of Brattleboro **Emmons of Springfield** Evans of Essex

Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Gilbert of Fairfax Grad of Moretown Greshin of Warren Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Rutland City Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Koch of Barre Town Lanpher of Vergennes Larson of Burlington Lenes of Shelburne Leriche of Hardwick

Lorber of Burlington Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCullough of Williston McFaun of Barre Town Milkey of Brattleboro Miller of Shaftsbury Minter of Waterbury Mitchell of Barnard Mook of Bennington Moran of Wardsboro Mrowicki of Putney Nease of Johnson Nuovo of Middlebury O'Brien of Richmond Obuchowski of Rockingham Orr of Charlotte

Partridge of Windham	Smith of Mendon	Webb of Shelburne
Pellett of Chester	South of St. Johnsbury	Weston of Burlington
Poirier of Barre City	Spengler of Colchester	Wilson of Manchester
Potter of Clarendon	Stevens of Waterbury	Wizowaty of Burlington
Pugh of South Burlington	Stevens of Shoreham	Young of St. Albans City
Ram of Burlington	Sweaney of Windsor	Zenie of Colchester
Rodgers of Glover	Till of Jericho	Zuckerman of Burlington
Shand of Weathersfield	Toll of Danville	
Sharpe of Bristol	Waite-Simpson of Essex	

Those members absent with leave of the House and not voting are:

Aswad of Burlington	Maier of Middlebury	Taylor of Barre City
Kilmartin of Newport City	Peltz of Woodbury	Trombley of Grand Isle

Rep. Geier of South Burlington explained his vote as follows:

"Mr. Speaker:

It is my feeling that the state of Vermont should not be encouraging more family debt by its citizens. If we do anything about credit cards we should educate our citizens how to use the ones they have."

Rep. Townsend of Randolph explained his vote as follows:

"Mr. Speaker:

I am a proud Vermonter. As such, I feel very protective of the Vermont name and logo. I admire the great name of our Green Mountain State on our milk, cheese, maple syrup, etc. I do not want it on a credit card."

Recess

At three o'clock in the afternoon, the Speaker declared a recess until the fall of the gavel.

At three o'clock and thirty minutes in the afternoon, the Speaker called the House to order.

Consideration Resumed; Bill Amended, Read Third Time and Passed H. 442

Consideration resumed on House bill, entitled

An act relating to miscellaneous tax provisions;

Thereupon, the second instance of recommendation of amendment offered by Rep. Hubert of Milton was disagreed to.

Rep. Pellett of Chester in Chair.

Pending third reading of the bill, **Rep. Koch of Barre Town** moved to amend the bill as follows:

<u>First</u>: In Sec. 32, 32 V.S.A. § 7442a, subdivision (c), by striking the year "2008" and inserting in lieu thereof the year "2009"

Second: By striking Secs. 33, 34, and 35 in their entirety

<u>Third</u>: In Sec. 36, 32 V.S.A. § 7475, subdivision (2), by striking the year "2008" and inserting in lieu thereof the year "2009"

<u>Fourth</u>: In Sec. 48, subdivision (9), by striking "<u>32–36</u>" and inserting in lieu thereof "<u>32 and 33</u>"

And by renumbering all sections to be numerically correct.

Pending the question, Shall the bill be amended as offered by Rep. Koch of Barre Town? **Rep. McDonald of Berlin** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as offered by Rep. Koch of Barre Town? was decided in the negative. Yeas, 52. Nays, 92.

Those who voted in the affirmative are:

Helm of Castleton Acinapura of Brandon Adams of Hartland Higley of Lowell Ainsworth of Royalton Howrigan of Fairfield Baker of West Rutland Hube of Londonderry Branagan of Georgia **Hubert of Milton** Brennan of Colchester Johnson of Canaan Canfield of Fair Haven Kilmartin of Newport City Clark of Vergennes Koch of Barre Town Clerkin of Hartford Komline of Dorset Crawford of Burke Krawczyk of Bennington Devereux of Mount Holly Larocque of Barnet Dickinson of St. Albans Lawrence of Lyndon Town Lewis of Derby Donaghy of Poultney Marcotte of Coventry Donahue of Northfield McAllister of Highgate Fagan of Rutland City McDonald of Berlin Flory of Pittsford McFaun of Barre Town Greshin of Warren McNeil of Rutland Town

Morley of Barton Morrissey of Bennington Myers of Essex O'Donnell of Vernon Pearce of Richford Peaslee of Guildhall Perley of Enosburg Reis of St. Johnsbury Savage of Swanton Scheuermann of Stowe Turner of Milton Webb of Shelburne Westman of Cambridge Wheeler of Derby Winters of Williamstown Wright of Burlington Zenie of Colchester

Those who voted in the negative are:

Ancel of Calais Andrews of Rutland City Atkins of Winooski Audette of South Burlington Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Bray of New Haven Browning of Arlington Burke of Brattleboro Cheney of Norwich Clarkson of Woodstock Condon of Colchester Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Corcoran of Bennington Courcelle of Rutland City Davis of Washington Deen of Westminster Donovan of Burlington Edwards of Brattleboro **Emmons of Springfield** Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Geier of South Burlington Gilbert of Fairfax Grad of Moretown Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Rutland City Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Lanpher of Vergennes Larson of Burlington Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Maier of Middlebury Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCullough of Williston Milkey of Brattleboro Miller of Shaftsbury Minter of Waterbury Mitchell of Barnard Mook of Bennington Moran of Wardsboro Mrowicki of Putney Nease of Johnson Nuovo of Middlebury

O'Brien of Richmond Obuchowski of Rockingham Orr of Charlotte Partridge of Windham Poirier of Barre City Potter of Clarendon Pugh of South Burlington Ram of Burlington Rodgers of Glover Shand of Weathersfield Sharpe of Bristol Smith of Mendon South of St. Johnsbury Spengler of Colchester Stevens of Waterbury Stevens of Shoreham Sweaney of Windsor Till of Jericho Toll of Danville Townsend of Randolph Waite-Simpson of Essex Weston of Burlington Wilson of Manchester Wizowaty of Burlington Young of St. Albans City Zuckerman of Burlington *

Those members absent with leave of the House and not voting are:

Aswad of Burlington Peltz of Woodbury Smith of Morristown Taylor of Barre City Trombley of Grand Isle

Rep. Zuckerman of Burlington explained his vote as follows:

"Mr. Speaker:

In three years this exemption will save wealthy Vermonters more than 10 times the taxes that are being assessed under the temporary three-year surtax. Members who want lower taxes should think of the long-term bonus we are extending to those wealthy Vermonters."

Pending third reading of the bill, **Rep. Clark of Vergennes** moved to amend the bill as follows:

By striking Secs. 46 and 47 and renumbering the remaining section to be numerically correct.

Speaker Smith back in Chair.

Pending the question, Shall the bill be amended as offered by Rep. Clark of Vergennes? **Rep. Komline of Dorset** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as offered by Rep. Clark of Vergennes? was decided in the negative. Yeas, 55. Nays, 84.

Those who voted in the affirmative are:

Acinapura of Brandon Adams of Hartland Ainsworth of Royalton Baker of West Rutland Branagan of Georgia Brennan of Colchester Browning of Arlington Canfield of Fair Haven Clark of Vergennes * Clerkin of Hartford Corcoran of Bennington Crawford of Burke Dickinson of St. Albans Town Donaghy of Poultney Donahue of Northfield Fagan of Rutland City Flory of Pittsford Geier of South Burlington *

Greshin of Warren Helm of Castleton Higley of Lowell Hube of Londonderry **Hubert of Milton** Johnson of Canaan Kilmartin of Newport City Koch of Barre Town Komline of Dorset Krawczyk of Bennington Larocque of Barnet Lawrence of Lyndon Lewis of Derby Marcotte of Coventry McAllister of Highgate McDonald of Berlin McFaun of Barre Town McNeil of Rutland Town Morley of Barton

Morrissey of Bennington Myers of Essex O'Donnell of Vernon Pearce of Richford Peaslee of Guildhall Perley of Enosburg Reis of St. Johnsbury Savage of Swanton Scheuermann of Stowe South of St. Johnsbury Stevens of Shoreham Turner of Milton Westman of Cambridge Wheeler of Derby Wilson of Manchester Winters of Williamstown Wright of Burlington Young of St. Albans City

Those who voted in the negative are:

Ancel of Calais Andrews of Rutland City Atkins of Winooski Audette of South Burlington Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Bray of New Haven Burke of Brattleboro Cheney of Norwich Clarkson of Woodstock Condon of Colchester Consejo of Sheldon Copeland-Hanzas of Bradford Courcelle of Rutland City Davis of Washington Deen of Westminster Donovan of Burlington Edwards of Brattleboro

Emmons of Springfield Evans of Essex Fisher of Lincoln Frank of Underhill French of Shrewsbury French of Randolph Gilbert of Fairfax Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Rutland City Howrigan of Fairfield Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Lanpher of Vergennes

Larson of Burlington Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Maier of Middlebury Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCullough of Williston Milkey of Brattleboro Miller of Shaftsbury Minter of Waterbury Mitchell of Barnard Mook of Bennington Moran of Wardsboro

Mrowicki of Putney Potter of Clarendon Nease of Johnson Pugh of South Burlington Nuovo of Middlebury Ram of Burlington O'Brien of Richmond Rodgers of Glover Obuchowski of Rockingham Shand of Weathersfield Orr of Charlotte Sharpe of Bristol Partridge of Windham Smith of Mendon Pellett of Chester Spengler of Colchester Poirier of Barre City Stevens of Waterbury

Sweaney of Windsor Till of Jericho Toll of Danville Townsend of Randolph Webb of Shelburne Weston of Burlington Zenie of Colchester

Those members absent with leave of the House and not voting are:

Aswad of Burlington
Conquest of Newbury
Devereux of Mount Holly
Grad of Moretown

Peltz of Woodbury Taylor of Barre City Trombley of Grand Isle Waite-Simpson of Essex Wizowaty of Burlington Zuckerman of Burlington

Rep. Clark of Vergennes explained his vote as follows:

"Mr. Speaker:

Vermonters are screaming "don't tread on me". We ought to be listening."

Rep. Geier of South Burlington explained his vote as follows:

"Mr. Speaker:

We had the opportunity to show Vermonters that we are hearing them, that we are listening to them. It would be a good time to cut taxes."

Pending third reading of the bill, **Rep. Higley of Lowell** moved to amend the bill by striking Secs. 3 and 4 in their entirety and by renumbering all sections to be numerically correct.

Which was disagreed to.

Pending third reading of the bill, **Rep. Fagan of Rutland City** moved to amend the bill as follows:

By striking Sec. 18 in its entirety and renumbering all sections to be numerically correct.

Which was disagreed to.

Pending third reading of the bill, **Rep. McDonald of Berlin** moved to amend the bill by striking Sec. 2 in its entirety and renumbering all sections to be numerically correct.

Which was disagreed to.

Pending third reading of the bill, **Rep. McDonald of Berlin** moved to amend the bill as follows:

First: In Sec. 1, by adding subsections (d) and (e) to read:

- (d) The positions created pursuant to subsections (a) and (b) of this section shall not be new state employee positions but instead shall be transferred and converted from the vacant position pool as and only when such positions in the vacant position pool become available.
- (e) Notwithstanding any other provision of law, the positions created by this section shall be created as limited service positions and shall not be funded for a period in excess of three years.

<u>Second</u>: In Sec. 2, by inserting an "(a)" in front of the existing language and by adding subsections (b) and (c) to read:

- (b) The positions created pursuant to subsection (a) of this section shall not be new state employee positions but instead shall be transferred and converted from the vacant position pool as and only when such positions in the vacant position pool become available.
- (c) Notwithstanding any other provision of law, the positions created by this section shall be created as limited service positions and shall not be funded for a period in excess of three years.

Which was agreed to.

Pending third reading of the bill, **Rep. Donahue of Northfield** moved to amend the bill as follows:

<u>First</u>: In Sec. 32, 32 V.S.A. § 7442a, by striking subdivision (c) in its entirety and inserting in lieu thereof a new subdivision (c) to read:

- (c)(1) For decedents dying on or after January 1, 2009 but before July 1, 2009, the Vermont estate tax shall not exceed the amount of the tax imposed by Section 2001 of the Internal Revenue Service Code calculated using the applicable credit amount under Section 2010 as in effect on January 1, 2009, with no deduction under Section 2058.
- (2) For decedents dying on or after July 1, 2009, the Vermont estate tax shall not exceed the amount of the tax imposed by Section 2001 of the Internal Revenue Service Code calculated using the applicable credit amount under Section 2010 as in effect on January 1, 2008, with no deduction under Section 2058.

<u>Second</u>: By striking Sec. 36 in its entirety and inserting in lieu thereof a new Sec. 36 to read:

Sec. 36. 32 V.S.A. § 7475 is amended to read:

§ 7475. ADOPTION OF FEDERAL ESTATE AND GIFT TAX LAWS

The laws of the United States, relating to federal estate and gift taxes as in effect on January 1, 2008 2009, are hereby adopted for the purpose of computing the tax liability under this chapter, except:

- (1) with the credit for state death taxes shall remain as provided for under Section Sections 2011 and 2604 of the Internal Revenue Code as in effect on January 1, 2001;
- (2)(A) for estates of decedents dying on or after January 1, 2009 but before July 1, 2009, the applicable credit amount shall remain as provided for under Section 2010 of the Internal Revenue Code, as in effect on January 1, 2009;
- (B) for estates of decedents dying on or after July 1, 2009, the applicable credit amount shall remain as provided for under Section 2010 of the Internal Revenue Code, as in effect on January 1, 2008; and
- (3) without any the deduction for state death taxes under Section 2058 of the Internal Revenue Code shall not apply.

<u>Third</u>: In Sec. 46, by inserting after the words "<u>For taxable year 2009</u>," the words "<u>beginning July 1, 2009</u>,"

Which was disagreed to.

Pending third reading of the bill, **Reps. Haas of Rochester, Fisher of Lincoln and Davis of Washington** moved to amend the bill as follows:

By adding Secs. 47a and 47b to read:

Sec. 47a. 32 V.S.A. § 5811(21) is amended to read:

(21) "Taxable income" means federal taxable income determined without regard to Section 168(k) of the Internal Revenue Code and:

* * *

- (B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):
 - (i) income from United States government obligations; and
- (ii) the first \$5,000.00 of adjusted net capital gain income as defined in Section 1(h) of the Internal Revenue Code; and
- (iii) 40 percent of adjusted net capital gain income as defined in Section 1(h) of the Internal Revenue Code, from the transfer of a controlling

interest in a business held by the transferor for more than 20 years, if the business at the time of transfer is owned only by the transferor and the transferor's family, including only the following: spouse, siblings, children, parents, grandparents, grandchildren, and spouse's siblings, children, parents, grandparents, and grandchildren; but the total amount of decrease under this subdivision (ii)(iii) shall not exceed 40 percent of federal taxable income.

Sec. 47b. EFFECTIVE DATE

Sec. 47a of this act (capital gain limitation) shall apply to taxable years 2010 and after.

and by renumbering all sections of the bill to be numerically correct.

Thereupon, **Rep. Haas of Rochester** asked and was granted leave of the House to withdraw her amendment.

Thereupon, the bill was read the third time.

Pending the question, Shall the bill pass? **Rep. McDonald of Berlin** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass? was decided in the affirmative. Yeas, 82. Nays, 54.

French of Shrewsbury

Those who voted in the affirmative are:

Ancel of Calais Andrews of Rutland City Atkins of Winooski Audette of South Burlington Bissonnette of Winooski Bohi of Hartford Botzow of Pownal Bray of New Haven * Burke of Brattleboro Cheney of Norwich Clarkson of Woodstock Condon of Colchester Consejo of Sheldon * Copeland-Hanzas of Bradford Courcelle of Rutland City Davis of Washington Deen of Westminster Devereux of Mount Holly Edwards of Brattleboro **Emmons of Springfield** Evans of Essex Fisher of Lincoln Frank of Underhill

French of Randolph Geier of South Burlington Gilbert of Fairfax * Haas of Rochester Head of South Burlington Heath of Westford Hooper of Montpelier Howard of Rutland City Howrigan of Fairfield Jerman of Essex Jewett of Ripton Johnson of South Hero Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Lanpher of Vergennes Larson of Burlington Lenes of Shelburne Leriche of Hardwick Lippert of Hinesburg Lorber of Burlington Macaig of Williston Maier of Middlebury

Malcolm of Pawlet Manwaring of Wilmington Marek of Newfane Martin of Springfield Masland of Thetford McCullough of Williston Milkey of Brattleboro Miller of Shaftsbury Mitchell of Barnard Mook of Bennington Moran of Wardsboro Mrowicki of Putney Nease of Johnson Nuovo of Middlebury O'Brien of Richmond Obuchowski of Rockingham Orr of Charlotte Partridge of Windham Pellett of Chester Poirier of Barre City Potter of Clarendon Pugh of South Burlington Ram of Burlington Shand of Weathersfield

Sharpe of Bristol	Sweaney of Windsor	Webb of Shelburne
Smith of Mendon	Till of Jericho	Weston of Burlington
Spengler of Colchester	Toll of Danville	Zenie of Colchester
Stevens of Waterbury	Townsend of Randolph	

Those who voted in the negative are:

Acinapura of Brandon	Higley of Lowell	O'Donnell of Vernon
Adams of Hartland	Hube of Londonderry	Pearce of Richford
Ainsworth of Royalton	Hubert of Milton	Peaslee of Guildhall
Baker of West Rutland	Johnson of Canaan	Perley of Enosburg
Branagan of Georgia	Kilmartin of Newport City	Reis of St. Johnsbury
Browning of Arlington	Komline of Dorset	Rodgers of Glover
Canfield of Fair Haven	Krawczyk of Bennington	Savage of Swanton
Clark of Vergennes	Larocque of Barnet	Scheuermann of Stowe
Clerkin of Hartford	Lawrence of Lyndon	South of St. Johnsbury
Corcoran of Bennington	Lewis of Derby	Stevens of Shoreham
Crawford of Burke	Marcotte of Coventry	Turner of Milton
Dickinson of St. Albans	Martin of Wolcott	Westman of Cambridge
Town	McAllister of Highgate	Wheeler of Derby
Donaghy of Poultney	McDonald of Berlin	Wilson of Manchester
Donahue of Northfield	McFaun of Barre Town	Winters of Williamstown
Fagan of Rutland City	McNeil of Rutland Town	Wright of Burlington
Flory of Pittsford	Morley of Barton	Young of St. Albans City
Greshin of Warren	Morrissey of Bennington	•
Helm of Castleton	Myers of Essex	

Those members absent with leave of the House and not voting are:

Aswad of Burlington	Koch of Barre Town	Waite-Simpson of Essex
Brennan of Colchester	Minter of Waterbury	Wizowaty of Burlington
Conquest of Newbury	Peltz of Woodbury	Zuckerman of Burlington
Donovan of Burlington	Taylor of Barre City	_
Grad of Moretown	Trombley of Grand Isle	

Rep. Bray of New Haven explained his vote as follows:

"Mr. Speaker:

I know from listening to thousands of conversations while going door-to-door that Vermonters, regardless of their political affiliation, expect us to solve the state's challenges using a fair, balanced approach.

When it comes to the budget, we have four tools; cuts, rainy day funds, stimulus funds and new revenues.

This bill uses all four of these tools and lives up to our voter's expectations for reasonable, respectful, and productive compromise."

Rep. Consejo of Sheldon explained his vote as follows:

"Mr. Speaker:

I listened very carefully to all the explanations that were given today on that very important issue. At the end, I found myself compelled to support my colleagues in their quest to bring some balance between the needs, and the wants of the people of Vermont. There will be more cuts to be done in the future and I know, we will again have to decide the services that we will have to suspend or eliminate."

Rep. Donahue of Northfield explained her vote as follows:

"Mr. Speaker:

We are cheated of our ability to represent the best interests of the people of this state when we are forced to vote on fragmented pieces of an unknown overall strategy – assuming one even exists."

Rep. Fagan of Rutland City explained his vote as follows:

"Mr. Speaker:

I vote no on new taxes and I vote no on saddling our/my youngsters with the results of our mistakes."

Rep. Gilbert of Fairfax explained his vote as follows:

"Mr. Speaker:

The math is simple. A cost shift hiding a tax increase would cost \$260; a surcharge would cost \$27.00. Give me the tax anytime."

Rep. McDonald of Berlin explained her vote as follows:

"Mr. Speaker:

I voted no. When Forbes magazine ranked Vermont last year as the greenest state, no one contested the findings. But when the same magazine ranks Vermont as the state that levies the nation's largest tax burden on individuals, the results are challenged. Yet, all we need to do is to listen to Vermonters who know first-hand that they are already being taxed too much and then tell them we are raising their taxes by \$24 million in FY 2010."

Rep. Myers of Essex explained her vote as follows:

"Mr. Speaker:

Since town meeting day, voters in Essex have defeated four budgets – two municipal budgets and yesterday, two school budgets. The people in my community are hurting. For all of those people, last week I voted no on the

budget, and today I vote no on an increase in taxes."

Rep. Wright of Burlington explained his vote as follows:

"Mr. Speaker:

My no vote reflects my disappointment in our inability to make fundamental, structural changes that are badly needed. Instead all we do is the same old – same old. We raised taxes, discouraged business investment and job creation, and we did this during a recession. This is not what Vermonters expected."

Bill Amended, Read Third Time and Passed

H. 447

House bill, entitled

An act relating to wetlands protection

Was taken up and pending third reading of the bill, **Rep. Johnson of Canaan** moved to amend the bill as follows:

<u>First</u>: In Sec. 5, 10 V.S.A. § 914, in subsection (c), after the words "<u>shall provide</u>" in the first sentence by inserting the words "<u>by certified mail</u>" before the words "written notice"

Second: In Sec. 12, by adding subdivision (a)(6) to read:

"(6) A summary of the total number of staff positions necessary to carry out the wetland permitting and determination requirements of this act."

Which was agreed to to. Thereupon, the bill was read the third time and passed.

Message from the Senate No. 38

A message was received from the Senate by Mr. Gibson, its Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has considered the substitute report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 232. An act relating to fiscal year 2009 budget adjustment.

And has accepted and adopted the same on its part.

Adjournment

At eight o'clock in the evening, on motion of **Rep. Komline of Dorset**, the House adjourned until tomorrow at one o'clock in the afternoon.