

# House Calendar

---

Tuesday, January 07, 2014

1st DAY OF THE ADJOURNED SESSION

House Convenes at 10:00 A.M.

---

## TABLE OF CONTENTS

---

**Page No.**

### **NOTICE CALENDAR**

#### **Favorable with Amendment**

**S. 25** An act relating to public advocacy in utility matters ..... 1  
Rep. Botzow for Commerce and Economic Development

#### **Senate Proposal of Amendment**

**H. 524** Making technical amendments to education laws ..... 10

---

---

**ORDERS OF THE DAY**

---

---

**NOTICE CALENDAR**

**Favorable with Amendment**

**S. 25**

An act relating to public advocacy in utility matters

**Rep. Botzow of Pownal**, for the Committee on **Commerce and Economic Development**, recommends that the House propose to the Senate that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Department of Public Service Advocacy \* \* \*

Sec. 1. 30 V.S.A. § 2 is amended to read:

§ 2. DEPARTMENT OF PUBLIC SERVICE; POWERS

(a) The ~~department of public service~~ Department of Public Service shall supervise and direct the execution of all laws relating to public service corporations and firms and individuals engaged in such business, including the:

(1) ~~Formation~~ formation, organization, ownership, and acquisition of facilities of public service corporations under chapter 3 of this title;

(2) ~~Participation~~ participation in planning for proper utility service as provided in section 202 of this title through the ~~director for regulated utility planning~~ Director for Regulated Utility Planning;

(3) ~~Supervision~~ supervision and evaluation under chapters 5 and 77 of this title of the quality of service of public utility companies;

(4) ~~Interconnection~~ interconnection and interchange of facilities of electric companies under sections 210, 213, and 214 of this title;

(5) ~~Representation~~ representation of the ~~state~~ State in the negotiations and proceedings for the procurement of electric energy from any source outside of this ~~state~~ State and from any generation facility inside the ~~state~~ State under sections 211 and 212 of this title;

(6) ~~Review~~ review of proposed changes in rate schedules and petition to the ~~public service board~~ Public Service Board, and representation of the interests of the consuming public in proceedings to change rate schedules of public service companies under chapter 5 of this title;

(7) ~~Siting~~ siting of electric generation and transmission facilities under section 248 of this title;

(8) ~~Consolidations~~ consolidations and mergers of public service corporations under chapter 7 of this title;

(9) ~~Supervision~~ supervision and regulation of cable television systems under chapter 13 of this title;

(10) ~~Supervision~~ supervision and regulation of telegraph and telephone companies under chapters 71, 73, and 75 of this title;

(11) ~~Supervision~~ supervision and regulation of the organization and operation of municipal plants under chapter 79 of this title;

(12) ~~Supervision~~ supervision and regulation of the organization and operation of electric cooperatives under chapter 81 of this title.

(b) In cases requiring hearings by the ~~board~~ Board, the ~~department~~ Department, through the ~~director for public advocacy~~ Director for Public Advocacy shall represent the interests of the people of the ~~state~~ State, unless otherwise specified by law. In any hearing, the ~~board~~ Board may, if it determines that the public interest would be served, request the ~~attorney general~~ Attorney General or a member of the Vermont ~~bar~~ Bar to represent the public or the ~~state~~ State.

(c) The ~~department~~ Department may bring proceedings on its own motion before the ~~public service board~~ Public Service Board, with respect to any matter within the jurisdiction of the ~~public service board~~ Board, and may initiate rule-making proceedings before ~~that board~~ the Board. The ~~public service board~~ Public Service Board, with respect to any matter within its jurisdiction, may issue orders on its own motion and may initiate rule-making proceedings.

(d) In any proceeding where the ~~decommissioning fund~~ Decommissioning Fund for the Vermont Yankee nuclear facility is involved, the ~~department~~ Department shall represent the consuming public in a manner that acknowledges that the general public interest requires that the consuming public, rather than either the ~~state's~~ State's future consumers who never obtain benefits from the facility or the ~~state's~~ State's taxpayers, ought to provide for all costs of decommissioning. The ~~department~~ Department shall seek to have the ~~decommissioning fund~~ Decommissioning Fund be based on all reasonably expected costs.

(e) In performing its duties under this section, the Department shall give heightened consideration to the interests of ratepayer classes who are not independently represented parties in proceedings before the Board, including residential, low-income, and small business consumers, as well as other

consumers whose interests might otherwise not be adequately represented but for the Department's advocacy.

Sec. 2. DEPARTMENT OF PUBLIC SERVICE; REPORT ON CONSUMER REPRESENTATION

On or before July 1, 2014, the Commissioner shall submit a report to the General Assembly which includes an analysis of how the Department, in performing its duties under 30 V.S.A. § 2, determines the interests of the consuming public and of the State and ensures adequate representation of the interests of those consumers whose interests might not otherwise be adequately represented in matters before the Board, including residential, low income, and small business consumers. The report shall include a description of how the Department assesses whether the interests of different ratepayer classes – such as residential, low income, and small business – are in conflict and, if so, how such conflicts are resolved. In addition, the Commissioner shall evaluate how representation of the interests of residential, low income, and small business consumers has occurred in past proceedings and describe ways in which the Department might more effectively represent those interests in future proceedings. The report also shall describe improvements in the Department's processes related to the integration of the roles and responsibilities of the Director for Public Advocacy and the Director for Consumer Protection and Education, particularly with respect to representation of the consuming public and the interests of the State. In conducting this analysis, the Commissioner shall consult with residential and small business ratepayers, advocacy groups for low income, residential, and small business ratepayers, and any other person or entity as determined by the Commissioner.

\* \* \* Electronic Filings and Case Management \* \* \*

Sec. 3. 30 V.S.A. § 11(a) is amended to read:

(a) The forms, pleadings, and rules of practice and procedure before the ~~board~~ Board shall be prescribed by it. The ~~board~~ Board shall promulgate and adopt rules which include, among other things, provisions that:

(1) A utility whose rates are suspended under the provisions of section 226 of this title shall, within 30 days from the date of the suspension order, file with the ~~board~~ ~~10 copies of~~ Board all exhibits it intends to use in the hearing thereon together with the names of witnesses it intends to produce in its direct case and a short statement of the purposes of the testimony of each witness. Except in the discretion of the ~~board~~ Board, a utility shall not be permitted to introduce into evidence in its direct case exhibits which are not filed in accordance with this rule.

\* \* \*

Sec. 4. 30 V.S.A. § 11a is added to read:

§ 11a. ELECTRONIC FILING AND ISSUANCE

(a) As used in this section:

(1) “Confidential document” means a document containing information for which confidentiality has been asserted and that has been filed with the Board and parties in a proceeding subject to a protective order duly issued by the Board.

(2) “Document” means information inscribed on a tangible medium or stored in an electronic or other medium and retrievable in perceivable form.

(3) “Electronic filing” means the transmission of documents to the Board by electronic means.

(4) “Electronic filing system” means a board-designated system that provides for the electronic filing of documents with the Board and for the electronic issuance of documents by the Board. If the system provides for the filing or issuance of confidential documents, it shall be capable of maintaining the confidentiality of confidential documents and of limiting access to confidential documents to individuals explicitly authorized to access such confidential documents.

(5) “Electronic issuance” means:

(A) the transmission by electronic means of a document that the Board has issued, including an order, proposal for decision, or notice; or

(B) the transmission of a message from the Board by electronic means informing the recipients that the Board has issued a document, including an order, proposal for decision, or notice, and that it is available for viewing and retrieval from an electronic filing system.

(6) “Electronic means” means any Board-authorized method of electronic transmission of a document.

(b) The Board by order, rule, procedure, or practice may:

(1) provide for electronic issuance of any notice, order, proposal for decision, or other process issued by the Board, notwithstanding any other service requirements set forth in this title or in 10 V.S.A. chapter 43;

(2) require electronic filing of documents with the Board;

(3) for any filing or submittal to the Board for which the filing or submitting entity is required to provide notice or a copy to another state agency under this title or under 10 V.S.A. chapter 43, waive such requirement if the

state agency will receive notice of and access to the filing or submittal through an electronic filing system; and

(4) for any filing, order, proposal for decision, notice, or other process required to be served or delivered by first-class mail or personal delivery under this title or under 10 V.S.A. chapter 43, waive such requirement to the extent the required recipients will receive the filing, order, proposal of decision, notice, or other process by electronic means or will receive notice of and access to the filing, order, proposal for decision, notice, or other process through an electronic filing system.

(c) Any order, rule, procedure, or practice issued under subsection (b) of this section shall include exceptions to accommodate parties and other participants who are unable to file or receive documents by electronic means.

(d) Subsection (b) of this section shall not apply to the requirements for service of citations and notices in writing as set forth in sections 111(b), 111a(i), and 2804 of this title.

\* \* \* Participation in Federal Proceedings \* \* \*

Sec. 5. 30 V.S.A. § 2(b) is amended to read:

(b) In cases requiring hearings by the ~~board~~ Board, the ~~department~~ Department, through the ~~director for public advocaey~~ Director for Public Advocacy, shall represent the interests of the people of the ~~state~~ State, unless otherwise specified by law. In any hearing, the ~~board~~ Board may, if it determines that the public interest would be served, request the ~~attorney general~~ Attorney General or a member of the Vermont ~~bar~~ Bar to represent the public or the ~~state~~ State. In addition, the Department may intervene, appear, and participate in Federal Energy Regulatory Commission proceedings, Federal Communications Commission proceedings, or other federal administrative proceedings on behalf of the Vermont public.

\* \* \* Coordination of Energy Planning \* \* \*

Sec. 6. 30 V.S.A. § 202 is amended to read:

#### § 202. ELECTRICAL ENERGY PLANNING

(a) The ~~department of public service~~ Department of Public Service, through the ~~director for regulated utility planning~~ Director for Regulated Utility Planning, shall constitute the responsible utility planning agency of the ~~state~~ State for the purpose of obtaining for all consumers in the ~~state~~ State proper utility service at minimum cost under efficient and economical management consistent with other public policy of the ~~state~~ State. The ~~director~~ Director shall be responsible for the provision of plans for meeting emerging trends related to electrical energy demand, supply, safety, and conservation.

(b) The ~~department~~ Department, through the ~~director~~ Director, shall prepare an electrical energy plan for the ~~state~~ State. The plan shall be for a 20-year period and shall serve as a basis for state electrical energy policy. The electric energy plan shall be based on the principles of “least cost integrated planning” set out in and developed under section 218c of this title. The plan shall include at a minimum:

(1) an overview, looking 20 years ahead, of statewide growth and development as they relate to future requirements for electrical energy, including patterns of urban expansion, statewide and service area economic growth, shifts in transportation modes, modifications in housing types and design, conservation and other trends and factors which, as determined by the ~~director~~ Director, will significantly affect state electrical energy policy and programs;

(2) an assessment of all energy resources available to the ~~state~~ State for electrical generation or to supply electrical power, including, among others, fossil fuels, nuclear, hydro-electric, biomass, wind, fuel cells, and solar energy and strategies for minimizing the economic and environmental costs of energy supply, including the production of pollutants, by means of efficiency and emission improvements, fuel shifting, and other appropriate means;

(3) estimates of the projected level of electrical energy demand;

(4) a detailed exposition, including capital requirements and the estimated cost to consumers, of how such demand shall be met based on the assumptions made in subdivision (1) of this subsection and the policies set out in subsection (c) of this section; and

(5) specific strategies for reducing electric rates to the greatest extent possible in Vermont over the most immediate ~~five-year~~ six-year period, for the next succeeding ~~five-year~~ six-year period, and long-term sustainable strategies for achieving and maintaining the lowest possible electric rates over the full 20-year planning horizon consistent with the goal of maintaining a financially stable electric utility industry in Vermont.

(c) In developing the plan, the ~~department~~ Department shall take into account the protection of public health and safety; preservation of environmental quality; the potential for reduction of rates paid by all retail electricity customers; the potential for reduction of electrical demand through conservation, including alternative utility rate structures; use of load management technologies; efficiency of electrical usage; utilization of waste heat from generation; and utility assistance to consumers in energy conservation.

(d) In establishing plans, the ~~director~~ Director shall:

- (1) Consult with:
  - (A) the public;
  - (B) Vermont municipal utilities;
  - (C) Vermont cooperative utilities;
  - (D) Vermont investor-owned utilities;
  - (E) Vermont electric transmission companies;
  - (F) environmental and residential consumer advocacy groups active in electricity issues;
  - (G) industrial customer representatives;
  - (H) commercial customer representatives;
  - (I) ~~the public service board~~ Public Service Board;
  - (J) an entity designated to meet the public's need for energy efficiency services under subdivision 218c(a)(2) of this title;
  - (K) other interested state agencies; and
  - (L) other energy providers.

(2) To the extent necessary, include in the plan surveys to determine needed and desirable plant improvements and extensions and coordination between utility systems, joint construction of facilities by two or more utilities, methods of operations, and any change that will produce better service or reduce costs. To this end, the ~~director~~ Director may require the submission of data by each company subject to supervision, of its anticipated electrical demand, including load fluctuation, supplies, costs, and its plan to meet that demand and such other information as the ~~director~~ Director deems desirable.

(e) The ~~department~~ Department shall conduct public hearings on the final draft and shall consider the evidence presented at such hearings in preparing the final plan. The plan shall be adopted no later than January 1, ~~2004~~ 2016 and readopted in accordance with this section by every sixth January 1 thereafter, and shall be submitted to the ~~general assembly~~ General Assembly each time the plan is adopted or readopted. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the submission to be made under this subsection.

(f) After adoption by the ~~department~~ Department of a final plan, any company seeking ~~board~~ Board authority to make investments, to finance, to site or construct a generation or transmission facility or to purchase electricity or rights to future electricity, shall notify the ~~department~~ Department of the



proposed action and request a determination by the ~~department~~ Department whether the proposed action is consistent with the plan. In its determination whether to permit the proposed action, the ~~board~~ Board shall consider the ~~department's~~ Department's determination of its consistency with the plan along with all other factors required by law or relevant to the ~~board's~~ Board's decision on the proposed action. If the proposed action is inconsistent with the plan, the ~~board~~ Board may nevertheless authorize the proposed action if it finds that there is good cause to do so. The ~~department~~ Department shall be a party to any proceeding on the proposed action, except that this section shall not be construed to require a hearing if not otherwise required by law.

(g) The ~~director~~ Director shall annually review that portion of a plan extending over the next ~~five~~ six years. The ~~department~~ Department, through the ~~director~~ Director, shall ~~annually~~ biennially extend the plan by ~~one~~ two additional ~~year~~ years; and from time to time, ~~but in no~~ and in any event less than every ~~five years~~ sixth year, institute proceedings to review a plan and make revisions, where necessary. The ~~five-year~~ six-year review and any interim revisions shall be made according to the procedures established in this section for initial adoption of the plan. The six-year review and any revisions made in connection with that review shall be performed contemporaneously with readoption of the comprehensive energy plan under section 202b of this title.

(h) The plans adopted under this section ~~shall be submitted to the energy committees of the general assembly and~~ shall become the electrical energy portion of the state energy plan.

(i) It shall be a goal of the electrical energy plan to assure, by 2028, that at least 60 MW of power are generated within the ~~state~~ State by combined heat and power (CHP) facilities powered by renewable fuels ~~or by nonqualifying SPEED resources~~, as defined in section 8002 of this title. In order to meet this goal, the plan shall include incentives for development and strategies to identify locations in the ~~state~~ State that would be suitable for CHP. The plan shall include strategies to assure the consideration of CHP potential during any process related to the expansion of natural gas services in the ~~state~~ State.

Sec. 7. 30 V.S.A. § 202b is amended to read:

#### § 202b. STATE COMPREHENSIVE ENERGY PLAN

(a) The ~~department of public service~~ Department of Public Service, in conjunction with other state agencies designated by the ~~governor~~ Governor, shall prepare a comprehensive state energy plan covering at least a 20-year period. The plan shall seek to implement the state energy policy set forth in section 202a of this title. The plan shall include:

(1) A comprehensive analysis and projections regarding the use, cost, supply, and environmental effects of all forms of energy resources used within Vermont.

(2) Recommendations for ~~state~~ State implementation actions, regulation, legislation, and other public and private action to carry out the comprehensive energy plan.

(b) In developing or updating the plan's recommendations, the ~~department of public service~~ Department of Public Service shall seek public comment by holding public hearings in at least five different geographic regions of the ~~state~~ State on at least three different dates, and by providing notice through publication once a week and at least seven days apart for two or more successive weeks in a newspaper or newspapers of general circulation in the regions where the hearings will be held, and by delivering notices to all licensed commercial radio and television stations with transmitting facilities within the ~~state~~ State, plus Vermont Public Radio and Vermont Educational Television.

(c) The ~~department~~ Department shall adopt a state energy plan by ~~no later than January 1, 1994~~ 2016 and shall readopt the plan by every sixth January 1 thereafter. On adoption or readoption, the plan shall be submitted to the General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to such submission.

(1) Upon adoption of the plan, analytical portions of the plan may be updated ~~annually~~ and published biennially.

(2) Every fourth year after the adoption or readoption of a plan under this section, the Department shall publish the manner in which the Department will engage the public in the process of readopting the plan under this section.

(3) The publication requirements of subdivisions (1) and (2) of this subsection may be met by inclusion of the subject matter in the Department's biennial report.

(4) The plan's implementation recommendations shall be updated by the ~~department~~ Department no less frequently than every ~~five~~ six years. These recommendations shall be updated prior to the expiration of ~~five~~ six years if the ~~general assembly~~ General Assembly passes a joint resolution making a request to that effect. If the ~~department~~ Department proposes or the ~~general assembly~~ General Assembly requests the revision of implementation recommendations, the ~~department~~ Department shall hold public hearings on the proposed revisions.

(d) ~~Any distribution~~ Distribution of the plan to members of the ~~general assembly~~ General Assembly shall be in accordance with the provisions of 2 V.S.A. § 20 (a)-(c).

Sec. 8. INTENT; RETROACTIVE APPLICATION

In enacting Secs. 6 (20-year electric plan) and 7 (comprehensive energy plan) of this act, the General Assembly intends to set the readoption of these plans by the Department of Public Service on a regular six-year cycle.

\* \* \* Effective Date \* \* \*

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

**(Committee vote: 9-0-2 )**

**(For text see Senate Journal 2/28/2013 )**

**Senate Proposal of Amendment**

**H. 524**

An act relating to making technical amendments to education laws

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

First: By striking out Secs. 16 through 22 in their entirety and inserting in lieu thereof 7 new sections to be Secs. 16 through 22 to read:

Sec. 16. REDESIGNATION; ADDITION OF SUBCHAPTER

16 V.S.A. chapter 1, subchapter 2, which shall include §§ 41-55, is added to read:

Subchapter 2. Federal Funds

\* \* \*

Sec. 17. 16 V.S.A. § 168 is amended to read:

§ ~~168~~ 41. ~~AUTHORITY OF STATE BOARD OF EDUCATION~~ AGENCY  
~~TO UTILIZE~~ USE FEDERAL FUNDS TO AID EDUCATION

(a) The ~~state board~~ Agency of Education is designated as the sole state agency to establish and administer ~~through the department of education~~ any statewide plan ~~which is now or hereafter may be~~ required as a condition for receipt of federal funds ~~as may be made available to the state of Vermont by the Congress of the United States, or administrative ruling pursuant thereto,~~ State for any educational purposes, including technical education and adult education and literacy. ~~It~~ The Agency shall also be the agency to accept and administer federal funds ~~which federal legislation requires~~ that require

administration by a state education agency having jurisdiction of elementary and secondary education ~~to administer.~~

(b) Subject to the approval of the ~~governor~~ Governor, the ~~board~~ Agency may accept and ~~utilize such~~ use federal funds. It may establish criteria and procedures to conform with any requirements established for the use of ~~such~~ the funds and may take such other action as may be required to comply with any condition for receipt of ~~such~~ federal aid.

Sec. 18. 16 V.S.A. § 169 is amended to read:

§ ~~169~~ 42. ACCEPTANCE, DISTRIBUTION AND ACCOUNTING OF FEDERAL FUNDS

(a) The ~~state treasurer~~ State Treasurer, acting upon the order of the ~~commissioner or his or her authorized representative~~ Secretary, shall accept, distribute, and account for federal funds available for use by the ~~state board~~ Agency. Funds shall be distributed and accounted for by the ~~state treasurer~~ State Treasurer in accordance with the laws of ~~this state~~ Vermont, but if there is a conflict between those laws, and the laws or regulations of the United States, then federal law shall apply. The ~~commissioner~~ Secretary shall ~~cause to be submitted to the United States such detailed statements of the amounts so prepare and submit federally required statements of funds received and disbursed as shall be required by the United States.~~ The ~~commissioner~~ Secretary shall cause an audit to be made of ~~such~~ the federal funds and shall submit a copy thereof to a properly authorized official of the United States of the audit as required by the laws or regulations of the United States federal law. ~~Such~~ The audit shall be supported by any reports from the supervisory union, local school districts, or other recipients of federal funds as may be required by the ~~commissioner or the United States~~ Secretary or the federal government.

(b) The ~~state treasurer may deliver to the superintendent or~~ State Treasurer may directly deposit checks payable to a supervisory union or ~~to~~ any school district within ~~that supervisory union~~ it or may deliver checks to the superintendent of the supervisory union.

\* \* \*

Sec. 19. 16 V.S.A. § 144b is amended to read:

§ ~~144b~~ 43. FEDERAL EDUCATION AID FUNDS; ADMINISTRATION; LOCAL EDUCATION AGENCY

(a) The ~~state board of education~~ Agency, as sole state agency, may administer ~~such~~ federal funds as may be made available to the state State under ~~Public Law 89-10, known as~~ the Elementary and Secondary Education Act of

1965, Public L. No. 89-10, as amended, and ~~Public Law 107-110~~, known as the No Child Left Behind Act of 2001, Public L. No 107-110. Those funds may be accepted and shall be distributed and accounted for by the ~~state treasurer~~ State Treasurer in accordance with that law and rules and regulations of the United States issued under it if there is conflict between that law or those rules and regulations and the laws of this ~~state~~ State.

(b) For purposes of distribution of funds under this section, a supervisory union ~~or supervisory district~~ shall be a local education agency as that term is defined in 20 U.S.C. § 7801(26).

(c) For purposes of determining pupil performance and application of consequences for failure to meet standards and for provision of compensatory and remedial services pursuant to 20 U.S.C. §§ 6311-6318, a school district shall be a local education agency.

Sec. 20. [Deleted.]

Sec. 21. 16 V.S.A. § 172 is amended to read:

§ ~~172~~ 44. FEDERAL FUNDS; SCHOOL FOOD PROGRAMS

The ~~state board~~ Agency is authorized to accept and use federal funds made available ~~by legislation of the congress to the several states to the State for school food programs~~ under the National School Lunch Act, ~~The~~ the Child Nutrition Act, and any amendments ~~thereto~~ to those laws.

Sec. 22. REDESIGNATION; ADDITION OF SUBCHAPTER

16 V.S.A. chapter 3, subchapter 2, which shall include §§ 175-178, is added to read:

Subchapter 2. Postsecondary Schools

\* \* \*

Second: By striking out Sec. 69 in its entirety.

Third: In Sec. 113, 16 V.S.A. § 1071, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read:

(e) Regional calendar. Before April 1 of each year, the superintendents of schools and the headmasters of public schools not managed by school boards in an area shall meet, and by majority vote, establish a uniform calendar within that area for the following school year. The calendar shall include student attendance days, periods of vacation, holidays, and teacher in-service education days and shall comply with subsection (a) of this section. Unless permitted by the ~~commissioner~~ Secretary, no area served by a regional technical center shall be divided into two or more calendar regions.

Fourth: By striking out Sec. 233 in its entirety.

Fifth: By striking out Sec. 303 (effective date) in its entirety, and inserting six new sections to be Secs. 303 through 308 to read as follows:

\* \* \* Special Education Employees; Transition to Employment  
by Supervisory Unions \* \* \*

Sec. 303. 2010 Acts and Resolves No. 153, Sec. 18, as amended by 2011 Acts and Resolves No. 58, Sec. 18, is further amended to read:

Sec. 18. TRANSITION

(a) Each supervisory union shall provide for any transition of employment of special education and transportation ~~staff~~ employees by member districts to employment by the supervisory union, pursuant to Sec. 9 of this act, 16 V.S.A. § 261a(a)(6), and (8)(E) by:

(1) providing that the supervisory union assumes all obligations of each existing collective bargaining agreement in effect between the member districts and their special education employees and their transportation employees until the agreement's expiration, subject to employee compliance with performance standards and any lawful reduction in force, layoff, nonrenewal, or dismissal;

(2) providing, in the absence of an existing recognized representative of its employees, for the immediate and voluntary recognition by the supervisory union of the recognized representatives of the employees of the member districts as the recognized representatives of the employees of the supervisory union;

(3) ensuring that an employee of a member district who is not a probationary employee shall not be considered a probationary employee upon transition to the supervisory union; and

(4) ~~containing an agreement~~ negotiating a collective bargaining agreement, addressing special education employees, with the recognized representatives of the employees of the member districts that is effective on the day the supervisory union assumes obligations of existing agreements regarding how the supervisory union, prior to reaching its first collective bargaining agreement with its special education employees and with its transportation employees, will address issues of seniority, reduction in force, layoff, and recall, which, for the purposes of this section, shall be: the exclusive representative of special education teachers; the exclusive representative of the special education administrators; and the exclusive bargaining agent for special education paraeducators if the supervisory union has elected to employ special education paraeducators pursuant to subdivision

(b)(3) of this section. The supervisory union shall become the employer of these employees on the date specified in the ratified agreement.

(b) For purposes of this section and Sec. 9 of this act, "special education employee" shall include a special education teacher, a special education administrator, and a special education paraeducator, which means a teacher, administrator, or paraeducator whose job assignment consists of providing special education services directly related to students' individualized education programs or to the administration of those services. Provided, however, that "special education employee" shall include a "special education paraeducator" only if the supervisory union board elects to employ some or all special education paraeducators because it determines that doing so will lead to more effective and efficient delivery of special education services to students. If the supervisory union board does not elect to employ all special education paraeducators, it must use objective, nondiscriminatory criteria and identify specific duties to be performed when determining which categories of special education paraeducators to employ.

(c) Education-related parties to negotiations under either Title 16 or 21 shall incorporate in their current or next negotiations matters addressing the terms and conditions of special education employees.

(d) If a supervisory union has not entered into a collective bargaining agreement with the representative of its prospective special education employees by August 15, 2015, it shall provide the Secretary of Education with a report identifying the reasons for not meeting the deadline and an estimated date by which it expects to ratify the agreement.

Sec. 304. 16 V.S.A. § 1981(8) is amended to read:

(8) "School board negotiations council" means, for a supervisory district, its school board, and, for school districts within a supervisory union, the body comprising representatives designated by each school board within the supervisory union and by the supervisory union board to engage in professional negotiations with a teachers' or administrators' organization.

Sec. 305. 21 V.S.A. § 1722(18) is amended to read:

(18) "School board negotiations council" means, for a supervisory district, its school board, and, for school districts within a supervisory union, the body comprising representatives designated by each school board within the supervisory union and by the supervisory union board to engage in collective bargaining with their school employees' negotiations council.

Sec. 306. APPLICABILITY

Only school districts and supervisory unions that have not completed the transition of special education employees to employment by the supervisory union or have not negotiated transition provisions into current master agreements as of the effective dates of Secs. 24 through 27 of this act are subject to the employment transition provisions of those sections.

Sec. 307. REPORT

On or before January 1, 2017, the Secretary of Education shall report to the House and Senate Committees on Education regarding the decisions of supervisory unions to exercise or not to exercise the flexibility regarding employment of special education paraeducators provided in Sec. 24 of this act and may propose amendments to Sec. 24 or to related statutes as he or she deems appropriate.

Sec. 308. EFFECTIVE DATE

This act shall take effect on passage.

( No House Amendments )

**Information Notice**

Deadline for Introducing Bills

Pursuant to Rule 40(b) of the Rules and Orders of the Vermont House of Representatives, during the second year of the biennium, except with the prior consent of the Committee on Rules, no member may introduce a bill into the House drafted in standard form after the last day of January.

In order to meet this deadline all bills must be signed out with the Legislative Council no later than the close of business on Friday January 15, 2014.

Pursuant to Rule 40(c) during the second year of the biennium, except with the prior consent of the Committee on Rules, no committee, except the Committees on Appropriations, Ways and Means or Government Operations, may introduce a bill drafted in standard form after the last day of March (March 31, 2014). The Committees on Appropriations and Ways and Means bill may be drafted in standard form at any time, and Government Operations bills pertaining to city or town charters, may be drafted in standard form at any time.

**Joint Assembly**

January 8, 2014 - 2:00 PM - State of the State Address

January 15, 2014 - 2:00 PM - Budget Address