

# Journal of the Senate

FRIDAY, MARCH 25, 2011

The Senate was called to order by the President *pro tempore*.

## Devotional Exercises

Devotional exercises were conducted by the Reverend Rebecca Clark of Montpelier.

## Message from the House No. 37

A message was received from the House of Representatives by Ms. H. Gwynn Zakov, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

**H. 91.** An act relating to the management of fish and wildlife.

**H. 201.** An act relating to hospice and palliative care.

**H. 411.** An act relating to the application of Act 250 to agricultural fairs.

**H. 436.** An act relating to tax changes, including income taxes, property taxes, economic development credits, health care-related tax provisions, and miscellaneous tax provisions.

In the passage of which the concurrence of the Senate is requested.

The House has adopted joint resolution of the following title:

**J.R.H. 15.** Joint resolution urging the Federal Communications Commission to protect the financial viability of telephone service in rural communities.

In the adoption of which the concurrence of the Senate is requested.

## Bill Referred to Committee on Appropriations

### S. 100.

Senate bill of the following title, appearing on the Calendar for notice and carrying an appropriation or requiring the expenditure of funds, under the rule was referred to the Committee on Appropriations:

An act relating to making miscellaneous amendments to education laws.

**Bills Referred**

House bills of the following titles were severally read the first time and referred:

**H. 91.**

An act relating to the management of fish and wildlife.

To the Committee on Natural Resources and Energy.

**H. 201.**

An act relating to hospice and palliative care.

To the Committee on Health and Welfare.

**H. 411.**

An act relating to the application of Act 250 to agricultural fairs.

To the Committee on Agriculture.

**H. 436.**

An act relating to tax changes, including income taxes, property taxes, economic development credits, health care-related tax provisions, and miscellaneous tax provisions.

To the Committee on Finance.

**Joint Resolution Placed on Calendar****J.R.H. 15.**

Joint resolution originating in the House of the following title was read the first time and is as follows:

Joint resolution urging the Federal Communications Commission to protect the financial viability of telephone service in rural communities.

Whereas, Vermonters who live in rural areas deserve and expect the same high-quality affordable communications services that are available to their urban neighbors, and

Whereas, rural businesses including farms, entrepreneurial operations, and small cottage industries compete in the global marketplace and depend on affordable access to robust broadband services for their economic success, and

Whereas, affordable access to robust broadband service is critical to the success of Vermont's employers, job market, and economy, and

Whereas, many rural areas encounter significant economic development challenges in bringing high-quality well-paying jobs to their communities, and insufficiently robust broadband speeds further hamper the economic development needs of many rural communities, and

Whereas, all Vermont children, whether residing in rural or urban areas, are entitled to the same educational opportunities, and rural students can only access certain specialized courses electronically from a distant location, and

Whereas, the Communications Act of 1934 provided that all Americans shall have “rapid, efficient Nation-wide . . . communication service with adequate facilities at reasonable charges,” and

Whereas, the Telecommunications Act of 1996 subdivided the definition of universal service into four subcategories including high-cost support, low income support, rural health care, and schools and libraries, and

Whereas, the high-cost subcategory usually means telephone service in rural areas that is often delivered via rural telephone companies, and

Whereas, the Universal Service Fund (USF), as authorized under federal law, and the companion federal Intercarrier Compensation (ICC) provide for transfer payments between regional carriers and the rural telephone companies to assure the vitality of rural telephone services, and

Whereas, telecommunications providers serving rural Vermont work diligently to ensure subscribers access to affordable and reliable broadband services, and they utilize the United States Department of Agriculture’s Rural Utilities Service loan and grant programs for this purpose, and

Whereas, despite the continuing extension of broadband in rural areas, the Federal Communication Commission’s (FCC) new National Broadband Plan will hinder rural Vermonters from realizing the full benefits of robust broadband service, and

Whereas, although the plan proposes a 2020 nationwide goal of broadband transmission speed of one hundred megabits per second, it also provides that federal financing for broadband construction in high-cost rural areas would be limited to service that is no faster than four megabits per second, and

Whereas, the National Broadband Plan runs counter to the federal universal service policy, which ensures access to reasonably comparable communications services and rates regardless of the subscriber’s location, and

Whereas, on February 8, 2011, the FCC issued a notice of proposed rulemaking and further proposed rulemaking to convert the current USF into a

new Connect America Fund intended to expand broadband availability to all areas of the country, and

Whereas, the FCC seeks to revise the USF and the ICC in a manner that will create an unstable transfer payment system resulting in increased rates for individual rural subscribers and that would frustrate the fundamental goal of assuring the affordability and availability of telecommunications services, including rural high-speed broadband services, and

Whereas, although enhanced federal financing to extend broadband in rural areas is welcome, it must be structured equitably and fairly in order that it fosters the continued expansion, maintenance, and upgrade of broadband in rural areas, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges the Federal Communications Commission to design any new system of federal financial support for rural telecommunications services in a manner that does not threaten the viability of existing rural telephone and broadband service or the future economic livelihood and social well-being of rural consumers, and be it further

Resolved: That it is vital to express the importance of robust broadband deployment to rural Vermont and to encourage those amendments to the National Broadband Plan that ensure the extension and continuing sustainability of high-quality broadband service throughout Vermont, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Federal Communications Commission, the Vermont Congressional Delegation, the department of public service, and the public service board.

Thereupon, in the discretion of the President *pro tempore*, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

**Bill Ordered to Lie**

**S. 38.**

Senate bill entitled:

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

Was taken up.

Thereupon, pending third reading of the bill, on motion of Senator Sears, the bill was ordered to lie.

**Bill Amended; Third Reading Ordered****S. 36.**

Senator Cummings, for the Committee on Finance, to which was referred Senate bill entitled:

An act relating to the surplus lines insurance multi-state compliance compact.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

**\*\*\* Authorization to Enter into Compact or Agreement \*\*\***

Sec. 1. 8 V.S.A. § 5020 is added to read:

§ 5020. AUTHORIZATION TO ENTER INTO COMPACT OR OTHER AGREEMENT; NON-ADMITTED INSURANCE

(a) The general assembly finds that:

(1) The Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub.L. 111-203, was signed into law on July 21, 2010. Title V, Subtitle B of that act is known as the Non-Admitted and Reinsurance Reform Act of 2010 (NRRA). NRRA states that:

(A) the placement of non-admitted insurance shall be subject to the statutory and regulatory requirements solely of the insured's home state; and

(B) any law, regulation, provision, or action of any state that applies or purports to apply to non-admitted insurance sold to, solicited by, or negotiated with an insured whose home state is another state shall be preempted with respect to such application; except that any state law, rule, or regulation that restricts the placement of workers' compensation insurance or excess insurance for self-funded workers' compensation plans with a non-admitted insurer shall not be preempted.

(2) In compliance with NRRA, no state other than the home state of an insured may require any premium tax payment for non-admitted insurance; and no state other than an insured's home state may require a surplus lines broker to be licensed in order to sell, solicit, or negotiate non-admitted insurance with respect to such insured.

(3) NRRA intends that the states may enter into a compact or otherwise establish procedures to allocate among the states the premium taxes paid to an insured's home state; and that each state adopt nationwide uniform requirements, forms, and procedures, such as an interstate compact, that

provides for the reporting, payment, collection, and allocation of premium taxes for non-admitted insurance.

(4) By July 21, 2011, if Vermont does not enter into a compact or other reciprocal agreement with other states for the purpose of collecting, allocating, and disbursing premium taxes and fees attributable to multi-state risks, the state could lose up to 20 percent of its surplus lines premium tax collected annually. In fiscal year 2010, Vermont's surplus lines premium tax was \$938,636.54. A revenue loss of 20 percent would be \$187,727.31.

(b) In accordance with NRRA and by July 21, 2011, the commissioner of banking, insurance, securities, and health care administration, subject to the prior approval required in subsection (c) of this section, may enter into a compact, cooperative agreement, reciprocal agreement, or multistate agreement with another state or states to provide for the reporting, payment, collection, and allocation of premium fees and taxes imposed on non-admitted insurance. The commissioner may also enter into other cooperative agreements with surplus lines stamping offices and other similar entities located in other states related to the capturing and processing of insurance premium and tax data. The commissioner is further authorized to participate in any clearinghouse established under any such agreement or agreements for the purpose of collecting and disbursing to reciprocal states any funds collected and applicable to properties, risks, or exposures located or to be performed outside of this state. To the extent that other states where portions of the insured properties, risks, or exposures are located have failed to enter into a compact or reciprocal allocation procedure with Vermont, the net premium tax collected shall be retained by Vermont.

(c) Prior to entering into a compact, cooperative agreement, reciprocal agreement, or multistate agreement with another state or states pursuant to subsection (b) of this section, the commissioner shall obtain the prior approval of the joint fiscal committee, in consultation with the chairs of the senate committee on finance and the house committees on ways and means and on commerce and economic development.

(d) By July 1, 2011, if a clearinghouse is not established or otherwise in operation in order to implement NRRA, all payments and taxes that otherwise would be payable to such a clearinghouse shall be submitted to the commissioner or with a voluntary domestic organization of surplus lines brokers with which the commissioner has contracted for the purpose of collecting and allocating all payments and taxes.

(e) The commissioner may adopt rules deemed necessary to carry out the purposes of this section.

**\*\*\* NRRA Conforming Amendments to Existing VT Laws \*\*\***

Sec. 2. 8 V.S.A. § 5022 is amended to read:

§ 5022. DEFINITIONS

~~For the purposes of this chapter:~~

~~(1) “Surplus lines insurance” means coverage not procurable from admitted insurers.~~

~~(2) “Surplus lines broker” means an individual licensed pursuant to this chapter and chapter 131 of this title.~~

~~(3) “Surplus lines insurer” means a non-admitted insurer with which insurance coverage may be placed under this chapter.~~

~~(4) “Domestic risk” means a subject of insurance which is resident, located or to be performed in this state.~~

~~(5) “To export” means to place surplus lines insurance with a non-admitted insurer.~~

~~(6) “Commissioner” means the commissioner of banking, insurance, securities, and health care administration.~~

~~(7) “Admitted insurer” means an insurer possessing a certificate of authority to transact business in this state issued by the commissioner pursuant to section 3361 of this title.~~

(a) Notwithstanding subsection (b) of this section, as used in this chapter, unless the context requires otherwise, words and phrases shall have the meaning given under Title V, Subtitle B of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub.L. 111-203, as amended.

(b) For purposes of this chapter:

(1) “Admitted insurer” means an insurer possessing a certificate of authority to transact business in this state issued by the commissioner pursuant to section 3361 of this title.

(2) “Commissioner” means the commissioner of banking, insurance, securities, and health care administration.

(3) “Domestic risk” means a subject of insurance which is resident, located, or to be performed in this state.

(4) “To export” means to place surplus lines insurance with a non-admitted insurer.

(5) “Home state” means, with respect to an insured:

(A)(i) the state in which an insured maintains its principal place of business or, in the case of an individual, the individual's principal residence; or

(ii) if 100 percent of the insured risk is located outside the state referred to in subdivision (A)(i) of this subsection, the state to which the greatest percentage of the insured's taxable premium for that insurance contract is allocated.

(B) If more than one insured from an affiliated group are named insureds on a single non-admitted insurance contract, the term "home state" means the home state, as determined pursuant to subdivision (A) of this subdivision (5), of the member of the affiliated group that has the largest percentage of premium attributed to it under such insurance contract.

(6) "NAIC" means the national association of insurance commissioners.

(7) "Surplus lines broker" means an individual licensed under this chapter and chapter 131 of this title.

(8) "Surplus lines insurance" means coverage not procurable from admitted insurers.

(9) "Surplus lines insurer" means a non-admitted insurer with which insurance coverage may be placed under this chapter.

Sec. 3. 8 V.S.A. § 5024 is amended to read:

#### § 5024. CONDITIONS FOR PLACEMENT OF INSURANCE

(a) Insurance coverage, except as described in section 5025 of this chapter, shall not be placed with a nonadmitted insurer unless the full amount of insurance required is not reasonably procurable from admitted insurers actually transacting that kind and class of insurance in this state; and the amount of insurance exported shall be only the excess over the amount procurable from admitted insurers actually transacting and insuring that kind and class of insurance.

(b) Notwithstanding any other provision of this section, the commissioner may order eligible for export any class or classes of insurance coverage or risk for which he or she finds there to be an inadequate competitive market among admitted insurers either as to acceptance of the risk, contract terms or premium or premium rate.

(c) The due diligence search for reasonably procurable insurance coverage required under subsection (a) of this section is not required for an exempt commercial purchaser, provided:



(1) the surplus lines broker procuring or placing the surplus lines insurance has disclosed to the exempt commercial purchaser that such insurance may be available from an admitted insurer and may provide greater protection with more regulatory oversight; and

(2) the exempt commercial purchaser has subsequently requested in writing the surplus lines broker to procure or place such insurance from a nonadmitted insurer.

Sec. 4. 8 V.S.A. § 5025 is amended to read:

§ 5025. EXCEPTIONS CONCERNING PLACEMENT OF INSURANCE WITH NONADMITTED INSURERS; RECORDS

The provisions of this chapter controlling the placement of insurance with nonadmitted insurers shall not apply to life insurance, health insurance, annuities, or reinsurance, nor to the following insurance when so placed by any licensed producer in this state:

~~(1) insurance on subjects located, resident, or to be performed wholly outside this state whose home state is other than Vermont;~~

\* \* \*

Sec. 5. 8 V.S.A. § 5026 is amended to read:

§ 5026. SOLVENT INSURERS REQUIRED

~~(a) Surplus~~ Where Vermont is the home state of the insured, surplus lines brokers shall not knowingly place or continue surplus lines insurance with nonadmitted insurers who are insolvent or unsound financially, and in no event shall any surplus lines broker place any insurance with a nonadmitted insurer unless such insurer:

~~(1) has paid to the commissioner an initial fee of \$100.00 and an annual listing fee of \$300.00, payable before March 1 of each year;~~

~~(2) has furnished the commissioner with a certified copy of its current annual statement; and~~

~~(3) has and maintains capital, surplus or both to policyholders in an amount not less than \$10,000,000.00; and surplus or its equivalent under the laws of its domiciliary jurisdiction which equals the greater of:~~

(A) the minimum capital and surplus requirements under the law of this state; or

(B) \$15,000,000.00; and

~~(4)(2) if an alien insurer, in addition to the requirements of subdivisions (1), (2), and (3) of this subsection, has established a trust fund in a minimum amount of \$2,500,000.00 within the United States maintained in and administered by a bank that is a member of the Federal Reserve System and held for the benefit of all of its insurer's policyholders and beneficiaries in the United States. In the case of an association of insurers, which association includes unincorporated individual insurers, they shall maintain in a bank that is a member of the Federal Reserve System assets held in trust for all their policyholders and beneficiaries in the United States of not less than \$50,000,000.00 in lieu of the foregoing trust fund requirement. These trust funds or assets held in trust shall consist of investments of substantially the same character and quality as those which are eligible investments for the capital and statutory reserves of admitted insurers authorized to write like kinds of insurance is listed on the quarterly listing of alien insurers maintained by the NAIC international insurers department.~~

(b) Notwithstanding the capital and surplus requirements of this section, a non-admitted insurer may receive approval upon an affirmative finding of acceptability by the commissioner. The finding shall be based upon such factors as quality of management, capital and surplus of any parent company, company underwriting profit and investment-income trends, market availability, and company record and reputation within the industry. In no event, however, shall the commissioner make an affirmative finding of acceptability when the surplus lines insurer's capital and surplus is less than \$4,500,000.00.

(c) The commissioner may from time to time publish a list of all nonadmitted insurers deemed by him or her to be currently eligible surplus lines insurers under the provisions of this section, and shall mail a copy of such list to each surplus lines broker. The commissioner may satisfy this subsection by adopting the list of approved surplus lines insurers published by the Nonadmitted Insurers Information Office of the National Association of Insurance Commissioners. This subsection shall not be deemed to cast upon the commissioner the duty of determining the actual financial condition or claims practices of any nonadmitted insurer; and the status of eligibility, if granted by the commissioner, shall indicate only that the insurer appears to be sound financially and to have satisfactory claims practices, and that the commissioner has no credible evidence to the contrary. While any such list is in effect, the surplus lines broker shall restrict to the insurers so listed all surplus lines insurance business placed by him or her. However, upon the request of a surplus lines broker or an insured, the commissioner may deem a nonadmitted insurer to be an eligible surplus lines insurer for purposes of this

subsection prior to publication of the name of such surplus lines insurer on the list.

Sec. 6. 8 V.S.A. § 5027(a) is amended to read:

(a) ~~Upon~~ Where Vermont is the home state of the insured, the surplus lines broker, upon placing a domestic risk with a surplus lines insurer, ~~the surplus lines broker~~ shall promptly deliver to the insured the policy issued by the surplus lines insurer, or if such policy is not then available, a certificate, cover note, or other confirmation of insurance, showing the description and location of the subject of the insurance, coverage, conditions and term of the insurance, the premium and rate charged and taxes collected from the insured, and the name and address of the insured and surplus lines insurer. If the risk is assumed by more than one insurer, the document or documents shall state the name and address and proportion of the entire risk assumed by each insurer.

Sec. 7. 8 V.S.A. § 5028 is amended to read:

§ 5028. INFORMATION REQUIRED ON CONTRACT

~~Each~~ Where Vermont is the home state of the insured, each surplus lines broker through whom a surplus lines insurance coverage is procured shall endorse on the outside of the policy and on any confirmation of the insurance, his or her name, address and license number, and the name and address of the producer, if any, through whom the business originated. Where such coverage is placed with an eligible surplus lines insurer there shall be stamped or written conspicuously in no smaller than 10 point boldface type of a contrasting color upon the first page of the policy and the confirmation of insurance if any, "The company issuing this policy has not been licensed by the state of Vermont and the rates charged have not been approved by the commissioner of insurance. Any default on the part of the insurer is not covered by the Vermont Insurance Guaranty Association."

Sec. 8. 8 V.S.A. § 5033(a) is amended to read:

(a) ~~Each~~ Where Vermont is the home state of the insured, each surplus lines broker shall keep in his or her office a full and true record of each surplus lines insurance contract covering a domestic risk placed by or through him or her with a surplus lines insurer, including a copy of the daily report, if any, and showing such of the following items as may be applicable:

\* \* \*

Sec. 9. 8 V.S.A. § 5035(a) is amended to read:

(a) ~~Gross~~ Where Vermont is the home state of the insured, gross premiums charged, less any return premiums, for surplus lines coverages placed with

nonadmitted insurers are subject to a premium receipts tax of three percent, which shall be collected from the insured by the surplus lines broker at the time of delivery of policy or other confirmation of insurance, in addition to the full amount of the gross premium charged by the insurer for the insurance. The tax on any portion of the premium unearned at termination of insurance shall be returned to the policyholder by the surplus lines broker. Nothing contained in this section will preclude a surplus lines broker from charging a fee to the purchaser of the contract sufficient to recover the amount of this tax. Where the insurance covers properties, risks, or exposures located or to be performed both in and out of this state, the sum payable shall be computed based on gross premiums charged, less any return premiums, as follows:

(1) An amount equal to three percent on that portion of the premiums applicable to properties, risks, or exposures located or to be performed in Vermont; plus

(2) An amount equal to a percentage on that portion of the premiums applicable to properties, risks, or exposures located or to be performed outside Vermont. Such percentage shall be determined based on the laws of the jurisdiction within which the property, risk, or exposure is located or to be performed.

Sec. 10. 8 V.S.A. § 5036 is amended to read:

§ 5036. DIRECT PLACEMENT OF INSURANCE

(a) Every insured and every self-insurer in this state for whom this is their home state, who procures or causes to be procured or continues or renews insurance from any non-admitted insurer, covering a subject located or to be performed within this state, other than insurance procured through a surplus lines broker pursuant to this chapter, shall, before March 1 of the year after the year in which the insurance was procured, continued or renewed, file a written report with the commissioner on forms prescribed and furnished by the commissioner. The report shall show:

\* \* \*

Sec. 11. 8 V.S.A. § 5037(7) is amended to read:

(7) ~~Violation~~ Material violation of any provision of this chapter; or

Sec. 12. 8 V.S.A. § 4807 is amended to read:

§ 4807. SURPLUS LINES INSURANCE BROKER

(a) Every surplus lines insurance broker who solicits an application for insurance of any kind, in any controversy between the insured or his or her

beneficiary and the insurer issuing any policy upon such application, shall be regarded as representing the insured and his or her beneficiary and not the insurer; except any insurer which directly or through its agents delivers in this state to any surplus lines insurance broker a policy or contract for insurance pursuant to the application or request of the surplus lines insurance broker, acting for an insured other than himself or herself, shall be deemed to have authorized the surplus lines insurance broker to receive on its behalf payment of any premium which is due on the policy or contract for insurance at the time of its issuance or delivery.

(b) [Repealed.]

(c) Notwithstanding any other provision of this title, a person licensed as a surplus lines insurance broker in his or her home state shall receive a nonresident surplus lines insurance broker license pursuant to section 4800 of this chapter.

(d) Not later than July 1, 2012, the commissioner shall participate in the national insurance producer database of the NAIC, or any other equivalent uniform national database, for the licensure of surplus lines brokers and the renewal of such licenses.

#### Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, and third reading of the bill was ordered.

#### **Third Reading Ordered**

##### **S. 101.**

Senate committee bill entitled:

An act relating to child support enforcement.

Having appeared on the Calendar for notice for one day, was taken up.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

**Bill Amended; Third Reading Ordered****S. 77.**

Senator Brock, for the Committee on Natural Resources and Energy, to which was referred Senate Committee bill entitled:

An act relating to water testing of private wells.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

**Sec. 1. FINDINGS**

The general assembly finds and declares that:

(1) The U.S. Environmental Protection Agency and the Vermont department of health estimate that 40 percent of Vermont residents obtain drinking water from private wells.

(2) Property owners are not required to test private wells used for potable water, and the state does not regulate the water quality of private drinking water wells.

(3) In adults and especially in children, contaminated well water can cause serious health effects, such as digestive problems, kidney problems, blue baby syndrome, and brain damage.

(4) Because the state does not regulate water quality in private wells, the state lacks a comprehensive database or map identifying where groundwater contamination is prevalent in the state.

(5) To help mitigate the potential health effects of contaminated well water, the state should require well tests for all newly constructed or drilled wells and should conduct education and outreach regarding the need for property owners to test the water quality of private wells used as potable water supplies.

(6) The state should utilize private well tests to construct a database and map of groundwater contamination in the state so that the department of health can recommend treatment options to property owners in certain parts of the state.

Sec. 2. 10 V.S.A. § 1981 is added to read:

**§ 1981. TESTING OF PRIVATE WELLS; NEW WELLS**

(a) After initial construction or drilling of a well intended for use as a potable water supply, the owner of the property on which the well is located shall test the well for the parameters set forth in subsection (b) of this section.

The test required by this subsection shall be conducted at a time and by a laboratory established by rule under subsection (c) of this section.

(b) A water test conducted under this section shall include, at a minimum, a test for arsenic; lead; uranium; gross alpha radiation; coliform bacteria, nitrate, nitrite, fluoride, manganese, and any other parameters required by the agency by rule.

(c) The secretary shall, after consultation with the department of health, the wastewater and potable water supply technical advisory committee, the Vermont realtors' association, the Vermont home inspectors' association, private laboratories, and other interested parties, adopt by rule requirements for:

(1) when, after construction or drilling of a well, the well test required under subsection (a) of this section shall be conducted;

(2) how such well samples will be delivered for testing, including the form and information to be submitted with the well sample;

(3) accreditation or approval of laboratories conducting the well test required under subsection (a) of this section; and

(4) any other requirements necessary to implement the requirements of this section.

(d) Any laboratory that analyzes a water sample of a private well in Vermont shall report the results of the well analysis to the entity submitting the sample and shall report, in an electronic format, to the department of health all information that is required by the department pursuant to the rule adopted under subsection (c) of this section.

Sec. 3. 27 V.S.A. § 616 is added to read:

§ 616. PRIVATE WELL TESTING; DISCLOSURE OF EDUCATIONAL MATERIAL

(a) Prior to the execution of a purchase and sale agreement for a property not served by a public community water system, the seller shall provide the buyer with informational materials developed by the department of health regarding:

(1) the potential health effects of untreated well water; and

(2) the buyer's opportunity under the agreement to test the potable water supply.

(b) Noncompliance with this section shall not affect marketability of title.

Sec. 4. DEPARTMENT OF HEALTH; EDUCATION AND OUTREACH  
ON SAFE DRINKING WATER

The department of health, after consultation with the agency of natural resources, shall revise and update its education and outreach materials regarding the potential health effects of contaminants in private sources of drinking water in order to improve citizen access to such materials and to increase awareness of the need to conduct testing of private water sources. In revising and updating its education and outreach materials, the department shall update the online safe water resource guide by incorporating the most current information on the health effects of contaminants, treatment of contaminants, and causes of contamination and by directly linking users to the department of health contaminant fact sheets.

Sec. 5. EFFECTIVE DATES

This act shall take effect upon passage, except that 10 V.S.A. § 1981(a) (testing of new wells) and 10 V.S.A. § 1981(d) (well test reports) shall take effect on January 1, 2013.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, and third reading of the bill was ordered.

**Senator Mazza Assumes the Chair**

**House Concurrent Resolutions**

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, are hereby adopted in concurrence:

By Representatives Bissonnette and Atkins,

**H.C.R. 99.**

House concurrent resolution congratulating the DREAM Program, Inc. on its 10th anniversary.

By Senators Brock and Kittell,

By Representative Keenan and others,

**H.C.R. 100.**

House concurrent resolution congratulating the 2011 Bellows Free Academy-St. Albans Comets Division I girls' ice hockey team.



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By Representatives Trieber and Partridge,

**H.C.R. 101.**

House concurrent resolution congratulating Jeremy Haskins on being named a 2011 winner of the North American Retail Hardware Association's Young Retailer of the Year Award.

By Senators Cummings, Doyle and Pollina,

By Representative Klein and others,

**H.C.R. 102.**

House concurrent resolution congratulating the 2011 U-32 Raiders Division II championship girls' hockey team.

By Senators Ayer, Giard and White,

By Representative Lanpher and others,

**H.C.R. 103.**

House concurrent resolution welcoming the decision of the International Earth Science Olympiad to come to Vermont in 2014.

By Representative Myers and others,

**H.C.R. 104.**

House concurrent resolution congratulating the 2011 Essex High School Hornets Division I championship cheerleading team.

By Representative Pugh and others,

**H.C.R. 105.**

House concurrent resolution congratulating the 2011 Rice Memorial High School Green Knights Division I championship girls' basketball team.

By Representative Lenes and others,

**H.C.R. 106.**

House concurrent resolution congratulating the 2011 Vermont LifeSmarts championship team from Champlain Valley Union High School.

By Representative Lenes and others,

**H.C.R. 107.**

House concurrent resolution congratulating the 2011 Champlain Valley Union High School Redhawks Division I championship boys' Nordic ski team.

[The full text of the House concurrent resolutions appeared in the Senate calendar addendum for March 24, 2011, and, if adopted in concurrence by the House, will appear in the volume of the Public Acts and Resolves to be published for this session of the seventieth-first biennial session of the Vermont General Assembly.]

### **Adjournment**

On motion of Senator Carris, the Senate adjourned, to reconvene on Tuesday, March 29, 2011, at nine o'clock and thirty in the forenoon pursuant to J.R.S. 23.