Senate Calendar

FRIDAY, MAY 06, 2011

SENATE CONVENES AT: 10:00 A.M.

TABLE OF CONTENTS

Page No.

ACTION CALENDAR UNFINISHED BUSINESS OF THURSDAY, MAY 5, 2011

House Proposal of Amendment

| S. 92 The protection of students' health by requiring the use of safe clean products in schools | _ |
|---|--------|
| S. 104 Modifications to the ban on gifts by manufacturers of prescribed products | 1833 |
| NEW BUSINESS | , 1000 |

Senate Resolutions For Action

| S.R. 9 Urging Congress to a | adopt comprehensive immigration reform | |
|------------------------------------|--|------|
| legislation at the earliest po | ssible date | 1844 |

NOTICE CALENDAR

House Proposals of Amendment

| F |
|---|
| S. 17 Licensing a nonprofit organization to dispense marijuana for therapeutic purposes |
| S. 78 Relating to the advancement of cellular, broadband, and other technology infrastructure in Vermont |
| S. 96 Relating to technical corrections to workers' compensation statutes 1873 |
| Report of Committee of Conference |
| H. 275 An act relating to the recently deployed veteran tax credit1879 |
| ORDERED TO LIE |
| S. 38 The Uniform Collateral Consequences of Conviction Act |
| H. 46 An act relating to youth athletes with concussions participating in |

| CONCURRENT RESOLUTIONS F | OR NOTICE |
|--------------------------|-----------|
| S.C.R. 18-19 | 1882 |
| H.C.R. 194-203 | 1882 |
| CONCURRENT RESOLUTIONS F | OR ACTION |
| H.C.R. 171-193 | 1882 |
| S.C.R. 20-24 | 1882 |
| | |

ORDERS OF THE DAY

ACTION CALENDAR

UNFINISHED BUSINESS OF THURSDAY, MAY 5, 2011

House Proposal of Amendment

S. 92

An act relating to the protection of students' health by requiring the use of safe cleaning products in schools.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. STATEMENT OF POLICY

The general assembly has long been committed to improving the indoor air quality of schools and the environmental health of students. To that end, the envision program, adopted by this body in No. 125 of the Acts of the 1999 Adj. Sess. (2000), shall be instructional in carrying out the requirements set forth in 18 V.S.A. chapter 39.

Sec. 1a. 18 V.S.A. chapter 39 is added to read:

CHAPTER 39. CLEANING PRODUCTS IN SCHOOLS

§ 1781. DEFINITIONS

As used in this chapter:

- (1) "Air freshener" means an aerosol spray, liquid deodorizer, plug-in product, para-di-chlorbenzene block, scented urinal screen, or other product used to mask odors or freshen the air in a room.
- (2) "Antimicrobial pesticide" means a product regulated by the federal Insecticide, Fungicide and Rodenticide Act that is intended to:
- (A) disinfect, sanitize, reduce, or mitigate growth or development of microbiological organisms; or
- (B) protect inanimate objects, industrial processes or systems, surfaces, water, or other chemical substances from contamination, fouling, or deterioration caused by bacteria, viruses, fungi, protozoa, algae, or slime.
- (3) "Cleaning product" means an institutional compound intended for routine cleaning, including general purpose cleaners, bathroom cleaners, glass cleaners, carpet cleaners, floor care products, and hand soaps. Cleaning product shall not mean an antimicrobial pesticide.

- (4) "Conventional cleaning product" means a cleaning product that is not an environmentally preferable cleaning product.
- (5) "Distributor" means any person or entity that distributes cleaning products commercially, but excludes retail stores.
- (6) "Environmentally preferable cleaning product" means a cleaning product that has a lesser or reduced effect on human health and the environment when compared to competing products serving the same purpose.
- (7) "Green cleaning" means a practice that includes the use of a cleaning product certified as environmentally preferable by an independent third party, best practices that follow accepted management standards and improve indoor air quality, and equipment that facilitates effective cleaning.
- (8)(A) "Independent third party" means a nationally recognized organization that has developed a program for the purpose of certifying environmentally preferable cleaning products. The independent third party's certification program shall:
 - (i) define a manufacturer's certification fees;
 - (ii) identify any potential conflicts of interest;
- (iii) base certification on consideration of human health and safety, ecological toxicity, other environmental impacts, and resource conservation as appropriate for the product and its packaging on a life-cycle basis;
- (iv) develop certification standards in an open, public, and transparent manner that involves the public and key stakeholders;
- (v) periodically revise and update the standards to remain consistent with current research about the impacts of chemicals on human health;
- (vi) monitor and enforce the standards for the purpose of certification, and have the authority to inspect the manufacturing facility and periodically do so, and have a registered or legally protected certification mark; and
- (vii) make the standards easily accessible to purchasers and manufacturers; or
- (B) In the alternative, "independent third party" means any organization otherwise deemed by the department of health to satisfactorily assess and certify environmentally preferable cleaning products.
- (9) "Manufacturer" means any person or entity engaged in the process of manufacturing cleaning products for commercial distribution.

(10) "School" means:

- (A) A public school in Vermont, including a regional technical center and a comprehensive high school; and
 - (B) An approved independent school.

§ 1782. ENVIRONMENTALLY PREFERABLE CLEANING PRODUCTS

- (a) A distributor or manufacturer of cleaning products shall sell, offer for sale, or distribute to a school, school district, supervisory union, or procurement consortium only:
- (1) environmentally preferable cleaning products utilized by the department of buildings and general services under state contracts; or
- (2) cleaning products certified as environmentally preferable by an independent third party.
- (b) A person who contracts with a school, school district, or supervisory union to provide cleaning services for a school only shall use a cleaning product that meets the requirements of subdivisions (a)(1) and (2) of this section.
- (c) Nothing in this chapter shall be construed to regulate the sale, use, or distribution of antimicrobial pesticides.

§ 1783. ENVIRONMENTALLY PREFERABLE AIR FRESHENERS

- (a) A distributor or manufacturer shall sell, offer for sale, or distribute air fresheners to a school, school district, supervisory union, or procurement consortium only if the air fresheners are certified as environmentally preferable by an independent third party.
- (b) A person who contracts with a school, school district, or supervisory union to provide cleaning services for a school shall only use air fresheners that meet the requirements of subsection (a) of this section.

Sec. 2. TRANSITION

Notwithstanding the provisions of 18 V.S.A. § 1782:

- (1) A manufacturer or distributor of cleaning products may continue to sell, offer for sale, or distribute conventional cleaning products to a school, school district, supervisory union, or procurement consortium until July 1, 2011. A school may continue to use conventional cleaning products purchased prior to July 1, 2011 until supplies are depleted.
- (2) A manufacturer or distributor of cleaning products may continue to sell, offer for sale, or distribute conventional cleaning products to an approved independent school with fewer than 50 students until July 1, 2012.

An approved independent school with fewer than 50 students may continue to use conventional cleaning products purchased prior to July 1, 2012 until supplies are depleted.

- Sec. 3. Sec. 2 of No. 125 of the Acts of the 1999 Adj. Sess. (2000) is amended to read:
- Sec. 2. COMMISSIONERS OF HEALTH AND OF BUILDINGS AND GENERAL SERVICES; SCHOOL ENVIRONMENTAL HEALTH WEBSITE
- (a) The commissioners of health and of buildings and general services shall jointly create and jointly update as necessary an electronic school environmental health clearinghouse site on the health department's website, including diagnostic checklists and searchable databases. This website shall include:
- (1) Information on materials and practices in common use in school operations and construction that may compromise indoor air quality or negatively impact human health;
- (2) Information on potential health problems associated with these materials, with specific reference to children's vulnerability;
- (3) Information on integrated pest management and alternatives to chemical pest control;
- (4) Information on methods to reduce or eliminate exposure to potentially hazardous substances in schools, including the following:
- (A) a list of preventive management options, such as ventilation, equipment upkeep, design strategies, and performance standards;
- (B) a list of nontoxic or least-toxic office and classroom supplies, maintenance and cleaning chemicals, building equipment, and materials and furnishings; and
- (C) a list of environmental health criteria that schools may use as a decision-making tool when determining what materials to purchase or use in school construction or operations;
- (5) Information on environmentally preferable cleaning products, including:
- (A) a list of environmentally preferable cleaning products used by the department of buildings and general services under state contracts or a list of environmentally preferable cleaning products certified by an independent third party pursuant to 18 V.S.A. chapter 39; and

- (B) procedures for using environmentally preferable cleaning products;
- (5)(6) The model school environmental health policy and management plan developed pursuant to Sec. 3 of this act.
- (b) The commissioners of health, <u>of</u> buildings and general services, and <u>of</u> education, with help from the secretary of the agency of natural resources when appropriate, shall:
- (1) Review the information on the school environmental health information clearinghouse at least twice yearly, and update it whenever significant developments occur.
- (2) At the request of school officials, assist school environmental health coordinators to identify potential sources of environmental pollution in the school, and make recommendations on how to alleviate any problems.
- (3) Annually, organize <u>a</u> school environmental health training workshop for school environmental health coordinators and school administrators, and an annual training for school maintenance and custodial staff. <u>Each workshop and training shall include instruction on green cleaning practices, including products and procedures as defined pursuant to 18 V.S.A. § 1781. The department shall issue certificates of training to participants who successfully complete the workshops.</u>
- (4) Publicize the availability of information through the school environmental health clearinghouse.
- (5) Provide information and referrals to members of school communities who contact the school environmental health clearinghouse with hazardous exposure and indoor air concerns.
- (6) Assist elementary and secondary schools in Vermont to establish comprehensive school environmental health programs, which have all or most of the elements of the model policy developed pursuant to Sec. 3 of this act, to address indoor air and hazardous exposure issues.
- (7) Report annually to the house and senate committees on education on the extent of indoor air and hazardous exposure problems in Vermont schools and on the percentage of Vermont schools that have established a school environmental health program or qualified for environmental health certification.
- (c) Any information provided <u>under this section</u> shall be based on peer-reviewed published scientific material.

Sec. 4. EFFECTIVE DATE

House Proposal of Amendment

(Corrected)

S. 104

An act relating to modifications to the ban on gifts by manufacturers of prescribed products.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 4631a is amended to read:

§ 4631a. EXPENDITURES BY MANUFACTURERS OF PRESCRIBED PRODUCTS

- (a) As used in this section:
 - (1) "Allowable expenditures" means:
- (A) Payment to the sponsor of a significant educational, medical, scientific, or policy-making conference or seminar, provided:
- (i) the payment is not made directly to a health care professional or pharmacist;
- (ii) funding is used solely for bona fide educational purposes, except that the sponsor may, in the sponsor's discretion, apply some or all of the funding to provide meals and other food for all conference participants; and
- (iii) all program content is objective, free from industry control, and does not promote specific products.
- (B) Honoraria and payment of the expenses of a health care professional who serves on the faculty at a bona fide significant educational, medical, scientific, or policy-making conference or seminar, provided:
- (i) there is an explicit contract with specific deliverables which are restricted to medical issues, not marketing activities; and
- (ii) consistent with federal law, the content of the presentation, including slides and written materials, is determined by the health care professional.
 - (C) For a bona fide clinical trial:
- (i) gross compensation for the Vermont location or locations involved:
- (ii) direct salary support per principal investigator and other health care professionals per year; and

- (iii) expenses paid on behalf of investigators or other health care professionals paid to review the clinical trial.
- (D) For a research project that constitutes a systematic investigation, is designed to develop or contribute to general knowledge, and reasonably can be considered to be of significant interest or value to scientists or health care professionals working in the particular field of inquiry:
 - (i) gross compensation;
 - (ii) direct salary support per health care professional; and
 - (iii) expenses paid on behalf of each health care professional.
- (E) Payment or reimbursement for the reasonable expenses, including travel and lodging-related expenses, necessary for technical training of individual health care professionals on the use of a medical device if the commitment to provide such expenses and the amounts or categories of reasonable expenses to be paid are described in a written agreement between the health care provider and the manufacturer.
- (F) Royalties and licensing fees paid to health care providers in return for contractual rights to use or purchase a patented or otherwise legally recognized discovery for which the health care provider holds an ownership right.
- (G) The payment of the reasonable expenses of an individual related to the interview of the individual by a manufacturer of prescribed products in connection with a bona fide employment opportunity or for health care services on behalf of an employee of the manufacturer.
- (H) Other reasonable fees, payments, subsidies, or other economic benefits provided by a manufacturer of prescribed products at fair market value.
- (2) "Bona fide clinical trial" means an FDA-reviewed clinical trial that constitutes "research" as that term is defined in 45 C.F.R. § 46.102 and reasonably can be considered to be of interest to scientists or health care professionals working in the particular field of inquiry.
- (3) "Clinical trial" means any study assessing the safety or efficacy of prescribed products administered alone or in combination with other prescribed products or other therapies, or assessing the relative safety or efficacy of prescribed products in comparison with other prescribed products or other therapies.
- (4) "Free clinic" means a health care facility operated by a nonprofit private entity that:

- (A) in providing health care, does not accept reimbursement from any third-party payor, including reimbursement from any insurance policy, health plan, or federal or state health benefits program that is individually determined:
 - (B) in providing health care, either:
- (i) does not impose charges on patients to whom service is provided; or
 - (ii) imposes charges on patients according to their ability to pay;
- (C) may accept patients' voluntary donations for health care service provision; and
- (D) is licensed or certified to provide health services in accordance with Vermont law.
 - (5) "Gift" means:
- (A) Anything of value provided <u>for free</u> to a health care provider for free or to a member of the Green Mountain Care board established in chapter 220 of this title; or
- (B) Except as otherwise provided in subdivision (a)(1)(A)(ii) of this section, any payment, food, entertainment, travel, subscription, advance, service, or anything else of value provided to a health care provider or to a member of the Green Mountain Care board established in chapter 220 of this title, unless:
- (i) it is an allowable expenditure as defined in subdivision (a)(1) of this section; or
- (ii) the health care provider <u>or board member</u> reimburses the cost at fair market value.
- (6) "Health benefit plan administrator" means the person or entity who sets formularies on behalf of an employer or health insurer.
 - (7)(A) "Health care professional" means:
- (i) a person who is authorized by law to prescribe or to recommend prescribed products, who regularly practices in this state, and who either is licensed by this state to provide or is otherwise lawfully providing health care in this state; or
- (ii) a partnership or corporation made up of the persons described in subdivision (i) of this subdivision (7)(A); or
- (iii) an officer, employee, agent, or contractor of a person described in subdivision (i) of this subdivision (7)(A) who is acting in the

course and scope of employment, of an agency, or of a contract related to or supportive of the provision of health care to individuals.

- (B) The term shall not include a person described in subdivision (A) of this subdivision (7) who is employed solely by a manufacturer.
- (8) "Health care provider" means a health care professional, hospital, nursing home, pharmacist, health benefit plan administrator, or any other person authorized to dispense or purchase for distribution prescribed products in this state. The term does not include a hospital foundation that is organized as a nonprofit entity separate from a hospital.
- (9) "Manufacturer" means a pharmaceutical, biological product, or medical device manufacturer or any other person who is engaged in the production, preparation, propagation, compounding, processing, marketing, packaging, repacking, distributing, or labeling of prescribed products. The term does not include a wholesale distributor of biological products, a retailer, or a pharmacist licensed under chapter 36 of Title 26. The term also does not include a manufacturer whose only prescribed products are classified as Class I by the U.S. Food and Drug Administration, are exempt from pre-market notification under Section 510(k) of the federal Food, Drug and Cosmetic Act, and are sold over-the-counter without a prescription.
- (10) "Marketing" shall include promotion, detailing, or any activity that is intended to be used or is used to influence sales or market share or to evaluate the effectiveness of a professional sales force.
- (11) "Pharmaceutical manufacturer" means any entity which is engaged in the production, preparation, propagation, compounding, conversion, or processing of prescription drugs, whether directly or indirectly by extraction from substances of natural origin, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or any entity engaged in the packaging, repackaging, labeling, relabeling, or distribution of prescription drugs. The term does not include a wholesale distributor of prescription drugs, a retailer, or a pharmacist licensed under chapter 36 of Title 26.
- (12) "Prescribed product" means a drug or device as defined in section 201 of the federal Food, Drug and Cosmetic Act, 21 U.S.C. § 321, a compound drug or drugs, or a biological product as defined in section 351 of the Public Health Service Act, 42 U.S.C. § 262, for human use.
- (13) "Sample" means a unit of a prescription drug, biological product, or medical device that is not intended to be sold and is intended to promote the sale of the drug, product, or device. The term includes starter packs and coupons or other vouchers that enable an individual to receive a prescribed product free of charge or at a discounted price. The term does not include

prescribed products distributed free of charge or at a discounted price pursuant to a manufacturer-sponsored or manufacturer-funded patient assistance program.

- (14) "Significant educational, scientific, or policy-making conference or seminar" means an educational, scientific, or policy-making conference or seminar that:
- (A) is accredited by the Accreditation Council for Continuing Medical Education or a comparable organization or is presented by an approved sponsor of continuing education, provided that the sponsor is not a manufacturer of prescribed products; and
- (B) offers continuing education credit, features multiple presenters on scientific research, or is authorized by the sponsor to recommend or make policy.
- (b)(1) It is unlawful for any manufacturer of a prescribed product or any wholesale distributor of medical devices, or any agent thereof, to offer or give any gift to a health care provider or to a member of the Green Mountain Care board established in chapter 220 of this title.
- (2) The prohibition set forth in subdivision (1) of this subsection shall not apply to any of the following:
- (A) Samples of a prescribed product or reasonable quantities of an over-the-counter drug, nonprescription medical device, or item of nonprescription durable medical equipment, provided to a health care provider for free distribution to patients.
- (B) The loan of a medical device for a short-term trial period, not to exceed 90 120 days, to permit evaluation of a medical device by a health care provider or patient.
- (C) The provision of reasonable quantities of medical device demonstration or evaluation units to a health care provider to assess the appropriate use and function of the product and determine whether and when to use or recommend the product in the future.
- (D) The provision, distribution, dissemination, or receipt of peer-reviewed academic, scientific, or clinical articles or journals and other items that serve a genuine educational function provided to a health care provider for the benefit of patients.
- (E) Scholarship or other support for medical students, residents, and fellows to attend a significant educational, scientific, or policy-making conference or seminar of a national, regional, or specialty medical or other professional association if the recipient of the scholarship or other support is selected by the association.

- (F) Rebates and discounts for prescribed products provided in the normal course of business.
- (G) Labels approved by the federal Food and Drug Administration for prescribed products.
- (H) The provision of free prescription drugs or over-the-counter drugs, medical devices, biological products, medical equipment or supplies, or financial donations to a free clinic.
- (I) The provision of free prescription drugs to or on behalf of an individual through a prescription drug manufacturer's patient assistance program. Prescribed products distributed free of charge or at a discounted price pursuant to a manufacturer-sponsored or manufacturer-funded patient assistance program.
- (J) Fellowship salary support provided to fellows through grants from manufacturers of prescribed products, provided:
- (i) such grants are applied for by an academic institution or hospital;
 - (ii) the institution or hospital selects the recipient fellows;
- (iii) the manufacturer imposes no further demands or limits on the institution's, hospital's, or fellow's use of the funds; and
- (iv) fellowships are not named for a manufacturer and no individual recipient's fellowship is attributed to a particular manufacturer of prescribed products.
- (K) The provision of coffee or other snacks or refreshments at a booth at a conference or seminar.
- (c) Except as described in subdivisions (a)(1)(B) and (C) of this section, no manufacturer or other entity on behalf of a manufacturer shall provide any fee, payment, subsidy, or other economic benefit to a health care provider in connection with the provider's participation in research.
- (d) The attorney general may bring an action in Washington superior court for injunctive relief, costs, and attorney's fees and may impose on a manufacturer that violates this section a civil penalty of no more than \$10,000.00 per violation. Each unlawful gift shall constitute a separate violation.

Sec. 2. 18 V.S.A. § 4632 is amended to read:

§ 4632. DISCLOSURE OF ALLOWABLE EXPENDITURES AND GIFTS BY MANUFACTURERS OF PRESCRIBED PRODUCTS

- (a)(1)(A) Annually on or before October April 1 of each year, every manufacturer of prescribed products shall disclose to the office of the attorney general for the fiscal preceding calendar year ending the previous June 30th the value, nature, purpose, and recipient information of:
- (A) any allowable expenditure or gift permitted under subdivision 4631a(b)(2) of this title to any health care provider or to a member of the Green Mountain Care board established in chapter 220 of this title, except:
- (i) royalties and licensing fees as described in subdivision 4631a(a)(1)(F) of this title;
- (ii) rebates and discounts for prescribed products provided \underline{to} health care providers in the normal course of business as described in subdivision 4631a(b)(2)(F) of this title;
- (iii) payments for clinical trials as described in subdivision 4631a(a)(1)(C) of this title, which shall be disclosed after the earlier of the date of the approval or clearance of the prescribed product by the Food and Drug Administration for the use for which the clinical trial is being conducted or two four calendar years after the date the payment was made. For a clinical trial for which disclosure is delayed under this subdivision (iii), the manufacturer shall identify to the attorney general the clinical trial, the start date, and the web link to the clinical trial registration on the national clinical trials registry;
- (iv) interview <u>or health care</u> expenses as described in subdivision 4631a(a)(1)(G) of this title; and
- (v) coffee or other snacks or refreshments at a booth at a conference or seminar;
- (vi) loans of medical devices for short-term trial periods pursuant to subdivision 4631a(b)(2)(B) of this title, provided the loan results in the purchase, lease, or other comparable arrangement of the medical device after issuance of a certificate of need pursuant to chapter 221, subchapter 5 of this title, and
- (vii) prescribed products distributed free of charge or at a discounted price pursuant to a manufacturer-sponsored or manufacturer-funded patient assistance program
- (B) Annually on or before April 1 of each year, every manufacturer of prescribed products shall disclose to the office of the attorney general for the preceding calendar year if the manufacturer is reporting other allowable

expenditures or permitted gifts pursuant to subdivision (a)(1)(A) of this section, the product, dosage, number of units, and recipient information of over-the-counter drugs, nonprescription medical devices, and items of nonprescription durable medical equipment provided to a health care provider for free distribution to patients pursuant to subdivision 4631a(b)(2)(A) of this title; provided that any public reporting of such information shall not include information that allows for the identification of individual recipients of samples or connects individual recipients with the monetary value of the samples provided.

- (C) Annually on or before April 1 of each year, every manufacturer of prescribed products shall disclose to the office of the attorney general for the preceding calendar year the value, nature, purpose, and recipient information of any allowable expenditure or gift to an academic institution, to a nonprofit hospital foundation, or to a professional, educational, or patient organization representing or serving health care providers or consumers located in or providing services in Vermont, except:
- (i) royalties and licensing fees as described in subdivision 4631a(a)(1)(F) of this title;
- (ii) rebates and discounts for prescribed products provided in the normal course of business as described in subdivision 4631a(b)(2)(F) of this title; and
- (iii) payments for clinical trials as described in subdivision 4631a(a)(1)(C) of this title, which shall be disclosed after the earlier of the date of the approval or clearance of the prescribed product by the Food and Drug Administration for the use for which the clinical trial is being conducted or two four calendar years after the date the payment was made. For a clinical trial for which disclosure is delayed under this subdivision (iii), the manufacturer shall identify to the attorney general the clinical trial, the start date, and the web link to the clinical trial registration on the national clinical trials registry.
- (2)(A)(i) Subject to the provisions of subdivision (B) of this subdivision (a)(2) and to the extent allowed under federal law, annually on or before April 1 of each year beginning in 2012, each manufacturer of prescribed products shall disclose to the office of the attorney general all free samples of prescribed products provided to health care providers during the preceding calendar year, identifying for each sample the product, recipient, number of units, and dosage.
- (ii) The office of the attorney general may contract with academic researchers to release to such researchers data relating to manufacturer distribution of free samples, subject to confidentiality provisions and without

including the names or license numbers of individual recipients, for analysis and aggregated public reporting.

- (iii) Any public reporting of manufacturer distribution of free samples shall not include information that allows for the identification of individual recipients of samples or connects individual recipients with the monetary value of the samples provided.
- (B) Subdivision (A) of this subdivision (a)(2) shall not apply to samples of prescription drugs required to be reported under Sec. 6004 of the Patient Protection and Affordable Care Act of 2010, Public Law 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Public Law 111-152, if as of January 1, 2011, the office of the attorney general has determined determines that the U.S. Department of Health and Human Services will collect and report state- and recipient-specific information regarding manufacturer distribution of free samples of such prescription drugs.
- (3) Annually on <u>July January</u> 1, each manufacturer of prescribed products also shall disclose to the office of the attorney general the name and address of the individual responsible for the manufacturer's compliance with the provisions of this section.
- (4) Disclosure shall be made on a form and in a manner prescribed by the office of the attorney general and shall require manufacturers of prescribed products to report each allowable expenditure or gift permitted under subdivision 4631a(b)(2) of this title including:
- (A) except as otherwise provided in <u>subdivision</u> <u>subdivisions</u> (a)(1)(B) and (a)(2) of this section, the value, nature, and purpose of each allowable expenditure, and gift permitted under subdivision 4631a(b)(2) of this title according to specific categories identified by the office of the attorney general;
 - (B) the name of the recipient;
 - (C) the recipient's address;
 - (D) the recipient's institutional affiliation;
 - (E) prescribed product or products being marketed, if any; and
- (F) the recipient's state board number <u>or, in the case of an institution,</u> <u>foundation, or organization, the federal tax identification number or the identification number assigned by the attorney general.</u>
- (5) The office of the attorney general shall report annually on the disclosures made under this section to the general assembly and the governor on or before April 1 October 1. The report shall include:

- (A) Information on allowable expenditures and <u>permitted</u> gifts required to be disclosed under this section, which shall be <u>presented in both present information in</u> aggregate form and by selected types of health care providers or individual health care providers, as prioritized each year by the office; and showing the amounts expended on the Green Mountain Care board established in chapter 220 of this title. In accordance with subdivisions (1)(B) and (2)(A) of this subsection, information on samples of prescribed products and of over-the-counter drugs, nonprescription medical devices, and items of nonprescription durable medical equipment shall be presented in aggregate form.
- (B) Information on violations and enforcement actions brought pursuant to this section and section 4631a of this title.
- (6) After issuance of the report required by subdivision (5) of this subsection and except as otherwise provided in subdivision subdivisions (1)(B) and (2)(A)(i) of this subsection, the office of the attorney general shall make all disclosed data used for the report publicly available and searchable through an Internet website.
- (7) The department of Vermont health access shall examine the data available from the office of the attorney general for relevant expenditures and determine whether and to what extent prescribing patterns by health care providers of prescribed products reimbursed by Medicaid, VHAP, Dr. Dynasaur, VermontRx, and VPharm may reflect manufacturer influence. The department may select the data most relevant to its analysis. The department shall report its analysis annually to the general assembly and the governor on or before October 1 March 1.
- (b)(1) Annually on July 1 Beginning January 1, 2013 and annually thereafter, the office of the attorney general shall collect a \$500.00 fee from each manufacturer of prescribed products filing annual disclosures of expenditures greater than zero described in subsection (a) of this section.
- (2) Fees collected under this section shall fund collection and analysis of information on activities related to the marketing of prescribed products under section 4631a of this title and under this section. The fees shall be collected in a special fund assigned to the office.
- (c) The attorney general may bring an action in Washington superior court for injunctive relief, costs, and attorney's fees, and to impose on a manufacturer of prescribed products that fails to disclose as required by subsection (a) of this section a civil penalty of no more than \$10,000.00 per violation. Each unlawful failure to disclose shall constitute a separate violation.

(d) The terms used in this section shall have the same meanings as they do in section 4631a of this title.

Sec. 3. REPORTING FEES

- (a) Notwithstanding the provisions of 18 V.S.A. § 4632(b)(1), on July 1, 2011, the office of the attorney general shall collect a \$500.00 fee from each manufacturer of prescribed products filing annual disclosures of expenditures greater than zero described in 18 V.S.A. § 4632(a) for the fiscal year ending June 30, 2011.
- (b) Notwithstanding the provisions of 18 V.S.A. § 4632(b)(1), on January 1, 2012, the office of the attorney general shall collect a \$250.00 fee from each manufacturer of prescribed products filing disclosures of expenditures greater than zero described in 18 V.S.A. § 4632(a) for the six-month period from July 1, 2011 through December 31, 2011.

Sec. 4. ELECTRONIC PRIOR AUTHORIZATION

The commissioner of Vermont health access and the Vermont information technology leaders (VITL), in collaboration with health insurers, prescribers, representatives of the independent pharmacy community, and other interested parties, shall evaluate the use of electronic means for requesting and granting prior authorization for prescription drugs. No later than January 15, 2012, the commissioner and VITL shall report their findings to the senate committee on health and welfare and the house committee on health care and make recommendations for processes to develop standards for electronic prior authorizations.

Sec. 5. SPECIALTY TIER DRUGS

- (a) Prior to July 1, 2012, no health insurer or pharmacy benefit manager shall utilize a cost-sharing structure for prescription drugs that imposes on a consumer for any drug a greater co-payment, deductible, coinsurance, or other cost-sharing requirement than that which applies for a nonpreferred brand-name drug.
- (b) The commissioner of banking, insurance, securities, and health care administration shall not approve any form for a health insurance policy prior to July 1, 2012 that imposes on a consumer for any prescription drug a greater co-payment, deductible, coinsurance, or other cost-sharing requirement than that which applies for a nonpreferred brand-name drug.

Sec. 6. EFFECTIVE DATES

(a) Secs. 1, 2, and 3 of this act shall take effect on July 1, 2011, except that, in Sec. 2, the amendments to 18 V.S.A. § 4632(a)(1)(B) shall take effect on January 1, 2012.

- (b) Sec. 4 of this act and this section shall take effect on passage.
- (c) Sec. 5 of this act shall take effect on passage and shall apply to all forms that have previously been approved by the department of banking, insurance, securities, and health care administration or that may be approved by the department after passage of this act.

NEW BUSINESS

Senate Resolutions For Action

S.R. 9.

Senate resolution urging Congress to adopt comprehensive immigration reform legislation at the earliest possible date.

(For text of Resolution, see Senate Journal of May 5, 2011, page 1838)

NOTICE CALENDAR

House Proposal of Amendment

S. 17

An act relating to licensing a nonprofit organization to dispense marijuana for therapeutic purposes.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. chapter 86, subchapter 2 is amended to read:

Subchapter 2. Marijuana for Medical Symptom Use by Persons

with Severe Illness

§ 4472. DEFINITIONS

For the purposes of this subchapter:

- (1) "Bona fide physician-patient health care professional-patient relationship" means a treating or consulting relationship of not less than six months duration, in the course of which a physician health care professional has completed a full assessment of the registered patient's medical history and current medical condition, including a personal physical examination.
- (2) "Clone" means a plant section from a female marijuana plant not yet root-bound, growing in a water solution, which is capable of developing into a new plant.
- (3) "Criminal history record" means all information documenting an individual's contact with the criminal justice system, including data regarding identification, arrest or citation, arraignment, judicial disposition, custody, and supervision.

- (4) "Debilitating medical condition," provided that, in the context of the specific disease or condition described in subdivision (A) or (B) of this subdivision (2)(4), reasonable medical efforts have been made over a reasonable amount of time without success to relieve the symptoms, means:
- (A) cancer, multiple sclerosis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, or the treatment of these conditions, if the disease or the treatment results in severe, persistent, and intractable symptoms; or
- (B) a disease, medical condition, or its treatment that is chronic, debilitating, and produces severe, persistent, and one or more of the following intractable symptoms: cachexia or wasting syndrome; severe pain; severe nausea; or seizures.
- (5) "Dispensary" means a nonprofit entity registered under section 4474e of this title which acquires, possesses, cultivates, manufactures, transfers, transports, supplies, sells, or dispenses marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her center and to his or her registered caregiver for the registered patient's use for symptom relief. A dispensary may provide marijuana for symptom relief to registered patients at only one facility or location but may have a second location associated with the dispensary where the marijuana is cultivated. Both locations are considered to be part of the same dispensary.
- (6) "Health care professional" means an individual licensed to practice medicine under chapter 23 or 33 of Title 26, an individual certified as a physician's assistant under chapter 31 of Title 26, or an individual licensed as an advanced practice registered nurse under chapter 28 of Title 26. This definition includes individuals who are professionally licensed under substantially equivalent provisions in New Hampshire, Massachusetts, or New York.
- (7) "Immature marijuana plant" means a female marijuana plant that has not flowered and which does not have buds that may be observed by visual examination.
- $\frac{(3)(8)}{(3)}$ "Marijuana" shall have the same meaning as provided in subdivision 4201(15) of this title.
 - (4) "Physician" means a person who is:
- (A) licensed under chapter 23 or chapter 33 of Title 26, and is licensed with authority to prescribe drugs under Title 26; or

- (B) a physician, surgeon, or osteopathic physician licensed to practice medicine and prescribe drugs under comparable provisions in New Hampshire, Massachusetts, or New York.
- (9) "Mature marijuana plant" means a female marijuana plant that has flowered and which has buds that may be observed by visual examination.
- (5)(10) "Possession limit" means the amount of marijuana collectively possessed between the registered patient and the patient's registered caregiver which is no more than two mature marijuana plants, seven immature plants, and two ounces of usable marijuana.
- (6)(11) "Registered caregiver" means a person who is at least 21 years old who has never been convicted of a drug-related crime and who has agreed to undertake responsibility for managing the well-being of a registered patient with respect to the use of marijuana for symptom relief.
- (7)(12) "Registered patient" means a person resident of Vermont who has been issued a registration card by the department of public safety identifying the person as having a debilitating medical condition pursuant to the provisions of this subchapter. "Resident of Vermont" means a person whose domicile is Vermont.
- (8)(13) "Secure indoor facility" means a building or room equipped with locks or other security devices that permit access only by a registered caregiver or, registered patient, or a principal officer or employee of a dispensary.
- (9)(14) "Usable marijuana" means the dried leaves and flowers of marijuana, and any mixture or preparation thereof, and does not include the seeds, stalks, and roots of the plant.
- (10)(15) "Use for symptom relief" means the acquisition, possession, cultivation, use, transfer, or transportation of marijuana or paraphernalia relating to the administration of marijuana to alleviate the symptoms or effects of a registered patient's debilitating medical condition which is in compliance with all the limitations and restrictions of this subchapter. For the purposes of this definition, "transfer" is limited to the transfer of marijuana and paraphernalia between a registered caregiver and a registered patient.

§ 4473. REGISTERED PATIENTS; QUALIFICATION STANDARDS AND PROCEDURES

- (a) To become a registered patient, a person must be diagnosed with a debilitating medical condition by a physician health care professional in the course of a bona fide physician patient health care professional—patient relationship.
- (b) The department of public safety shall review applications to become a registered patient using the following procedures:

- (1) A patient with a debilitating medical condition shall submit, under oath, a signed application for registration to the department. If the patient is under the age of 18, the application must be signed by both the patient and a parent or guardian. The application shall require identification and contact information for the patient and the patient's registered caregiver applying for authorization under section 4474 of this title, if any, and the patient's designated dispensary under section 4474e of this title, if any. The applicant shall attach to the application a medical verification form developed by the department pursuant to subdivision (2) of this subsection.
- (2) The department of public safety shall develop a medical verification form to be completed by a physician health care professional and submitted by a patient applying for registration in the program. The form shall include:
 - (A) A cover sheet which includes the following:
 - (i) A statement of the penalties for providing false information.
 - (ii) Definitions of the following statutory terms:
- (I) "Bona fide physician patient health care professional patient relationship" as defined in subdivision 4472(1) section 4472 of this title.
- (II) "Debilitating medical condition" as defined in subdivision 4472(2) section 4472 of this title.
- (III) "Physician <u>Health care professional</u>" as defined in subdivision 4472(4) section 4472 of this title.
 - (B) A verification sheet which includes the following:
- (i) A statement that a bona fide physician patient health care professional—patient relationship exists under subdivision 4472(1) section 4472 of this title, or that under subdivision (3)(A) of this subsection (b), the debilitating medical condition is of recent or sudden onset, and the patient has not had a previous physician health care professional who is able to verify the nature of the disease and its symptoms.
- (ii) A statement that reasonable medical efforts have been made over a reasonable amount of time without success to relieve the symptoms.
- (iii) A statement that the patient has a debilitating medical condition as defined in subdivision 4472(2) section 4472 of this title, including the specific disease or condition which the patient has and whether the patient meets the criteria under subdivision 4472(2)(A) or (B) section 4472.
- (iv) A signature line which provides in substantial part: "I certify that I meet the definition of "physician' under 18 V.S.A. § 4472(4)(A) or 4472(4)(B) 'health care professional' under 18 V.S.A. § 4472, that I am a

physician health care professional in good standing in the state of, and that the facts stated above are accurate to the best of my knowledge and belief."

- (v) The physician's health care professional's contact information, license number, category of his or her health care profession as defined in subdivision 4472(6) of this title, and contact information for the out-of-state licensing agency, if applicable. The department of public safety shall adopt rules for verifying the goodstanding of out-of-state health care professionals.
- (3)(A) The department of public safety shall transmit the completed medical verification form to the physician health care professional and contact him or her for purposes of confirming the accuracy of the information contained in the form. The department may approve an application, notwithstanding the six-month requirement in subdivision 4472(1) section 4472 of this title, if the department is satisfied that the medical verification form confirms that the debilitating medical condition is of recent or sudden onset, and that the patient has not had a previous physician health care professional who is able to verify the nature of the disease and its symptoms.
- (B) If the <u>physician health care professional</u> is licensed in another state as provided <u>by subdivision 4472(4)(B) section 4472</u> of this title, the department shall <u>contact the state's medical practice board and</u> verify that the <u>physician health care professional</u> is in good standing in that state.
- (4) The department shall approve or deny the application for registration in writing within 30 days from receipt of a completed registration application. If the application is approved, the department shall issue the applicant a registration card which shall include the registered patient's name and photograph, as well as the registered patient's designated dispensary, if any, and a unique identifier for law enforcement verification purposes under section 4474d of this title.
- (5)(A) A review board is established. The medical practice board shall appoint three physicians licensed in Vermont to constitute the review board. If an application under subdivision (1) of this subsection is denied, within seven days the patient may appeal the denial to the board. Review shall be limited to information submitted by the patient under subdivision (1) of this subsection, and consultation with the patient's treating physician health care professional. All records relating to the appeal shall be kept confidential. An appeal shall be decided by majority vote of the members of the board.
- (B) The board shall meet periodically to review studies, data, and any other information relevant to the use of marijuana for symptom relief. The board may make recommendations to the general assembly for adjustments and changes to this chapter.

(C) Members of the board shall serve for three-year terms, beginning February 1 of the year in which the appointment is made, except that the first members appointed shall serve as follows: one for a term of two years, one for a term of three years, and one for a term of four years. Members shall be entitled to per diem compensation authorized under section 1010 of Title 32 32 V.S.A. § 1010. Vacancies shall be filled in the same manner as the original appointment for the unexpired portion of the term vacated.

§ 4474. REGISTERED CAREGIVERS; QUALIFICATION STANDARDS AND PROCEDURES

- (a) A person may submit a signed application to the department of public safety to become a registered patient's registered caregiver. The department shall approve or deny the application in writing within 30 days. The department shall approve a registered caregiver's application and issue the person an authorization card, including the caregiver's name, photograph, and a unique identifier, after verifying:
- (1) the person will serve as the registered caregiver for one registered patient only; and
 - (2) the person has never been convicted of a drug-related crime.
- (b) Prior to acting on an application, the department shall obtain from the Vermont criminal information center a Vermont criminal record, an out-of-state criminal record, and a criminal record from the Federal Bureau of Investigation for the applicant. For purposes of this subdivision, "criminal record" means a record of whether the person has ever been convicted of a drug-related crime. Each applicant shall consent to release of criminal records to the department on forms substantially similar to the release forms developed by the center pursuant to section 2056c of Title 20 20 V.S.A. § 2056c. The department shall comply with all laws regulating the release of criminal history records and the protection of individual privacy. The Vermont criminal information center shall send to the requester any record received pursuant to this section or inform the department of public safety that no record exists. If the department disapproves an application, the department shall promptly provide a copy of any record of convictions and pending criminal charges to the applicant and shall inform the applicant of the right to appeal the accuracy and completeness of the record pursuant to rules adopted by the Vermont criminal information center. No person shall confirm the existence or nonexistence of criminal record information to any person who would not be eligible to receive the information pursuant to this subchapter.
- (c) A registered caregiver may serve only one registered patient at a time, and a registered patient may have only one registered caregiver at a time.

§ 4474a. REGISTRATION; FEES

- (a) The department shall collect a fee of \$50.00 for the application authorized by sections 4473 and 4474 of this title. The fees received by the department shall be deposited into a registration fee fund and used to offset the costs of processing applications under this subchapter.
- (b) A registration card shall expire one year after the date of issue, with the option of renewal, provided the patient submits a new application which is approved by the department of public safety, pursuant to section 4473 or 4474 of this title, and pays the fee required under subsection (a) of this section.

§ 4474b. EXEMPTION FROM CRIMINAL AND CIVIL PENALTIES; SEIZURE OF PROPERTY

- (a) A person who has in his or her possession a valid registration card issued pursuant to this subchapter and who is in compliance with the requirements of this subchapter, including the possession limits in subdivision 4472(4) section 4472 of this title, shall be exempt from arrest or prosecution under subsection 4230(a) of this title and from seizure of marijuana, marijuana-infused products, and marijuana-related supplies.
- (b) A physician health care professional who has participated in a patient's application process under subdivision 4473(b)(2) of this title shall not be subject to arrest, prosecution, or disciplinary action under chapter 23 of Title 26, penalized in any manner, or denied any right or privilege under state law, except for giving false information, pursuant to subsection 4474c(f) of this title.
- (c) No person shall be subject to arrest or prosecution for constructive possession, conspiracy, or any other offense for simply being in the presence or vicinity of a registered patient or registered caregiver engaged in use of marijuana for symptom relief.
- (d) A law enforcement officer shall not be required to return marijuana or paraphernalia relating to its use, marijuana-infused products, and marijuana-related supplies seized from a registered patient or registered caregiver. However, if marijuana or marijuana-infused products are seized by a law enforcement officer and if there is a subsequent determination that the patient or caregiver was in compliance with this subchapter, the seized marijuana and marijuana-infused products shall not count toward the possession limits or dispensary allocation set forth in this subchapter for the patient or caregiver.
- (e) A dispensary may donate marijuana, marijuana-infused products, and marijuana-related supplies to another dispensary in Vermont provided that no consideration is paid and that the recipient does not exceed the possession limits specified in this subchapter.

§ 4474c. PROHIBITIONS, RESTRICTIONS, AND LIMITATIONS REGARDING THE USE OF MARIJUANA FOR SYMPTOM RELIEF

- (a) This subchapter shall not exempt any person from arrest or prosecution for:
 - (1) Being under the influence of marijuana while:
- (A) operating a motor vehicle, boat, or vessel, or any other vehicle propelled or drawn by power other than muscular power;
 - (B) in a workplace or place of employment; or
- (C) operating heavy machinery or handling a dangerous instrumentality.
- (2) The use or possession of marijuana <u>or marijuana-infused products</u> by a registered patient or <u>the possession of marijuana or marijuana-infused products</u> by a registered caregiver:
- (A) for purposes other than symptom relief as permitted by this subchapter; or
- (B) in a manner that endangers the health or well-being of another person.
 - (3) The smoking of marijuana in any public place, including:
 - (A) a school bus, public bus, or other public vehicle;
 - (B) a workplace or place of employment;
 - (C) any school grounds;
 - (D) any correctional facility; or
- (E) any public park, public beach, public recreation center, or youth center.
- (b) This chapter shall not be construed to require that coverage or reimbursement for the use of marijuana for symptom relief be provided by:
- (1) a health insurer as defined by section 9402 of this title, or any insurance company regulated under Title 8;
- (2) Medicaid, Vermont health access plan, and any other public health care assistance program;
 - (3) an employer; or
- (4) for purposes of workers' compensation, an employer as defined in $21 \text{ V.S.A.} \S 601(3)$.

- (c) A registered patient or registered caregiver who elects to grow marijuana to be used for symptom relief by the patient may do so only if the marijuana is cultivated in a single, secure indoor facility.
- (d) A registered patient or registered caregiver may not transport marijuana in public unless it is secured in a locked container.
- (e) Within 72 hours after the death of a registered patient, the patient's registered caregiver shall return to the department of public safety for disposal any marijuana or marijuana plants in the possession of the patient or registered caregiver at the time of the patient's death. If the patient did not have a registered caregiver, the patient's next of kin shall contact the department of public safety within 72 hours after the patient's death and shall ask the department to retrieve such marijuana and marijuana plants for disposal.
- (f) Notwithstanding any law to the contrary, a person who knowingly gives to any law enforcement officer false information to avoid arrest or prosecution, or to assist another in avoiding arrest or prosecution, shall be imprisoned for not more than one year or fined not more than \$1,000.00 or both. This penalty shall be in addition to any other penalties that may apply for the possession or use of marijuana.

§ 4474d. LAW ENFORCEMENT VERIFICATION OF INFORMATION; RULEMAKING

- (a) The department of public safety shall maintain and keep confidential, except as provided in subsection (b) of this section and except for purposes of a prosecution for false swearing under 13 V.S.A. § 2904, the records of all persons registered under this subchapter or registered caregivers in a secure database accessible by authorized department of public safety employee's employees only.
- (b) In response to a person-specific or property-specific inquiry by a law enforcement officer or agency made in the course of a bona fide investigation or prosecution, the department may verify the identities and registered property addresses of the registered patient and the patient's registered caregiver, a dispensary, and the principal officer, the board members, or the employees of a dispensary.
- (c) The department shall maintain a separate secure electronic database accessible to law enforcement personnel 24 hours a day that uses a unique identifier system to allow law enforcement to verify that a person or entity is a registered patient, or a registered caregiver, a dispensary, or the principal officer, a board member, or an employee of a dispensary.

(d) The department of public safety shall implement the requirements of this act within 120 days of its effective date. The department may adopt rules under chapter 25 of Title 3 and shall develop forms to implement this act.

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

- (a) A dispensary registered under this section may:
- (1) Acquire, possess, cultivate, manufacture, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief. For purposes of this section, "transport" shall mean the movement of marijuana or marijuana-infused products from registered growing locations to their associated dispensaries, between dispensaries, or as otherwise allowed under this subchapter.
- (A) Marijuana-infused products shall include tinctures, oils, solvents, and edible or potable goods. Only the portion of any marijuana-infused product that is attributable to marijuana shall count toward the possession limits of the dispensary and the patient. The department of public safety shall establish by rule the appropriate method to establish the weight of marijuana that is attributable to marijuana-infused products.
- (B) Marijuana-related supplies shall include pipes, vaporizers, and other items classified as drug paraphernalia under chapter 69 of this title.
- (2) Acquire marijuana seeds or parts of the marijuana plant capable of regeneration from or dispense them to registered patients or their caregivers or acquire them from another registered Vermont dispensary, provided that records are kept concerning the amount and the recipient.
- (3) Cultivate and possess at any one time up to 28 mature marijuana plants, 98 immature marijuana plants, and 28 ounces of usable marijuana. However, if a dispensary is designated by more than 14 registered patients, the dispensary may cultivate and possess at any one time two mature marijuana plants, seven immature plants, and two ounces of usable marijuana for every registered patient for which the dispensary serves as the designated dispensary.
- (b)(1) A dispensary shall be operated on a nonprofit basis for the mutual benefit of its patients but need not be recognized as a tax-exempt organization by the Internal Revenue Service.
- (2) A dispensary shall have a sliding-scale fee system that takes into account a registered patient's ability to pay.
- (c) A dispensary shall not be located within 1,000 feet of the property line of a preexisting public or private school or licensed or regulated child care

facility.

- (d)(1) A dispensary shall implement appropriate security measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and shall ensure that each location has an operational security alarm system. All cultivation of marijuana shall take place in an enclosed, locked facility which is either indoors or otherwise not visible to the public and which can only be accessed by principal officers and employees of the dispensary who have valid registry identification cards. The department of public safety shall perform an annual on-site assessment of each dispensary and may perform on-site assessments of a dispensary without limitation for the purpose of determining compliance with this subchapter and any rules adopted pursuant to this subchapter and may enter a dispensary at any time for such purpose. During an inspection, the department may review the dispensary's confidential records, including its dispensing records, which shall track transactions according to registered patients' registry identification numbers to protect their confidentiality.
- (2) A registered patient or registered caregiver may obtain marijuana from the dispensary facility by appointment only.
- (3) The operating documents of a dispensary shall include procedures for the oversight of the dispensary and procedures to ensure accurate record-keeping.
- (4) A dispensary shall submit the results of an annual financial audit to the department of public safety no later than 60 days after the end of the dispensary's fiscal year. The annual audit shall be conducted by an independent certified public accountant, and the costs of any such audit shall be borne by the dispensary. The department may also periodically require, within its discretion, the audit of a dispensary's financial records by the department.
- (5) A dispensary shall destroy or dispose of marijuana, marijuana-infused products, clones, seeds, parts of marijuana that are not usable for symptom relief or are beyond the possession limits provided by this subchapter, and marijuana-related supplies only in a manner approved by rules adopted by the department of public safety.
- (e) A registered patient shall not consume marijuana for symptom relief on dispensary property.
- (f) A person may be denied the right to serve as a principal officer, board member, or employee of a dispensary because of the person's criminal history record in accordance with section 4474g of this title and rules adopted by the department of public safety pursuant to that section.

- (g)(1) A dispensary shall notify the department of public safety within 10 days of when a principal officer, board member, or employee ceases to be associated with or work at the dispensary. His or her registry identification card shall be deemed null and void, and the person shall be liable for any penalties that may apply.
- (2) A dispensary shall notify the department of public safety in writing of the name, address, and date of birth of any proposed new principal officer, board member, or employee and shall submit a fee for a new registry identification card before a new principal officer, board member, or employee begins his or her official duties related to the dispensary and shall submit a complete set of fingerprints for the prospective principal officer, board member, or employee.
- (h) A dispensary shall include a label on the packaging of all marijuana that is dispensed. The label shall identify the particular strain of marijuana contained therein. Cannabis strains shall be either pure breeds or hybrid varieties of cannabis and shall reflect properties of the plant. The label also shall contain a statement to the effect that the state of Vermont does not attest to the medicinal value of cannabis.
- (i) Each dispensary shall develop, implement, and maintain on the premises employee policies and procedures to address the following requirements:
- (1) A job description or employment contract developed for all employees which includes duties, authority, responsibilities, qualification, and supervision;
 - (2) Training in and adherence to confidentiality laws; and
 - (3) Training for employees required by subsection (j) of this section.
- (j) Each dispensary shall maintain a personnel record for each employee that includes an application for employment and a record of any disciplinary action taken. Each dispensary shall provide each employee, at the time of his or her initial appointment, training in the following:
- (1) The proper use of security measures and controls that have been adopted; and
- (2) Specific procedural instructions on how to respond to an emergency, including robbery or violent incident.
- (k)(1) No dispensary, principal officer, board member, or employee of a dispensary shall:
- (A) Acquire, possess, cultivate, manufacture, transfer, transport, supply, sell, or dispense marijuana for any purpose except to assist a registered patient with the use of marijuana for symptom relief directly or through the

qualifying patient's designated caregiver.

- (B) Acquire usable marijuana or marijuana plants from any source other than registered dispensary principal officers, board members, or employees who cultivate marijuana in accordance with this subchapter.
- (C) Dispense more than two ounces of usable marijuana to a registered patient directly or through the qualifying patient's registered caregiver during a 30-day period.
- (D) Dispense an amount of usable marijuana to a qualifying patient or a designated caregiver that the principal officer, board member, or employee knows would cause the recipient to possess more marijuana than is permitted under this subchapter.
- (E) Dispense marijuana to a person other than a registered patient who has designated the dispensary to provide for his or her needs or other than the patient's registered caregiver.
- (2) A person found to have violated subdivision (1) of this subsection may no longer serve as a principal officer, board member, or employee of any dispensary, and such person's registry identification card shall be immediately revoked by the department of public safety.
- (3) The board of a dispensary shall be required to report to the department of public safety any information regarding a person who violates this section.
- (1)(1) A registered dispensary shall not be subject to the following provided that it is in compliance with this subchapter:
- (A) Prosecution for the acquisition, possession, cultivation, manufacture, transfer, transport, supply, sale, or dispensing of marijuana, marijuana-infused products, or marijuana-related supplies for symptom relief in accordance with the provisions of this subchapter and any rule adopted by the department of public safety pursuant to this subchapter.
- (B) Inspection and search, except pursuant to this subchapter or upon a search warrant issued by a court or judicial officer.
- (C) Seizure of marijuana, marijuana-infused products, and marijuana-related supplies, except upon a valid order issued by a court.
- (D) Imposition of any penalty or denied any right or privilege, including imposition of a civil penalty or disciplinary action by an occupational or professional licensing board or entity, solely for acting in accordance with this subchapter to assist registered patients or registered caregivers.

- (2) No principal officer, board member, or employee of a dispensary shall be subject to arrest, prosecution, search, seizure, or penalty in any manner or denied any right or privilege, including civil penalty or disciplinary action by a occupational or professional licensing board or entity, solely for working for or with a dispensary to engage in acts permitted by this subchapter.
- (m) The governor may suspend the implementation and enforcement of subsection (a) of this section if the governor determines that it is in the interest of justice and public safety.

§ 4474f. DISPENSARY APPLICATION, APPROVAL, AND REGISTRATION

- (a)(1) The department of public safety shall adopt rules on the following:
- (A) The form and content of dispensary registration and renewal applications.
 - (B) Minimum oversight requirements for a dispensary.
 - (C) Minimum record-keeping requirements for a dispensary.
- (D) Minimum security requirements for a dispensary, which shall include a fully operational security alarm system. This provision shall apply to each location where marijuana will be grown, cultivated, harvested, or otherwise prepared for distribution by the dispensary or will be distributed by the dispensary.
- (E) Procedures for suspending or terminating the registration of a dispensary that violates the provisions of this subchapter or the rules adopted pursuant to this subchapter.
- (F) The medium and manner in which a dispensary may notify registered patients of its services.
- (G) Procedures to guide reasonable determinations as to whether an applicant would pose a demonstrable threat to public safety if he or she were to be associated with a dispensary.
- (H) Procedures for providing notice to applicants regarding federal law with respect to marijuana.
- (2) The department of public safety shall adopt such rules with the goal of protecting against diversion and theft without imposing an undue burden on a registered dispensary or compromising the confidentiality of registered patients and their registered caregivers. Any dispensing records that a registered dispensary is required to keep shall track transactions according to registered patients' and registered caregivers' registry identification numbers, rather than their names, to protect confidentiality.

- (b) Within 30 days of the adoption of rules, the department shall begin accepting applications for the operation of dispensaries. Within 365 days of the effective date of this section, the department shall grant registration certificates to four dispensaries, provided at least four applicants apply and meet the requirements of this section. No more than four dispensaries shall hold valid registration certificates at one time. The total statewide number of registered patients who have designated a dispensary shall not exceed 1,000 at any one time. Any time a dispensary registration certificate is revoked, is relinquished, or expires, the department shall accept applications for a new dispensary. If at any time after one year after the effective date of this section fewer than four dispensaries hold valid registration certificates in Vermont, the department of public safety shall accept applications for a new dispensary.
- (c) Each application for a dispensary registration certificate shall include all of the following:
- (1) A nonrefundable application fee in the amount of \$2,500.00 paid to the department of public safety.
- (2) The legal name, articles of incorporation, and bylaws of the dispensary.
- (3) The proposed physical address of the dispensary, if a precise address has been determined or, if not, the general location where it would be located.
- (4) A description of the enclosed, locked facility where marijuana will be grown, cultivated, harvested, or otherwise prepared for distribution by the dispensary.
- (5) The name, address, and date of birth of each principal officer and board member of the dispensary and a complete set of fingerprints for each of them.
- (6) Proposed security and safety measures, which shall include at least one security alarm system for each location and planned measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana.
 - (7) Proposed procedures to ensure accurate record-keeping.
- (d) Any time one or more dispensary registration applications are being considered, the department of public safety shall solicit input from registered patients and registered caregivers.
- (e) Each time a dispensary certificate is granted, the decision shall be based on the overall health needs of qualified patients. The following factors shall weigh heavily in the consideration of an application:
 - (1) Geographic convenience to patients from throughout the state of

Vermont to a dispensary if the applicant were approved.

- (2) The entity's ability to provide an adequate supply to the registered patients in the state.
- (3) The entity's ability to demonstrate its board members' experience running a nonprofit organization or business.
- (4) The comments, if any, of registered patients and registered caregivers regarding which applicant should be granted a registration certificate.
- (5) The sufficiency of the applicant's plans for record-keeping, which records shall be considered confidential health care information under Vermont law and are intended to be deemed protected health care information for purposes of the federal Health Insurance Portability and Accountability Act of 1996, as amended.
- (6) The sufficiency of the applicant's plans for safety and security, including the proposed location and security devices employed.
- (f) The department of public safety may deny an application for a dispensary if it determines that an applicant's criminal history record indicates that the person's association with a dispensary would pose a demonstrable threat to public safety.
- (g) After a dispensary is approved but before it begins operations, it shall submit the following to the department of public safety:
 - (1) The legal name and articles of incorporation of the dispensary.
 - (2) The physical address of the dispensary.
- (3) The name, address, and date of birth of each principal officer and board member of the dispensary along with a complete set of fingerprints for each.
- (4) A registration fee of \$20,000.00 for the first year of operation, and an annual fee of \$30,000.00 in subsequent years.
- (h) The governor may suspend the implementation and enforcement of subsection (a) or subsection (b) of this section, or both, if the governor determines that implementation of the suspended subsection is in the interest of justice and public safety.

§ 4474g. DISPENSARY REGISTRY IDENTIFICATION CARD; CRIMINAL BACKGROUND CHECK

(a) Except as provided in subsection (b) of this section, the department of public safety shall issue each principal officer, board member, and employee of a dispensary a registry identification card or renewal card within 30 days of

receipt of the person's name, address, and date of birth and a fee of \$50.00. The fee shall be paid by the dispensary and the cost shall not be passed on to a principal officer, board member, or employee. A person shall not serve as principal officer, board member, or employee of a dispensary until that person has received a registry identification card issued under this section. Each card shall specify whether the cardholder is a principal officer, board member, or employee of a dispensary and shall contain the following:

- (1) The name, address, and date of birth of the person.
- (2) The legal name of the dispensary with which the person is affiliated.
- (3) A random identification number that is unique to the person.
- (4) The date of issuance and the expiration date of the registry identification card.
 - (5) A photograph of the person.
- (b) Prior to acting on an application for a registry identification card, the department of public safety shall obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Each applicant shall consent to the release of criminal history records to the department on forms substantially similar to the release forms developed in accordance with 20 V.S.A. § 2056c.
- (c) When the department of public safety obtains a criminal history record, the department shall promptly provide a copy of the record to the applicant and to the principal officer and board of the dispensary if the applicant is to be an employee. The department shall inform the applicant of the right to appeal the accuracy and completeness of the record pursuant to rules adopted by the department.
- (d) The department of public safety shall comply with all laws regulating the release of criminal history records and the protection of individual privacy. No person shall confirm the existence or nonexistence of criminal history record information to any person who would not be eligible to receive the information pursuant to this subchapter.
- (e) The department of public safety shall not issue a registry identification card to any applicant who has been convicted of a drug-related offense or a violent felony or who has a pending charge for such an offense. For purposes of this subchapter, "violent felony" means a listed crime as defined in 13 V.S.A. § 5301(7) or an offense involving sexual exploitation of children in violation of chapter 64 of Title 13.
- (f) The department of public safety shall adopt rules for the issuance of a registry identification card and shall set forth standards for determining

whether an applicant should be denied a registry identification card because his or her criminal history record indicates that the person's association with a dispensary would pose a demonstrable threat to public safety. The rules shall consider whether a person who has a conviction for an offense not listed in subsection (e) of this section has been rehabilitated. A conviction for an offense not listed in subsection (e) of this section shall not automatically disqualify a person for a registry identification card. A dispensary may deny a person the opportunity to serve as a board member or an employee based on his or her criminal history record. An applicant who is denied a registry identification card may appeal the department of public safety's determination in superior court in accordance with Rule 75 of the Vermont Rules of Civil Procedure.

(g) A registration identification card of a principal officer, board member, or employee shall expire one year after its issuance or upon the expiration of the registered organization's registration certificate, whichever occurs first.

§ 4474h. PATIENT DESIGNATION OF DISPENSARY

- (a) A registered patient may obtain marijuana only from the patient's designated dispensary and may designate only one dispensary. A registered patient and his or her caregiver may not grow marijuana for symptom relief if the patient designates a dispensary. A registered patient who wishes to change his or her dispensary shall notify the department of public safety in writing on a form issued by the department and shall submit with the form a fee of \$25.00. The department shall issue a new identification card to the registered patient within 30 days of receiving the notification of change in dispensary. The registered patient's previous identification card shall expire at the time the new identification card takes effect. A registered patient shall submit his or her expired identification card to the department within 30 days of expiration. A registered patient shall not change his or her designated dispensary more than once in any 90-day period.
- (b) The department of public safety shall track the number of registered patients who have designated each dispensary. The department shall issue a monthly written statement to the dispensary identifying the number of registered patients who have designated that dispensary and the registry identification numbers of each patient and each patient's designated caregiver, if any.
- (c) In addition to the monthly reports, the department of public safety shall provide written notice to a dispensary whenever any of the following events occurs:
- (1) A qualifying patient designates the dispensary to serve his or her needs under this subchapter.

- (2) An existing registered patient revokes the designation of the dispensary because he or she has designated a different dispensary.
- (3) A registered patient who has designated the dispensary loses his or her status as a registered patient under this subchapter.

§ 4474i. CONFIDENTIALITY OF INFORMATION REGARDING DISPENSARIES AND REGISTERED PATIENTS

The confidentiality provisions in section 4474d of this title shall apply to records of all registered patients and registered caregivers within dispensary records in the department of public safety.

§ 4474j. ANNUAL REPORT

- (a)(1) There is established a marijuana for symptom relief oversight committee. The committee shall be composed of the following members:
 - (A) one registered patient appointed by each dispensary;
- (B) one registered nurse and one registered patient appointed by the governor;
 - (C) one physician appointed by the Vermont medical society;
- (D) one member of a local zoning board appointed by the Vermont League of Cities and Towns;
- (E) one representative appointed jointly by the Vermont sheriffs' association and the Vermont association of chiefs of police; and
 - (F) the commissioner of public safety or his or her designee.
- (2) The oversight committee shall meet at least two times per year for the purpose of evaluating and making recommendations to the general assembly regarding:
- (A) The ability of qualifying patients and registered caregivers in all areas of the state to obtain timely access to marijuana for symptom relief.
- (B) The effectiveness of the registered dispensaries individually and together in serving the needs of qualifying patients and registered caregivers, including the provision of educational and support services.
- (C) Sufficiency of the regulatory and security safeguards contained in this subchapter and adopted by the department of public safety to ensure that access to and use of cultivated marijuana is provided only to cardholders authorized for such purposes.
- (b) On or before January 1 of each year, beginning in 2013, the oversight committee shall provide a report to the department of public safety, the house committee on human services, the senate committee on health and welfare, the

house and senate committees on judiciary, and the house and senate committees on government operations on its findings.

§ 4474k. FEES; DISPOSITION

All fees collected by the department of public safety relating to dispensaries and pursuant to this subchapter shall be deposited in the registration fee fund as referenced in section 4474a of this title.

§ 44741. REGULATION BY MUNICIPALITIES

Nothing in this subchapter shall be construed to prevent a municipality from prohibiting the establishment of a dispensary within its boundaries or from regulating the time, place, and manner of dispensary operation through zoning or other local ordinances.

Sec. 1a. 18 V.S.A. § 4474h(a) is amended to read:

(a) A registered patient may obtain marijuana only from the patient's designated dispensary and may designate only one dispensary. A registered patient and his or her caregiver may not grow marijuana for symptom relief if the patient designates a dispensary If a registered patient designates a dispensary, the patient and his or her caregiver may not grow marijuana or obtain marijuana or marijuana-infused products for symptom relief from any source other than the designated dispensary. A registered patient who wishes to change his or her dispensary shall notify the department of public safety in writing on a form issued by the department and shall submit with the form a fee of \$25.00. The department shall issue a new identification card to the registered patient within 30 days of receiving the notification of change in dispensary. The registered patient's previous identification card shall expire at the time the new identification card takes effect. A registered patient shall submit his or her expired identification card to the department within 30 days of expiration. A registered patient shall not change his or her designated dispensary more than once in any 90-day period.

Sec. 2. DEPARTMENT OF PUBLIC SAFETY; IDENTIFICATION CARDS

The department of public safety shall take measures to improve the quality and security of identification cards required pursuant to chapter 86 of Title 18. The department shall consider the feasibility of a "swipe card" that could be used by law enforcement or a dispensary.

Sec. 2a. REPORT FROM THE DEPARTMENT OF PUBLIC SAFETY

The department of public safety shall report to the general assembly no later than January 1, 2012 on the following:

(1) The actual and projected income and costs for administering this act.

- (2) Recommendations for how dispensaries could deliver marijuana to registered patients and their caregivers in a safe manner. Delivery to patients and caregivers is expressly forbidden until the general assembly takes affirmative action to permit delivery.
- (3) Whether prohibiting growing marijuana for symptom relief by patients and their caregivers if the patient designates a dispensary interferes with patient access to marijuana for symptom relief and, if so, recommendations for regulating the ability of a patient and a caregiver to grow marijuana at the same time the patient has designated a dispensary.

Sec. 2b. JOINT FISCAL OFFICE REPORT

No later than January 15, 2012, the joint fiscal office shall report to the house committee on ways and means and the senate committee on finance regarding the projected costs of administering this act, the projected fee revenue from this act, the feasibility of a sales tax on marijuana sold through registered dispensaries, and any other information that would assist the committees in adopting policies that will encourage the viability of the dispensaries while remaining, at a minimum, revenue neutral to the state.

Sec. 3. SURVEY

- (a) By September 1, 2011, the department of public safety shall develop a survey of patients registered to possess and use marijuana for symptom relief and shall send the survey to such patients. The department shall request that patients return the survey by October 1, 2011.
 - (b) The survey shall make the following inquiries:
- (1) Please describe your medical diagnosis and the "debilitating medical condition" that qualifies you to be a registered patient under Vermont law. Please describe the symptoms that are aided by your use of marijuana for symptom relief.
- (2) Please describe how much marijuana you typically use in one month for symptom relief and the strain or strains of marijuana that you use or that are particularly helpful in alleviating symptoms of your medical condition.
- (3) Would you purchase marijuana for symptom relief from a state-regulated dispensary if it were available to you at an affordable price? How much do you typically spend in one month on marijuana for symptom relief?
- (c) The department of public safety shall clearly state on the survey that the information is being gathered solely for the purpose of assessing the needs of registered medical patients in order to facilitate a safer, more reliable means for patients to obtain marijuana for symptom relief. The completed surveys shall remain confidential and shall not be subject to public inspection; however,

summary information shall be available as provided in subsection (d) of this section.

(d) The department of public safety shall summarize the survey responses in a manner that protects the identity of patients, providing information that will assist state decision-makers, the department of public safety, and potential dispensary applicants to better understand the needs of registered patients. This summary shall not be confidential and shall be provided with other information about the medical marijuana registry on the Vermont criminal information website. The department of public safety shall ensure that any patient identifiers are not included in the summary.

Sec. 3a. APPROPRIATION

The amount of \$156,500.00 is appropriated from the registry fee fund in fiscal year 2012 to the department of public safety for the performance of the department's responsibilities under this act.

Sec. 3c. REPEAL

18 V.S.A. § 4474e(m) (governor suspension; dispensaries implementation) and 18 V.S.A. § 4474f(h) (governor suspension; dispensary application) shall be repealed January 31, 2012.

Sec. 4. EFFECTIVE DATE

Sec. 1a of this act shall take effect July on 1, 2014, and the remainder of the act shall take effect on passage.

and that after passage the title of the bill be amended to read: "An act relating to registering four nonprofit organizations to dispense marijuana for symptom relief"

House Proposal of Amendment

S. 78

An act relating to the advancement of cellular, broadband, and other technology infrastructure in Vermont.

The House proposes to the Senate to amend the bill as follows:

<u>First</u>: In Sec. 1 (purpose and findings), in subsection (b), by adding a new subdivision (3) to read as follows:

(3) Of the approximately \$8,900,000.00 in state funds appropriated to the VTA for capital investments since its creation in 2007, approximately \$6,400,000.00 has been awarded to fund various telecommunications projects in the state, and about \$280,000.00 worth of those projects has been completed to date.

and by renumbering the remaining subdivisions to be numerically correct.

<u>Second</u>: In Sec. 1 (purpose and findings), in subsection (b), in subdivision (5), after the words "<u>promises near universal coverage in</u>" by adding "<u>large areas of</u>"

<u>Third</u>: In Sec. 1 (purpose and findings), in subsection (b), by striking out subdivision (11) in its entirety and inserting in lieu thereof the following:

(11) In light of the infusion of federal dollars to build out telecommunications infrastructure in Vermont, the VTA, in coordination with the secretary of administration, needs to reexamine on a continuing basis its role in providing funds and its support for cellular and broadband deployment.

<u>Fourth</u>: In Sec. 1 (purpose and findings), in subsection (b), in subdivision (13), by striking out the second sentence in its entirety

<u>Fifth</u>: In Sec. 1 (purpose and findings), in subsection (b), by striking out subdivision (14) and inserting in lieu thereof:

(14) It is also imperative that Vermont pursue telecommunications infrastructure deployment in a manner consistent with the state's iconic beauty and long-standing principles of historic and environmental stewardship. Notably, Vermont is ranked sixth in the world for "destination stewardship" by the National Geographic Society's Center for Sustainable Destination, as published in the November–December 2009 issue of National Geographic Traveler magazine. Provisions should be enacted that are specifically intended to assure that telecommunications facilities along Vermont's scenic highways are built consistently with this goal.

and by renumbering all subdivisions in subsection (b) to be numerically correct

<u>Sixth</u>: In Sec. 2, 30 V.S.A. § 248a (certificate of public good for communications facilities), in subsection (c) (findings), by striking out subdivision (1) and inserting in lieu thereof:

(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public's use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C. § 162, with due consideration having been given to the relevant criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D) (floodways) and (a)(8) (aesthetics, scenic beauty, historic

sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:

- (A) The board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and
- (B) A telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the department of environmental conservation, regardless of any provisions in that handbook that limit its applicability.

<u>Seventh</u>: By adding a new section to be numbered Sec. 3b to read as follows:

Sec. 3b. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

* * *

- (g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, 2014:
- (1) Under subdivision (a)(1) of this section, the agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.
- (2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

<u>Eighth</u>: By adding a new section to be numbered Sec. 3c to read as follows: Sec. 3c. Sec. F33 of No. 146 of the Acts of the 2009 Adj. Sess. (2010) is amended to read:

Sec. F33. ANR REPORT ON ANTI-DEGRADATION IMPLEMENTATION RULES

On or after January 15, 2011, and at least 30 days prior to prefiling the same time that the secretary of natural resources prefiles draft anti-degradation policy implementation rules with the interagency committee on administrative rules under 3 V.S.A. § 837, the secretary of natural resources shall submit for review a copy of the draft anti-degradation policy implementation rules to the senate committee on natural resources and energy and the house committee on fish, wildlife and water resources. At the time of such prefiling, if the general assembly is not in session, then the secretary shall comply with this section by submitting the draft rules to the chairs of the senate committee on natural

resources and energy and the house committee on fish, wildlife and water resources.

Ninth: In Sec. 10, 30 V.S.A. § 8092 (nonexclusive use of fiber on electric utility poles), in subsection (h) (transmission poles), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) Notwithstanding any law or rule to the contrary, a company may not enter into a contract with a communications service provider that provides exclusive access to its company-attached and company-maintained fiber-optic facilities by including terms that expressly prohibit any other communications service provider from leasing or purchasing unused strands of fiber. The terms and conditions of any contract entered into under this section shall include a provision specifying that, if a communications service provider leases fiber-optic capacity but fails to use that capacity within one year from the date the contract is entered into, the communications service provider shall report such non-use to the department of public service. The commissioner of public service shall determine if such non-use constitutes anti-competitive behavior that unreasonably precludes another communications service provider from leasing fiber-optic capacity. If the commissioner determines that such non-use constitutes anti-competitive behavior, he or she shall commence an investigation with the board of public service. The board is authorized to impose a remedy it deems appropriate under the circumstances. Such remedy may include termination of the lease with respect to the unused portion of the leased fiber-optic capacity.

<u>Tenth</u>: In Sec. 10, 30 V.S.A. § 8092 (nonexclusive use of fiber on electric utility poles), by striking out subsection (j) (distribution poles) in its entirety and inserting in lieu thereof the following:

(j) A company having electric transmission or distribution structures carrying voltages of 110 kV or lower may not enter into a contract with a communications service provider that provides exclusive access to its company-attached and company-maintained fiber-optic facilities by including terms that expressly prohibit any other communications service provider from leasing or purchasing unused strands of fiber. The terms and conditions of any contract entered into under this section shall include a provision specifying that, if a communications service provider leases fiber-optic capacity but fails to use that capacity within one year from the date the contract is entered into, the communications service provider shall report such non-use to the department of public service. The commissioner of public service shall determine if such non-use constitutes anti-competitive behavior that unreasonably precludes another communications service provider from leasing fiber-optic capacity. If the commissioner determines that such non-use

constitutes anti-competitive behavior, he or she shall commence an investigation with the board of public service. The board is authorized to impose a remedy it deems appropriate under the circumstances. Such remedy may include termination of the lease with respect to the unused portion of the leased fiber-optic capacity.

<u>Eleventh</u>: In Sec. 11 (study on regulatory exemption), in subsection (a), in the first sentence, after the words "<u>certain telecommunications carriers</u>" by adding the words "<u>not currently eligible</u>"

Twelfth: In Sec. 12, 30 V.S.A. § 227e (leasing or licensing of state land for telecommunications facilities), in subsection (b), in subdivision (1), after the words "on the website maintained by the agency of administration" by adding the words ", with appropriate hyperlinks to that website on all relevant, statemaintained websites"

<u>Thirteenth</u>: In Sec. 14, 24 V.S.A. § 4413 (limitations on municipal bylaws), in subdivision (h)(1), in the first sentence, before "<u>bylaw</u>" by striking "<u>A</u>" and inserting in lieu thereof: "<u>Except as necessary to ensure compliance with the</u> national flood insurance program, a"

<u>Fourteenth</u>: In Sec. 14b, 3 V.S.A. § 2222b (telecommunications coordination and planning), in subsection (c) (deployment tracking), in subdivision (1), after the words "<u>Not later than 30 days</u>" by striking out the word "<u>of</u>" and inserting in lieu thereof "<u>after</u>"

<u>Fifteenth</u>: In Sec. 14b, 3 V.S.A. § 2222b (telecommunications coordination and planning), in subsection (c) (deployment tracking), in subdivision (5), at the end of the subdivision, by adding "<u>Alternatively</u>, entities that voluntarily provide information requested pursuant to this subdivision may select a third party to be the recipient of such information. That third party may aggregate information provided by the entities, but shall not disclose the information it has received to any person, including the secretary. The third party may only disclose the aggregated information to the secretary."

<u>Sixteenth</u>: By striking out Sec. 14c in its entirety and inserting in lieu thereof a new Sec. 14c to read as follows:

Sec. 14c. Rule 5(d)(2) of the Vermont Rules of Environmental Court Proceedings is amended to read:

(2) Claims and Challenges of Party Status in an Appeal from a Final Decision. An appellant who claims party status as a person aggrieved pursuant to 6 V.S.A. § 4855 or 10 V.S.A. § 8504(a) and is not denied that status by 10 V.S.A. § 8504(d)(1), or an appellant who claims party status as an interested person pursuant to 10 V.S.A. § 8504(b)(1), will be automatically accorded that status when the notice of appeal is filed unless the court

otherwise determines on motion to dismiss a party. An appellant who claims party status under 10 V.S.A. § 8504(b)(2), (d)(2), or (e)(2) and who has not sought interlocutory relief pursuant to paragraph (1) of this subdivision must assert that claim by motion filed with the notice of appeal not later than the deadline for filing a statement of questions on appeal. Any other person who appears as provided in subdivision (c) of this rule will be accorded party status unless the court otherwise determines on its own motion, on motion to dismiss a party, or on a motion to intervene.

<u>Seventeenth</u>: By adding a new section to be numbered Sec. 14e to read as follows:

Sec. 14e. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:

* * *

(8)(A) Communications antennae and facilities. Except to the extent bylaws protect historic landmarks and structures listed on the state or national register of historic places, no permit shall be required for placement of antennae an antenna used to transmit, receive, or transmit and receive communications signals on that property owner's premises if the aggregate area of the largest faces face of the antennae antenna is not more than eight 15 square feet, and if the antennae antenna and any mast support does do not extend more than 12 feet above the roof of that portion of the building to which the mast is attached.

* * *

<u>Eighteenth</u>: In Sec. 15, 30 V.S.A. § 8060 (VTA findings and purpose), in subsection (b), by striking out subdivision (2) in its entirety and inserting in lieu thereof the following:

(2) the <u>ubiquitous universal</u> availability of mobile telecommunication services, including voice and high-speed data <u>throughout the state along roadways and near universal availability statewide</u> by the end of the year 2010 2013.

Nineteenth: In Sec. 16, 30 V.S.A. § 8061 (establishment and organization of the VTA), in subsection (c), after the words "The governor" by striking out ", the speaker of the house, and the president pro tempore of the senate shall jointly" and inserting in lieu thereof the word "shall"

Twentieth: In Sec. 16, 30 V.S.A. § 8061 (establishment and organization of the VTA), in subsection (d), by striking out the last sentence in its entirety and

inserting in lieu thereof the following: "<u>Upon completion of a term of service</u> for any reason, including the term's expiration or a member's resignation, and for one year from the date of such completion, a former board member shall not advocate before the authority on behalf of an enterprise that provides broadband or cellular service."

<u>Twenty-first</u>: By striking out Sec. 16a (VTA board transitional provision) in its entirety and inserting in lieu thereof the following:

Sec. 16a. VTA BOARD; REORGANIZATION

Upon the effective date of this act, the terms of office of the existing members of the board of directors of the Vermont telecommunications authority shall terminate, but members shall continue to serve until new members for the term commencing in 2011 are appointed as provided in this act.

<u>Twenty-second</u>: In Sec. 17, 30 V.S.A. § 8062 (VTA powers and duties), in subsection (a), after the new subdivision (2) (inventory of federal radio frequency licenses), by adding a new subdivision (3) to read as follows:

(3) to the extent not inconsistent with the goals of this chapter, to utilize existing buildings and structures, historic or otherwise, as sites for visually-neutral placement of mobile telecommunications and wireless broadband antenna facilities;

and by renumbering the remaining subdivisions to be numerically correct

<u>Twenty-third</u>: In Sec. 17, 30 V.S.A. § 8062 (VTA powers and duties), in subsection (b), in subdivision (1), after the word "unserved" in both instances by inserting the words "<u>or underserved</u>"

Twenty-fourth: In Sec. 18, 30 V.S.A. § 8063 (interagency cooperation), in the new subsection (b), after the words "general assembly" by inserting the words "or, if the general assembly is not in session, without prior notice to the chairs of the house committee on commerce and economic development and the senate committees on finance and on economic development, housing and general affairs and approval of the joint fiscal committee, in consultation with the legislative chairs already referenced in this subsection"

<u>Twenty-fifth</u>: In Sec. 19, 30 V.S.A. § 8071 (VTA quarterly and annual reports), in subsection (c), in subdivision (6), after the words "<u>existing business providers</u>" by striking out the rest of the sentence until the period

<u>Twenty-sixth</u>: By striking out Sec. 23 (Hughesnet recovery act program) in its entirety and inserting in lieu thereof the following:

Sec. 23. SATELLITE RECOVERY ACT PROGRAM

- (a) Pursuant to the broadband initiatives program of the American Recovery and Reinvestment Act of 2009, Pub.L. No. 111-5, companies such as Hughes Network Systems, LLC (Hughes) were selected by the Rural Utilities Service (RUS) of the United States Department of Agriculture as nationwide providers under RUS's satellite grant program. Under the program, Hughes was awarded a \$58,700,000.00 grant in 2010. The grant allows Hughes to provide high speed Internet service by satellite to over 105,000 rural residences by eliminating the cost of hardware and installation and by reducing the price of monthly service plans.
- (b) The satellite Internet service provided by satellite grant recipients may provide a good opportunity to bring broadband service to areas that otherwise might not be served and for such time until broadband service meeting or exceeding the minimum technical service characteristics under 30 V.S.A. § 8077 is available.
- (c) Notwithstanding the minimum technical service characteristics under 30 V.S.A. § 8077, the commissioner of public service and the director of the Vermont telecommunications authority shall make known the availability of satellite recovery act programs and reference them in relevant publications listing broadband providers in Vermont.
- (d) Notwithstanding the provisions of this section, an area shall not be considered "served" for purposes of state broadband policy and planning if it is only served by a satellite provider.

Twenty-seventh: In Sec. 24a, 3 V.S.A. § 2222c (report on broadband and wireless deployment), in subsection (a), by striking out the word "chapter" and inserting in lieu thereof "section"

Twenty-eighth: In Sec. 24a, 3 V.S.A. § 2222c (report on broadband and wireless deployment), in subsection (b), in subdivision (1)(B), by striking out "mpbs" and inserting in lieu thereof "Mbps"

<u>Twenty-ninth</u>: In Sec. 24a, 3V.S.A. § 2222c (report on broadband and wireless deployment), in subsection (b), in subdivision (1)(A) and in subdivisions (2)(A) and (B), by striking out each instance of "<u>mbps</u>" and inserting in lieu thereof "<u>Mbps</u>"

<u>Thirtieth</u>: In Sec. 24b, 30 V.S.A. § 202c (state telecommunications policy and planning), in subsection (b), in subdivision (9), after the words "<u>deployment of broadband infrastructure</u>" by striking out the words "<u>pursuant to the objectives set forth in S.78 of the Acts of 2011</u>"

<u>Thirty-first</u>: In Sec. 24c (report on the VTA's sustainability), in subsection (a), by striking out the word "<u>ubiquitous</u>" and inserting in lieu thereof "<u>universal</u>"

<u>Thirty-second</u>: By adding a new section to be numbered Sec. 24d to read as follows:

Sec. 24d. VTA FUNDING; FIBER-OPTIC FACILITIES; NORTH LINK

- (a) Notwithstanding Sec. 14 of No. 2 of the Acts of 2009 (Special Session), which appropriated the sum of \$500,000.00 from the general fund to the Vermont telecommunications authority (VTA) for the purpose of financing a transaction with Northern Enterprises, Inc. ("North Link"), such funds shall be used to complete the construction and installation of an open access fiber-optic network from Hardwick, Vermont to Newport, Vermont.
- (b) The funds appropriated under this section may be used for direct investment in fiber-optic facilities, to be owned by the VTA, or for grants to telecommunications service providers.
- (c) Fiber-optic facilities owned by the VTA pursuant to this section shall include fiber strands for use by a telecommunications service provider to deliver broadband Internet access directly to homes, businesses, and institutional users (last-mile connectivity), in addition to strands which may be used to interconnect with other broadband and cellular facilities (middle mile) or to support system control and data acquisition for an electric distribution utility for smart metering technology solutions.
- (d) Fiber-optic facilities funded in whole or in part with funds appropriated under this section shall be available for use by as many telecommunications service providers as the technology will permit on a nondiscriminatory basis and according to published terms and conditions.

House Proposal of Amendment

S. 96

An act relating to technical corrections to the workers' compensation statutes.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The general assembly finds that it is important to ensure that an injured worker's medical records and personal information are kept secure and that health care providers, workers' compensation insurers, and the department of labor adopt practices that are consistent with relevant state and federal statutes regarding medical and personal privacy.

Sec. 2. 21 V.S.A. § 641 is amended to read:

§ 641. VOCATIONAL REHABILITATION

(c) Any vocational rehabilitation plan for a claimant presented to the employer shall be deemed valid if the employer was provided an opportunity to participate in the development of the plan and has made no objections or changes within 21 days after submission. A vocational rehabilitation counselor shall provide the employer with a written invitation to participate in plan development, including the date, time, and place to provide an opportunity to participate in the development of the plan, with a copy to the department. The participation in the development of the plan may be conducted by telephone. The written notice shall be evidence of the opportunity to participate in plan development and shall be appended to the proposed plan.

* * *

Sec. 3. 21 V.S.A. § 640b is added to read:

§ 640b. REQUEST FOR PREAUTHORIZATION TO DETERMINE IF PROPOSED TREATMENT IS NECESSARY

- (a) Within 14 days of receiving a request for preauthorization for a proposed medical treatment and medical evidence supporting the requested treatment, a workers' compensation insurer shall:
- (1) authorize the treatment and notify the health care provider, the injured worker, and the department; or
- (2)(A) deny the treatment because the entire claim is disputed and the commissioner has not issued an interim order to pay benefits; or
- (B) deny the treatment if, based on a preponderance of credible medical evidence specifically addressing the proposed treatment, it is unreasonable or unnecessary. The insurer shall notify the health care provider, the injured worker, and the department of the decision to deny treatment; or
- (3) notify the health care provider, the injured worker, and the department that the insurer has scheduled an examination of the employee or ordered a medical record review pursuant to section 655 of this title. Based on the examination or review, the insurer shall authorize or deny the treatment and notify the department and the injured worker of the decision within 45 days of a request for preauthorization. The commissioner may in his or her sole discretion grant a 10-day extension to the insurer to authorize or deny treatment, and such an extension shall not be subject to appeal.
- (b) If the insurer fails to authorize or deny the treatment pursuant to subsection (a) of this section within 14 days of receiving a request, the claimant or health care provider may request that the department issue an order authorizing treatment. After receipt of the request, the department shall issue an interim order within five days after notice to the insurer, and five days in

which to respond, absent evidence that the entire claim is disputed. Upon request of a party, the commissioner shall notify the parties that the treatment has been authorized by operation of law.

- (c) If the insurer denies the preauthorization of the treatment pursuant to subdivision (a)(2) or (3) of this section, the commissioner may on his or her own initiative or upon a request by the claimant issue an order authorizing the treatment if he or she finds that the evidence shows that the treatment is reasonable, necessary, and related to the work injury.
- Sec. 4. 21 V.S.A. § 655a is added to read:

§ 655a. RELEASE OF RELEVANT MEDICAL RECORDS BY HEALTH CARE PROVIDERS; DEPARTMENT TO OVERSEE RELEASE AND USE OF RELEVANT MEDICAL INFORMATION

- (a) Health care providers examining or attending the examination of an injured worker pursuant to this chapter shall provide relevant medical records and reports as requested by the injured worker, the employer, or the department regarding the diagnosis, condition, or treatment of the worker, permanent impairment, or any restrictions or limitations on the worker's ability to work upon receiving a written medical release authorization from the injured worker. The authorization shall be on a form approved by the department. If the relevance of any medical information is disputed, the department shall determine whether the requested medical information is relevant.
- (b) Medical information relevant to the specific claim includes a past history of complaints or treatment of a condition similar to that presented in the claim or other conditions related to the same body part. Information that may be requested includes:
- (1) Minimum data to justify services and payment, including that on the standard paper 1500 form or electronic 837 form.
- (2) Office notes of the examination relating to the injury diagnosis or treatment.
 - (3) Any other relevant provider records contained in the file.
- (c) An injured worker shall only be obligated to sign a medical record release authorization approved by the department.
- (d) Any medical information received by the employer or the insurance carrier that is found not to be relevant to the claim may not be used to deny or limit a claim. The commissioner may order that specific disclosure requests be denied or rescinded and may make such other interim orders as are appropriate.
- (e) Any medical information received in conjunction with a claim shall be used only for the purpose of advancing or defending a claim relating to the

injury or of investigating a claim of false representation or of ensuring compliance with the workers' compensation statutes and rules.

Sec. 5. 21 V.S.A. § 692 is amended to read:

§ 692. PENALTIES; FAILURE TO INSURE; STOP WORK ORDERS

(a) Failure to insure. If after a hearing under section 688 of this title, the commissioner determines that an employer has failed to comply with the provisions of section 687 of this title, the employer shall be assessed an administrative penalty of not more than \$100.00 for every day for the first seven days the employer neglected to secure liability and not more than \$150.00 for every day thereafter.

* * *

Sec. 6. Sec. 32 of No. 54 of the Acts of 2009 is amended to read:

Sec. 32. WORKERS' COMPENSATION; STATE CONTRACTS; COMPLIANCE WITH DAVIS-BACON

(a) The agencies of administration and transportation shall establish procedures to assure that state contracting procedures and contracts are designed to minimize the incidents of miscoding of employees in NCCI job codes and misclassification of the status of workers as independent contractors rather than employees by state contractors on projects with a total project cost of more than \$250,000.00 by requiring those contractors to provide, at a minimum, all the following:

* * *

(3) For construction and transportation projects over \$250,000.00, a payroll process by which during every pay period the contractor collects from the subcontractors or independent contractors a list of all workers who were on the jobsite during the pay period, the work performed by those workers on the jobsite, and a daily census of the jobsite. This information, including confirmation that contractors, subcontractors, and independent contractors have the appropriate workers' compensation coverage for all workers at the jobsite, and similar information for the subcontractors regarding their subcontractors shall also be provided to the department of labor and to the department of banking, insurance, securities, and health care administration, upon request, and shall be available to the public.

* * *

(c) The agencies shall assure that any state contract funded in whole or in part with American Recovery and Reinvestment Act of 2009 (ARRA) monies or any project for which the state granted, allocated, or awarded ARRA monies shall comply with the payment of Davis-Bacon wages when required by

ARRA. However, in the event the applicable Davis-Bacon wages in any county have not been updated in the previous three years, the minimum state required wage for a state contract subject to Davis-Bacon wages under ARRA shall be that of the Vermont county that has most recently updated its applicable Davis-Bacon wages, provided this provision does not result in the loss of ARRA funds and is not otherwise contrary to federal law. In the event that the most recently updated Davis-Bacon wages cannot be determined due to the simultaneous updating by two or more counties, the agencies may select the minimum state-required wage for a state contract subject to Davis-Bacon wages under ARRA from among those counties.

Sec. 7. 21 V.S.A. § 1314 is amended to read:

§ 1314. REPORTS AND RECORDS; SEPARATION INFORMATION; DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT EMPLOYMENT INFORMATION; DISCLOSURE OF INFORMATION TO OTHER STATE AGENCIES TO INVESTIGATE MISCLASSIFICATION OR MISCODING

* * *

- (d)(1) Except as otherwise provided in this chapter, information obtained from any employing unit or individual in the administration of this chapter, and determinations as to the benefit rights of any individual shall be held confidential and shall not be disclosed or open to public inspection in any manner revealing the individual's or employing unit's identity, nor be admissible in evidence in any action or proceeding other than one arising out of this chapter, or to support or facilitate an investigation by a public agency identified in subdivision (e)(1) of this section.
- (2) An individual or his or her duly authorized agent may be supplied with information from those records to the extent necessary for the proper presentation of his or her claims for benefits or to inform him or her of his or her existing or prospective rights to benefits; an employing unit may be furnished with such information as may be deemed proper, within the discretion of the commissioner, to enable it to fully discharge its obligations and safeguard its rights under this chapter.
- (2)(3) Automatic data processing services and systems and programming services within the department of labor shall be the responsibility and under the direct control of the commissioner in the administration of this chapter and chapter 15 of this title.
- (3)(4) Notwithstanding the provisions in subdivision (2) of this section, the department of labor shall, at the request of the agency of administration, perform such services for other departments and agencies of the state as are within the capacity of its data processing equipment and personnel, provided

that such services can be accomplished without undue interference with the designated work of the department of labor

(e)(1) Subject to such restrictions as the board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The commissioner may also make information available to colleges, universities, and public agencies of the state for use in connection with research projects of a public service nature, and to the Vermont economic progress council with regard to the administration of subchapter 11E of chapter 151 of Title 32; but no person associated with those institutions or agencies may disclose that information in any manner which would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by the commissioner.

* * *

Sec. 8. 21 V.S.A. § 1453 is amended to read:

§ 1453. APPROVAL OR REJECTION; RESUBMISSION

The commissioner shall approve or reject a plan in writing within 45 30 days of its receipt, and in the case of rejection shall state the reasons therefor. The reasons for rejection shall be final and nonappealable, but the employer shall be allowed to submit another plan for approval.

Sec. 9. REPORT

The department of labor shall review and assess information relating to workers' compensation medical information and records to determine whether the scope of information contained in the medical records exceeds that relating only to a work-related injury and whether nonrelevant medical information is being sent to the department without redaction. The department shall report its findings and any recommendations to the house committee on commerce and economic development and the senate committee on economic development, housing and general affairs by January 15, 2012.

Sec. 10. EFFECTIVE DATES

This section and Secs. 5, 6, 7, 8, and 9 of this act shall take effect on passage. The remaining sections shall take effect on July 1, 2011.

and that after passage the title of the bill be amended to read: "An act relating to the workers' compensation and unemployment compensation statutes"

Report of Committee of Conference

H. 275.

An act relating to the recently deployed veteran tax credit.

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

H. 275. An act relating to the recently deployed veteran tax credit.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposals of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. chapter 151, subchapter 11N is added to read:

Subchapter 11N. Recently Deployed Veteran

Tax Credit

§ 5930nn. RECENTLY DEPLOYED VETERAN TAX CREDIT

- (a) A qualified employer shall be eligible for a nonrefundable credit against the income tax liability imposed under this chapter in an amount equal to \$2,000.00 for each new full-time employee hired after the passage of this act but on or before December 31, 2012 for a position, the majority of the duties of which are at a business location within Vermont.
- (b) A recently deployed veteran shall be eligible for a nonrefundable credit against the income tax liability imposed under this chapter in an amount up to a total of \$2,000.00 for expenses associated with one start-up business in which the recently deployed veteran holds at least a 50-percent ownership interest. A credit under this subsection may only be taken for a business started after the passage of this act but on or before December 31, 2012, that is located within Vermont, and that shows a net profit of at least \$3,000.00 for the year in which the credit is taken.
- (c) A credit earned under this section shall be claimed in the tax year following the new full-time employee's date of hire, or in the tax year following the date that the start-up business was created, and may be carried forward one year.

(d) In this section:

- (1) "Expense associated with a start-up business" means the following expenses:
 - (A) expenses associated with the development of a business plan;

- (B) professional services associated with the formation of the business (e.g., attorney and accounting services);
- (C) an analysis or survey of potential markets, products, labor supply, or transportation facilities;
 - (D) advertisements for the opening of the business;
- (E) salaries and wages for employees who are being trained and their instructors;
- (F) travel and other necessary costs for securing prospective distributors, suppliers, or customers;
- (G) salaries and fees for executives and consultants, or for similar professional services.
 - (2) "New full-time employee" means a recently deployed veteran:
- (A) who works at least 35 hours per week for not less than 45 of the 52 weeks following the individual's date of hire;
- (B) whose compensation equals or exceeds the prevailing compensation level, including wages and benefits, for the particular employment sector and region of the state as determined by the commissioner of labor;
- (C) who has certification by the department of labor at the time of hire of:
- (i) collecting or being eligible to collect unemployment benefits; or
 - (ii) having exhausted his or her unemployment benefits;
- (D) who has not been employed by the qualified employer for 90 days prior to the date of hire.
 - (3) "Qualified employer" means a person who:
- (A) is in good standing with respect to applicable registration, fee, and filing requirements with the secretary of state, the department of taxes, and the department of labor; and
 - (B) has in place a valid workers' compensation policy.
 - (4) "Recently deployed veteran" means an individual who:
- (A)(i) was a resident of Vermont at the time of entry into military service; or

- (ii) was mobilized to active, federal military service while a member of the Vermont National Guard or other reserve unit located in Vermont, regardless of the resident's home of record.
- (B) received an honorable or general discharge from active, federal military service within the two-year period preceding the date of hire.
- (C) for the purposes of the credit in subsection (b) of this section, a person who at the time of starting up a new business has been certified by the department of labor as:
- (i) collecting or being eligible to collect unemployment benefits; or
 - (ii) having exhausted his or her unemployment benefits.
- (e) The department of labor, in coordination with the department of taxes, the agency of commerce and community development, and the office of veterans' affairs, shall:
- (1) promote awareness of the recently deployed veteran tax credit authorized in this section to employers and eligible veterans;
- (2) establish procedures for prequalifying an individual as a recently deployed veteran and for providing notice to the department of labor when a new full-time employee is hired;
- (3) establish procedures for certifying a qualified employer's compliance, or in the case of a credit under subsection (b) of this section, a recently deployed veteran's compliance, with the eligibility and expense verification requirements to claim the credit authorized under this section;
- (4) adopt measurable goals, outcomes, and an audit strategy to assess the utilization and performance of the credit authorized in this section;
- (5) on or before January 15, 2012, submit a written report on its assessment of the credit to the house committees on commerce and economic development and on ways and means, and to the senate committees on finance and on economic development, housing and general affairs;
- (6) engage in efforts to promote the hiring of recently deployed veterans through the hiring practices of the state of Vermont.
- (f) An employer shall not claim the credit in subsection (a) of this section for an employee who has claimed the credit under subsection (b) of this section, and a recently deployed veteran shall not claim the credit in subsection (b) if an employer has claimed his or her hire for the credit in subsection (a).

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

MARK A. MACDONALD
RICHARD J. MCCORMACK
RICHARD A. WESTMAN
Committee on the part of the Senate
RACHEL WESTON
WARREN F. KITZMILLER
MICHAEL J. MARCOTTE
Committee on the part of the House

ORDERED TO LIE

S. 38.

An act relating to the Uniform Collateral Consequences of Conviction Act.

PENDING ACTION: Third Reading

H. 46.

An act relating to youth athletes with concussions participating in athletic activities.

CONCURRENT RESOLUTIONS FOR NOTICE

S.C.R. 18-19 (For text of Resolutions, see Addendum to House and Senate Calendar for May 6, 2011)

H.C.R. 194-203 (For text of Resolutions, see Addendum to House and Senate Calendar for May 6, 2011)

CONCURRENT RESOLUTIONS FOR ACTION

H.C.R. 171-193 (For text of Resolutions, see Addendum to Senate Calendar for May 5, 2011)

S.C.R. 20-24 (For text of Resolutions, see Addendum to Senate Calendar for May 5, 2011

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Service Board shall be fully and separately acted upon.

Ron Shems of Duxbury, Chair of the Natural Resources Board - By Sen. Lyons for the Committee on Natural Resources and Energy. $(5/9/11)\,$