

Senate Calendar

THURSDAY, MARCH 28, 2013

SENATE CONVENES AT: 10:30 A.M.

TABLE OF CONTENTS

Page No.

ACTION CALENDAR

CONSIDERATION POSTPONED TO FRIDAY, MARCH 29, 2013

Third Reading

S. 81 The regulation of octaBDE, pentaBDE, decaBDE, and flame retardant known as Tris in consumer products 660

PENDING QUESTION: Shall the bill be committed to the Committee on Economic Development, Housing and General Affairs?

UNFINISHED BUSINESS OF MARCH 26, 2013

Second Reading

Favorable with Recommendation of Amendment

S. 27 Respectful language in the Vermont Statutes Annotated

Government Operations Report - Sen. Pollina 660

Finance Report - Sen. Ashe 660

S. 129 Workers' compensation liens 660

PENDING QUESTION: Shall the bill be amended as recommended by the Committee on Finance, *as substituted*, in the first instance?

Amendment - Sen. Mullin 660

UNFINISHED BUSINESS OF MARCH 27, 2013

Third Reading

S. 30 Siting of electric generation plants..... 664

Committee Bill for Second Reading

Favorable with Recommendation of Amendment

S. 154 Classification of crimes 664
By the Committee on Judiciary – Sen. Sears
 Appropriations Report - Sen. Sears 664

Second Reading

S. 82 Campaign finance law
 Government Operations Report - Sen. White 665
 Appropriations Report - Sen. Fox 691
 Amendment - Sens. Galbraith, Baruth, Benning and Ashe 693

NEW BUSINESS

Third Reading

S. 11 The Austine School 695
S. 18 Automated license plate recognition systems 695
 Amendment - Sen. Campbell 695
S. 26 Providing state financial support for school meals for children of low-
income households 695
S. 40 Establishing an interim committee that will develop policies to restore
the 1980 ratio of state funding to student tuition at Vermont State Colleges and
to make higher education more affordable 696
 Amendment – Sen. Galbraith and Campbell 696
S. 61 The shipment of malt beverages..... 696
S. 132 Sheriffs, deputy sheriffs, and the service of process 696
S. 152 The Green Mountain Care Board’s rate review authority..... 696
S. 157 Modifying the requirements for hemp production in the State of
Vermont 696

CONCURRENT RESOLUTIONS FOR NOTICE

S.C.R. 19 (For text of Resolution, see Addendum to House Calendar for
March 28, 2013) 696
H.C.R.73-83 (For text of Resolutions, see Addendum to House Calendar for
March 28, 2013) 696

ORDERS OF THE DAY

ACTION CALENDAR

CONSIDERATION POSTPONED TO FRIDAY, MARCH 29, 2013

Third Reading

S. 81.

An act relating to the regulation of octaBDE, pentaBDE, decaBDE, and flame retardant known as Tris in consumer products.

PENDING QUESTION: Shall the bill be committed to the Committee on Economic Development, Housing and General Affairs as moved by Senator Benning? pending the Question, Shall the bill be amended as moved by Senator Hartwell?

UNFINISHED BUSINESS OF TUESDAY, MARCH 26, 2013

Second Reading

Favorable with Recommendation of Amendment

S. 27.

An act relating to respectful language in the Vermont Statutes Annotated.

Reported favorably with recommendation of amendment by Senator Pollina for the Committee on Government Operations.

The Committee recommends that the bill be amended as set forth in the Addendum to the Senate Calendar for March 19, 2013.

(Committee vote: 4-0-1)

Reported favorably by Senator Ashe for the Committee on Finance.

(Committee vote: 4-0-3)

S. 129.

An act relating to worker's compensation liens.

PENDING QUESTION: Shall the bill be amended as recommended by the Committee on Finance, *as substituted*, in the first instance?

(For text of recommendation of amendment of the Committee on Finance, *as substituted*, see Senate Journal of March 22, 2013, page 304.)

AMENDMENT TO S. 129 TO BE OFFERED BY SENATOR MULLIN

Senator Mullin moves to amend the bill by striking out all after the enacting

clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 640 is amended to read:

§ 640. MEDICAL BENEFITS; ASSISTIVE DEVICES; HOME AND
AUTOMOBILE MODIFICATIONS

* * *

(d) The liability of the employer to pay for medical, surgical, hospital, and nursing services and supplies, prescription drugs, and durable medical equipment provided to the injured employee under this section shall not exceed the maximum fee for a particular service, prescription drug, or durable medical equipment as provided by a schedule of fees and rates prepared by the ~~commissioner~~ Commissioner. The reimbursement rate for services and supplies in the fee schedule shall include consideration of medical necessity, clinical efficacy, cost-effectiveness, and safety, and those services and supplies shall be provided on a nondiscriminatory basis consistent with workers' compensation and health care law. The ~~commissioner~~ Commissioner shall authorize reimbursement at a rate higher than the scheduled rate if the employee demonstrates to the ~~commissioner's~~ Commissioner's satisfaction that reasonable and necessary treatment, prescription drugs, or durable medical equipment is not available at the scheduled rate. An employer shall establish direct billing and payment procedures and notification procedures as necessary for coverage of medically-necessary prescription medications for chronic conditions of injured employees, in accordance with rules adopted by the ~~commissioner~~ Commissioner. The employer shall not be liable to pay for drugs or treatments which are not approved by the Food and Drug Administration. The Department shall not authorize the use of drugs or treatments that are not approved by the Food and Drug Administration.

* * *

Sec. 2. 21 V.S.A. § 640b is amended to read:

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

(a) Within ~~14~~ 21 days of receiving a request for preauthorization for a proposed medical treatment and all relevant medical evidence supporting the requested treatment, a workers' compensation insurer shall:

* * *

(3) notify the health care provider, the injured worker, and the ~~department~~ 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~~ Department and the injured worker of the decision within ~~45~~ 50 days of a request for preauthorization. The ~~commissioner~~ 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 ~~44~~ 21 days of receiving a request, the claimant or health care provider may request that the ~~department~~ Department issue an order authorizing treatment. After receipt of the request, the ~~department~~ 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~~ Commissioner shall notify the parties that the treatment has been authorized by operation of law.

* * *

Sec. 3. 21 V.S.A. § 643a is amended to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the ~~commissioner~~ Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the ~~commissioner~~ Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. ~~All relevant evidence, including evidence that does not support discontinuance in the possession of the employer not already filed, shall be filed with the notice.~~ The employer shall file evidence that is relevant to the discontinuance with the notice of discontinuance. The liability for the payments shall continue for seven days after the notice is received by the ~~commissioner~~ Commissioner and the employee. Those payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the ~~commissioner~~ Commissioner determines that the discontinuance is warranted or if otherwise ordered by the ~~commissioner~~ Commissioner. Every notice shall be reviewed by the ~~commissioner~~ Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the ~~commissioner~~ Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the ~~commissioner~~ Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a

formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the ~~department~~ Department that establishes that a preponderance of all evidence now supports the claim. If the ~~commissioner's~~ Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the ~~commissioner~~ Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 4. 21 V.S.A. § 648 is amended to read:

§ 648. PERMANENT PARTIAL DISABILITY BENEFITS

* * *

(b) Any determination of the existence and degree of permanent partial impairment shall be made only in accordance with the whole person determinations as set out in the ~~fifth~~ sixth or subsequent edition of the American Medical Association Guides to the Evaluation of Permanent Impairment. In order to utilize any subsequent edition of the American Medical Association Guides to the Evaluation of Permanent Impairment or any other appropriate guides to the evaluation of permanent impairment, the ~~commissioner~~ Commissioner, in consultation with the ~~department of labor advisory council~~ Department of Labor Advisory Council, shall adopt a rule. The ~~commissioner~~ Commissioner shall adopt a supplementary schedule for injuries that are not rated by the impairment guide authorized for use by the ~~department~~ Department to determine permanent disability.

* * *

Sec. 5. 21 V.S.A. § 655 is amended to read:

§ 655. PROCEDURE IN OBTAINING COMPENSATION; MEDICAL EXAMINATION; VIDEO AND AUDIO RECORDING

After an injury and during the period of disability, if so requested by his or her employer, or ordered by the ~~commissioner~~ Commissioner, the employee shall submit to examination, at reasonable times and places, by a duly licensed physician or surgeon designated and paid by the employer. The employer may designate an alternative physician or surgeon in order to avoid unnecessary delay. The employee may make a video or audio recording of any examination performed by the insurer's physician or surgeon or have a licensed health care provider designated and paid by the employee present at the examination. The employer may make an audio recording of the examination. The right of the employee to record the examination shall not be construed to deny to the

employer's physician the right to visit the injured employee at all reasonable times and under all reasonable conditions during total disability. If an employee refuses to submit to or in any way obstructs the examination, the employee's right to prosecute any proceeding under the provisions of this chapter shall be suspended until the refusal or obstruction ceases, and compensation shall not be payable for the period which the refusal or obstruction continues.

Sec. 6. 21 V.S.A. § 663b is added to read:

§ 663b. FRAUD

(a) Claims of fraud submitted by an employer shall be investigated by the Commissioner, and the Commissioner shall make a decision on the claim within 30 days of receipt of the claim. A party may appeal the decision of the Commissioner.

(b) An employee found to have committed fraud in order to receive compensation under this chapter shall be ordered to repay all compensation received. The employer shall not be charged for these payments when the employer's experience rating is determined.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2013.

UNFINISHED BUSINESS OF WEDNESDAY, MARCH 27, 2013

Third Reading

S. 30.

An act relating to siting of electric generation plants.

Committee Bill for Second Reading

Favorable with Recommendation of Amendment

S. 154.

An act relating to classification of crimes.

By the Committee on Judiciary. (Senator Sears for the Committee)

Reported favorably with recommendation of amendment by Senator Sears for the Committee on Appropriations.

The Committee recommends that the bill be amended in Sec. 1, by striking out subsection (f) (appropriation) in its entirety and inserting in lieu thereof the following:

(f) Appropriation. The sum of \$6,500.00 is appropriated to the Joint Fiscal Committee from the General Fund in FY14 for a contract with the Vermont Center for Justice Research for providing data and staffing necessary for the Working Group's work.

(Committee vote: 6-0-1)

Second Reading

S. 82.

An act relating to campaign finance law.

Reported favorably with recommendation of amendment by Senator White for the Committee on Government Operations.

The Committee recommends 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 that:

(1) Unduly large campaign contributions reduce public confidence in the electoral process and increase the risk and the appearance that candidates and elected officials may be beholden to contributors and not act in the best interests of all Vermont citizens.

(2) In Vermont, contributions greater than the amounts specified in this act are considered by the General Assembly, candidates, and elected officials to be unduly large contributions that have the ability to corrupt and create the appearance of corrupting candidates and the democratic system.

(3) When a person is able to make unduly large contributions to a candidate, there is a risk of voters losing confidence in our system of representative government because voters may believe that a candidate will be more likely to represent the views of persons who make those contributions and less likely to represent views of their constituents and Vermont citizens in general. This loss of confidence may lead to increased voter cynicism and a lack of participation in the electoral process among both candidates and voters.

(4) Lower limits encourage candidates to interact and communicate with a greater number of voters in order to receive contributions to help fund a campaign, rather than to rely on a small number of large contributions. This interaction between candidates and the electorate helps build a greater confidence in our representative government and is likely to make candidates more responsive to voters.

(5) In Vermont, candidates can raise sufficient monies to fund effective, competitive campaigns from contributions no larger than the amounts specified in this act.

(6) Different limits on contributions to candidates based on the office they seek are necessary in order for these candidates to run effective campaigns. Moreover, since it generally costs less to run an effective campaign for lower ticket races, a uniform limit on contributions for all offices could enable contributors to exert undue influence over those lower ticket races.

(7) Exempting certain activities of political parties from the definition of what constitutes a contribution is important so as to not overly burden collective political activity. These activities, such as using the assistance of volunteers, preparing party candidate listings, and hosting certain campaign events, are part of a party's traditional role in assisting candidates to run for office. Moreover, these exemptions help protect the right to associate in a political party.

(8) In order to provide the electorate with information regarding who seeks to influence their votes through campaign advertising; to make campaign financing more transparent; to aid voters in evaluating those seeking office; to deter actual corruption and avoid its appearance by exposing contributions and expenditures to the light of publicity; and to gather data necessary to detect violations of contributions limits, it is imperative that Vermont increase the frequency of campaign finance reports and include more information in electioneering communications.

(9) Increasing identification information in electioneering communications, such as requiring the names of top contributors to the political committee or political party that paid for the communication, will enable the electorate to immediately evaluate the speaker's message and will bolster the sufficiently important interest in permitting Vermonters to learn the sources of significant influence in our State's elections.

(10) The General Assembly is aware of reports of potential corruption in other states and in federal politics. It is important to enact legislation that will prevent corruption here and maintain the electorate's confidence in the integrity of Vermont's government.

(11) This act is necessary in order to implement more fully the provisions of Article 8 of Chapter I of the Constitution of the State of Vermont, which declares "That all elections ought to be free and without corruption, and that all voters, having a sufficient, evident, common interest with, and

attachment to the community, have a right to elect officers, and be elected into office, agreeably to the regulations made in this constitution.”

Sec. 2. REPEAL

17 V.S.A. chapter 59 (campaign finance) is repealed.

Sec. 3. 17 V.S.A. chapter 61 is added to read:

CHAPTER 61. CAMPAIGN FINANCE

Subchapter 1. General Provisions

§ 2901. DEFINITIONS

As used in this chapter:

(1) “Candidate” means an individual who has taken affirmative action to become a candidate for state, county, local, or legislative office in a primary, special, general, or local election. An affirmative action shall include one or more of the following:

(A) accepting contributions or making expenditures totaling \$500.00 or more;

(B) filing the requisite petition for nomination under this title or being nominated by primary or caucus; or

(C) announcing that the individual seeks an elected position as a state, county, or local officer or a position as representative or senator in the General Assembly.

(2) “Candidate’s committee” means the candidate’s campaign staff, whether paid or unpaid.

(3) “Clearly identified,” with respect to a candidate, means:

(A) the name of the candidate appears;

(B) a photograph or drawing of the candidate appears; or

(C) the identity of the candidate is apparent by unambiguous reference.

(4) “Contribution” means a payment, distribution, advance, deposit, loan, or gift of money or anything of value, paid or promised to be paid for the purpose of influencing an election, advocating a position on a public question, or supporting or opposing one or more candidates in any election. For purposes of this chapter, “contribution” shall not include any of the following:

(A) a personal loan of money to a candidate from a lending institution made in the ordinary course of business;

(B) services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political party;

(C) unreimbursed travel expenses paid for by an individual for himself or herself who volunteers personal services to a candidate;

(D) unreimbursed campaign-related travel expenses paid for by the candidate or the candidate's spouse;

(E) the use by a candidate or volunteer of his or her own personal property, including offices, telephones, computers, and similar equipment;

(F) the use of a political party's offices, telephones, computers, and similar equipment;

(G) the payment by a political party of the costs of preparation, display, or mailing or other distribution of a party candidate listing;

(H) documents, in printed or electronic form, including party platforms, single copies of issue papers, information pertaining to the requirements of this title, lists of registered voters, and voter identification information created, obtained, or maintained by a political party for the general purpose of party building and provided to a candidate who is a member of that party or to another political party;

(I) compensation paid by a political party to its employees whose job responsibilities are not for the specific and exclusive benefit of a single candidate in any election;

(J) compensation paid by a political party to its employees or consultants for the purpose of providing assistance to another political party;

(K) campaign training sessions provided to three or more candidates;

(L) costs paid for by a political party in connection with a campaign event at which three or more candidates are present; or

(M) activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention or depict a clearly identified candidate.

(5) "Election" means the procedure whereby the voters of this State or any of its political subdivisions select a person to be a candidate for public office or to fill a public office or to act on public questions including voting on constitutional amendments. Each primary, general, special, or local election shall constitute a separate election.

(6) “Electioneering communication” means any communication that refers to a clearly identified candidate for office and that promotes or supports a candidate for that office or attacks or opposes a candidate for that office, regardless of whether the communication expressly advocates a vote for or against a candidate, including communications published in any newspaper or periodical or broadcast on radio or television or over the Internet or any public address system; placed on any billboards, outdoor facilities, buttons, or printed material attached to motor vehicles, window displays, posters, cards, pamphlets, leaflets, flyers, or other circulars; or contained in any direct mailing, robotic phone calls, or mass e-mails.

(7) “Expenditure” means a payment, disbursement, distribution, advance, deposit, loan, or gift of money or anything of value, paid or promised to be paid, for the purpose of influencing an election, advocating a position on a public question, or supporting or opposing one or more candidates. For the purposes of this chapter, “expenditure” shall not include any of the following:

(A) a personal loan of money to a candidate from a lending institution made in the ordinary course of business;

(B) services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political party;

(C) unreimbursed travel expenses paid for by an individual for himself or herself who volunteers personal services to a candidate; or

(D) unreimbursed campaign-related travel expenses paid for by the candidate or the candidate’s spouse.

(8) “Full name” means an individual’s full first name, middle name or initial, if any, and full legal last name, making the identity of the person who made the contribution apparent by unambiguous reference.

(9) “Independent expenditure-only political committee” means a political committee that conducts its activities entirely independent of candidates; does not give contributions to candidates, political committees, or political parties; does not make related expenditures; and is not closely related to a political party or to a political committee that makes contributions to candidates or makes related expenditures.

(10) “Mass media activity” means a television commercial, radio commercial, mass mailing, mass electronic or digital communication, literature drop, newspaper and periodical advertisement, robotic phone call, or telephone bank, which includes the name or likeness of a clearly identified candidate for office.

(11) “Party candidate listing” means any communication by a political party that:

(A) lists the names of at least three candidates for election to public office;

(B) is distributed through public advertising such as broadcast stations, cable television, newspapers, and similar media or through direct mail, telephone, electronic mail, a publicly accessible site on the Internet, or personal delivery;

(C) treats all candidates in the communication in a substantially similar manner; and

(D) is limited to:

(i) the identification of each candidate, with which pictures may be used;

(ii) the offices sought;

(iii) the offices currently held by the candidates;

(iv) the party affiliation of the candidates and a brief statement about the party or the candidates’ positions, philosophy, goals, accomplishments, or biographies;

(v) encouragement to vote for the candidates identified; and

(vi) information about voting, such as voting hours and locations.

(12) “Political committee” or “political action committee” means any formal or informal committee of two or more individuals or a corporation, labor organization, public interest group, or other entity, not including a political party, which accepts contributions of \$1,000.00 or more and makes expenditures of \$1,000.00 or more in any two-year general election cycle for the purpose of supporting or opposing one or more candidates, influencing an election, or advocating a position on a public question in any election, and includes an independent expenditure-only political committee.

(13) “Political party” means a political party organized under chapter 45 of this title and any committee established, financed, maintained, or controlled by the party, including any subsidiary, branch, or local unit thereof, and shall be considered a single, unified political party. The national affiliate of the political party shall be considered a separate political party.

(14) “Public question” means an issue that is before the voters for a binding decision.

(15) “Single source” means an individual, partnership, corporation, association, labor organization, or any other organization or group of persons which is not a political committee or political party.

(16) “Telephone bank” means more than 500 telephone calls of an identical or substantially similar nature that are made to the general public within any 30-day period.

(17) “Two-year general election cycle” means the 24-month period that begins 38 days after a general election.

§ 2902. EXCEPTIONS

The definitions of “contribution,” “expenditure,” and “electioneering communication” shall not apply to:

(1) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication that has not been paid for or such facilities are not owned or controlled by any political party, committee, or candidate; or

(2) any communication distributed through a public access television station if the communication complies with the laws and rules governing the station and if all candidates in the race have an equal opportunity to promote their candidacies through the station.

§ 2903. PENALTIES

(a)(1) A person who knowingly and intentionally violates a provision of subchapter 2 or 4 of this chapter shall be fined not more than \$1,000.00 or imprisoned not more than six months or both.

(2) A person who knowingly and intentionally violates any provision of subchapter 3 of this chapter shall be fined not more than \$10,000.00 or imprisoned not more than two years or both.

(b) A person who violates any provision of this chapter shall be subject to a civil penalty of up to \$10,000.00 for each violation and shall refund the unspent balance of Vermont campaign finance grants received under subchapter 5 of this chapter, if any, calculated as of the date of the violation.

(c) In addition to the other penalties provided in this section, a state’s attorney or the Attorney General may institute any appropriate action, injunction, or other proceeding to prevent, restrain, correct, or abate any violation of this chapter.

§ 2904. CIVIL INVESTIGATION

(a)(1) The Attorney General or a state's attorney, whenever he or she has reason to believe any person to be or to have been in violation of this chapter or of any rule or regulation made pursuant to this chapter, may examine or cause to be examined by any agent or representative designated by him or her for that purpose any books, records, papers, memoranda, and physical objects of any nature bearing upon each alleged violation and may demand written responses under oath to questions bearing upon each alleged violation.

(2) The Attorney General or a state's attorney may require the attendance of such person or of any other person having knowledge in the premises in the county where such person resides or has a place of business or in Washington County if such person is a nonresident or has no place of business within the State and may take testimony and require proof material for his or her information and may administer oaths or take acknowledgment in respect of any book, record, paper, or memorandum.

(3) The Attorney General or a state's attorney shall serve notice of the time, place, and cause of such examination or attendance or notice of the cause of the demand for written responses personally or by certified mail upon such person at his or her principal place of business or, if such place is not known, to his or her last known address.

(4) Any book, record, paper, memorandum, or other information produced by any person pursuant to this section shall not, unless otherwise ordered by a court of this State for good cause shown, be disclosed to any person other than the authorized agent or representative of the Attorney General or a state's attorney or another law enforcement officer engaged in legitimate law enforcement activities unless with the consent of the person producing the same, except that any transcript of oral testimony, written responses, documents, or other information produced pursuant to this section may be used in the enforcement of this chapter, including in connection with any civil action brought under section 2903 of this subchapter or subsection (c) of this section.

(5) Nothing in this subsection is intended to prevent the Attorney General or a state's attorney from disclosing the results of an investigation conducted under this section, including the grounds for his or her decision as to whether to bring an enforcement action alleging a violation of this chapter or of any rule or regulation made pursuant to this chapter.

(6) This subsection shall not be applicable to any criminal investigation or prosecution brought under the laws of this or any state.

(b)(1) A person upon whom a notice is served pursuant to the provisions of this section shall comply with its terms unless otherwise provided by the order

of a court of this State. Any person who is served with such notice within the State shall bear the complete cost of compliance with its terms.

(2) Any person who, with intent to avoid, evade, or prevent compliance, in whole or in part, with any civil investigation under this section, removes from any place; conceals, withholds, or destroys; or mutilates, alters, or by any other means falsifies any documentary material in the possession, custody, or control of any person subject to such notice or mistakes or conceals any information shall be fined not more than \$5,000.00.

(c)(1) Whenever any person fails to comply with any notice served upon him or her under this section or whenever satisfactory copying or reproduction of any such material cannot be done and the person refuses to surrender the material, the Attorney General or a state's attorney may file, in the superior court in which the person resides or has his or her principal place of business or in Washington County if the person is a nonresident or has no principal place of business in this State, and serve upon the person a petition for an order of the court for the enforcement of this section.

(2) Whenever any petition is filed under this section, the court shall have jurisdiction to hear and determine the matter so presented and to enter any order or orders as may be required to carry into effect the provisions of this section. Any disobedience of any order entered under this section by any court shall be punished as a contempt of the court.

(d) Any person aggrieved by a civil investigation conducted under this section may seek relief from Washington Superior Court or the superior court in the county in which the aggrieved person resides. Except for cases the court considers to be of greater importance, proceedings before superior court as authorized by this section shall take precedence on the docket over all other cases.

§ 2905. ADJUSTMENTS FOR INFLATION

(a) Whenever it is required by this chapter, the Secretary of State shall make adjustments to monetary amounts provided in this chapter based on the Consumer Price Index. Increases shall be rounded to the nearest \$10.00 and shall apply for the term of two two-year general election cycles. Increases shall be effective for the first two-year general election cycle beginning after the general election held in 2016.

(b) On or before the first two-year general election cycle beginning after the general election held in 2016, the Secretary of State shall calculate and publish on the online database set forth in section 2906 of this chapter each adjusted monetary amount that will apply to those two two-year general election cycles. On or before the beginning of each second subsequent

two-year general election cycle, the Secretary shall publish the amount of each adjusted monetary amount that shall apply for that two-year general election cycle and the next two-year general election cycle.

§ 2906. CAMPAIGN DATABASE; CANDIDATE INFORMATION PUBLICATION

(a) Campaign database. For each two-year general election cycle, the Secretary of State shall develop and continually update a publicly accessible campaign database which shall be made available to the public through the Secretary of State's home page online service or through printed reports from the Secretary in response to a public request within 14 days of the date of the request. The database shall contain:

(1) at least the following information for all candidates for statewide, county, and local office and for the General Assembly:

(A) for candidates receiving public financing grants, the amount of each grant awarded; and

(B) the information contained in any reports submitted pursuant to subchapter 4 of this chapter;

(2) campaign finance reports filed by candidates for federal office;

(3) the adjustments for inflation made to monetary amounts as required by this chapter; and

(4) any photographs, biographical sketches, and position statements submitted to the Secretary pursuant to subsection (b) of this section.

(b) Candidate information publication.

(1) Any candidate for statewide office and any candidate for federal office qualified to be on the ballot in this State may submit to the Secretary of State a photograph, biographical sketch, and position statement of a length and format specified by the Secretary for the purposes of preparing a candidate information publication.

(2) Without making any substantive changes in the material presented, the Secretary shall prepare a candidate information publication for statewide distribution prior to the general election, which includes the candidates' photographs, biographies, and position statements; a brief explanation of the process used to obtain candidate submissions; and, with respect to offices for which public financing is available, an indication of which candidates are receiving Vermont campaign finance grants and which candidates are not receiving Vermont campaign finance grants.

(3) The Secretary shall prepare, publish, and distribute the candidate information publication throughout the State no later than one week prior to the general election. The Secretary shall also seek voluntary distribution of the candidate information publication in weekly and daily newspapers and other publications in the State. The Secretary shall also make the candidate information publication available in large type, audiotape, and Internet versions.

§ 2907. ADMINISTRATION

The Secretary of State shall administer this chapter and shall perform all duties required under this chapter. The Secretary may employ or contract for the services of persons necessary for performance of these duties.

Subchapter 2. Registration and Maintenance Requirements

§ 2911. CANDIDATES, POLITICAL COMMITTEES, POLITICAL PARTIES; CHECKING ACCOUNT; TREASURER

Each candidate who has made expenditures or accepted contributions of \$500.00 or more, each political committee, and each political party required to register under section 2912 of this subchapter shall be subject to the following requirements:

(1) All expenditures shall be paid by either a credit card or a debit card, check, or other electronic transfer from a single campaign checking account in a single bank publicly designated by the candidate, political committee, or political party.

(2) Each candidate, political committee, and political party shall name a treasurer who is responsible for maintaining the checking account. A candidate's treasurer may be the candidate or his or her spouse.

§ 2912. POLITICAL COMMITTEES AND PARTIES; REGISTRATION

(a) Each political committee and each political party which has accepted contributions or made expenditures of \$1,000.00 or more in any two-year general election cycle shall register with the Secretary of State stating its full name and address, the name and address of its treasurer, and the name and address of the bank in which it maintains its campaign checking account. A political party shall register within 10 days of reaching the \$1,000.00 threshold.

(b) A political party or political committee whose principal place of business or whose treasurer is not located in this State shall file a statement with the Secretary of State designating a person who resides in this State upon whom may be served any process, notice, or demand required or permitted by law to be served upon the political party or political committee. This statement

shall be filed at the same time as the registration required in subsection (a) of this section.

§ 2913. CANDIDATES AND POLITICAL COMMITTEES; SURPLUS
CAMPAIGN FUNDS

(a) A member of a political committee which has surplus funds after all campaign debts have been paid shall not convert the surplus to personal use.

(b) A candidate who has surplus funds after all campaign debts have been paid shall not convert the surplus to personal use, other than to reduce personal campaign debts.

(c) Surplus funds in a political committee's or candidate's account after payment of all campaign debts may be contributed to other candidates, political parties, or political committees subject to the contribution limits set forth in this chapter or may be contributed to a charity.

(d) The "final report" of a candidate or a political committee shall indicate the amount of the surplus and how it has been or is to be liquidated.

§ 2914. CANDIDATES; NEW CAMPAIGN ACCOUNTS

(a) A candidate who chooses to roll over any surplus contributions into a new campaign account for public office may close out his or her former campaign by filing a final report with the Secretary of State converting all debts and assets to the new campaign.

(b) A candidate shall be required to file a new bank designation form only if there has been a change in the treasurer or the location of the campaign account.

Subchapter 3. Contribution Limitations

§ 2921. LIMITATIONS OF CONTRIBUTIONS

In any two-year general election cycle:

(1) A candidate for state representative or for local office shall not accept contributions totaling more than:

(A) \$750.00 from a single source;

(B) \$750.00 from a political committee; or

(C) \$3,000.00 from a political party.

(2) A candidate for state senator or county office shall not accept contributions totaling more than:

(A) \$1,500.00 from a single source;

(B) \$1,500.00 from a political committee; or

(C) \$6,000.00 from a political party.

(3) A candidate for the office of Governor, Lieutenant Governor, Secretary of State, State Treasurer, Auditor of Accounts, or Attorney General shall not accept contributions totaling more than:

(A) \$3,000.00 from a single source;

(B) \$3,000.00 from a political committee; or

(C) \$85,000.00 from a political party.

(4) A political committee shall not accept contributions totaling more than:

(A) \$3,000.00 from a single source;

(B) \$3,000.00 from a political committee; or

(C) \$3,000.00 from a political party.

(5) A political party shall not accept contributions totaling more than:

(A) \$3,000.00 from a single source;

(B) \$3,000.00 from a political committee; or

(C) \$30,000.00 from a political party.

(6) A single source shall not contribute more than an aggregate of:

(A) \$25,000.00 to candidates; and

(B) \$25,000.00 to political committees and political parties.

(7) A single source, political committee, or political party shall not contribute more to a candidate, political committee, or political party than the candidate, political committee, or political party is permitted to accept under subdivisions (1) through (5) of this section.

§ 2922. EXCEPTIONS

The contribution limitations established by this subchapter shall not apply to contributions to a political committee made for the purpose of advocating a position on a public question, including a constitutional amendment.

§ 2923. LIMITATIONS ADJUSTED FOR INFLATION

The contribution limitations contained in this subchapter shall be adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter.

§ 2924. ACCOUNTABILITY FOR RELATED EXPENDITURES

(a) A related campaign expenditure made on a candidate's behalf shall be considered a contribution to the candidate on whose behalf it was made.

(b) For the purposes of this section, a "related campaign expenditure made on the candidate's behalf" means any expenditure intended to promote the election of a specific candidate or group of candidates or the defeat of an opposing candidate or group of candidates if intentionally facilitated by, solicited by, or approved by the candidate or the candidate's committee.

(c)(1) An expenditure made by a political party or by a political committee that recruits or endorses candidates that primarily benefits six or fewer candidates who are associated with the political party or political committee making the expenditure is presumed to be a related expenditure made on behalf of those candidates.

(2) An expenditure made by a political party or by a political committee that recruits or endorses candidates that substantially benefits more than six candidates and facilitates party or political committee functions, voter turnout, platform promotion, or organizational capacity shall not be presumed to be a related expenditure made on a candidate's behalf.

(3) For the purposes of this section, a "related campaign expenditure made on the candidate's behalf" does not mean:

(A) the cost of invitations and postage and of food and beverages voluntarily provided by an individual in conjunction with an opportunity for a group of voters to meet a candidate if the cumulative value of these items provided by the individual on behalf of any candidate does not exceed \$500.00 per election; or

(B) the sale of any food or beverage by a vendor at a charge less than the normal comparable charge for use at a campaign event providing an opportunity for a group of voters to meet a candidate if the charge to the candidate is at least equal to the cost of the food or beverages to the vendor and if the cumulative value of the food or beverages does not exceed \$500.00 per election.

(d)(1) A candidate may seek a determination that an expenditure is a related expenditure made on behalf of an opposing candidate by filing a petition with the superior court of the county in which either candidate resides.

(2) Within 24 hours of the filing of a petition, the court shall schedule the petition for hearing. Except as to cases the court considers of greater importance, proceedings before the superior court, as authorized by this section, and appeals therefrom take precedence on the docket over all other

cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

(3) The findings and determination of the court shall be prima facie evidence in any proceedings brought for violation of this chapter.

(e) The Secretary of State may adopt rules necessary to administer the provisions of this section.

§ 2925. GENERAL PROVISIONS

(a) A candidate, political committee, or political party accepts a contribution when the contribution is deposited in the candidate's, committee's, or party's campaign account or two business days after the candidate, committee, or party receives it, whichever comes first.

(b) A candidate, political committee, or political party shall not accept a monetary contribution in excess of \$50.00 unless made by check, credit or debit card, or other electronic transfer.

(c) A candidate's expenditures related to a previous two-year general election cycle and contributions used to retire a debt of a previous two-year general election cycle shall be attributed to the earlier two-year general election cycle.

(d) This subchapter shall not be interpreted to limit the amount a candidate or his or her immediate family may contribute to his or her own campaign. For purposes of this subsection, "immediate family" means a candidate's spouse, parent, grandparent, child, grandchild, sister, brother, stepparent, stepgrandparent, stepchild, stepgrandchild, stepsister, stepbrother, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, legal guardian, or former legal guardian.

(e) For purposes of this subchapter, the term "candidate" includes the candidate's committee.

(f) A candidate, political committee, or political party shall not knowingly accept a contribution which is not directly from the contributor but was transferred to the contributor by another person for the purpose of transferring the same to the candidate, political committee, or political party or otherwise circumventing the provisions of this chapter. It shall be a violation of this chapter for a person to make a contribution with the explicit or implicit understanding that the contribution will be transferred in violation of this subsection.

Subchapter 4. Reporting Requirements; Disclosures

§ 2931. SUBMISSION OF REPORTS TO THE SECRETARY OF STATE

(a)(1) The Secretary of State shall provide on the online database set forth in section 2906 of this chapter digital access to the form that he or she provides for any report required by this chapter. Digital access shall enable any person required to file a report under this chapter to file the report by completing and submitting the report to the Secretary of State online.

(2) The Secretary shall maintain on the online database reports that have been filed for each two-year general election cycle so that any person may have direct machine-readable electronic access to the individual data elements in each report and the ability to search those data elements as soon as a report is filed.

(b) Any person required to file a report with the Secretary of State under this chapter shall file the report digitally on the online database.

§ 2932. CAMPAIGN REPORTS; SECRETARY OF STATE; FORMS; FILING

(a) The Secretary of State shall prescribe and provide a uniform reporting form for all campaign finance reports. The reporting form shall be designed to show the following information:

(1) the full name, town of residence, and mailing address of each contributor who contributes an amount in excess of \$100.00, the date of the contribution, and the amount contributed, as well as a space on the form for the occupation and employer of each contributor, which the candidate, political committee, or political party shall make a reasonable effort to obtain;

(2) the total amount of all contributions of \$100.00 or less and the total number of all such contributions;

(3) each expenditure listed by amount, date, to whom paid, and for what purpose;

(4) the amount contributed or loaned by the candidate to his or her own campaign during the reporting period; and

(5) each debt or other obligation, listed by amount, date incurred, to whom owed, and for what purpose, incurred during the reporting period.

(b)(1) The form shall require the reporting of all contributions and expenditures accepted or spent during the reporting period and during the campaign to date and shall require full disclosure of the manner in which any indebtedness is discharged or forgiven.

(2) Contributions and expenditures for the reporting period and for the campaign to date also shall be totaled in an appropriate place on the form. The total of contributions shall include a subtotal of nonmonetary contributions and a subtotal of all monetary contributions.

(3) The form shall contain a list of the required filing times so that the person filing may designate for which time period the filing is made.

(4) Contributions accepted and expenditures spent after 5:00 p.m. on the third day prior to the filing deadline shall be reported on the next report.

(c) The form described in this section shall contain language of certification of the truth of the statements and places for the signature of the candidate or the treasurer of the campaign.

(d) Any person required to file a campaign finance report under this chapter shall provide the information required in the Secretary of State's reporting form. Disclosure shall be limited to the information required to administer this chapter.

(e) All reports filed under this chapter shall be retained in an indexed file by the Secretary of State and shall be subject to the examination of any person.

§ 2933. CAMPAIGN REPORTS; CANDIDATES FOR STATE OFFICE
AND THE GENERAL ASSEMBLY; POLITICAL COMMITTEES;
POLITICAL PARTIES

(a) Each candidate for state office, each candidate for the General Assembly who has made expenditures or accepted contributions of \$500.00 or more, and, except as provided in subsection (b) of this section, each political committee and each political party required to register under section 2912 of this chapter shall file with the Secretary of State campaign finance reports as follows:

(1) in the first year of the two-year general election cycle, quarterly, beginning on March 15 of the odd-numbered year;

(2) in the second year of the two-year general election cycle, monthly, beginning on January 15 of the even-numbered year until July 15;

(3) from July 15 through the general election, every two weeks; and

(4) two weeks after the general election.

(b) A political committee or a political party which has accepted contributions or made expenditures of \$1,000.00 or more in any two-year general election cycle for the purpose of influencing a local election or supporting or opposing one or more candidates in a local election shall file

campaign finance reports regarding that election 30 days before, 10 days before, and two weeks after the local election with the Secretary of State.

(c) Any formal or informal committee of two or more individuals or a corporation, labor organization, public interest group, or other entity, not including a political party, which makes expenditures of \$1,000.00 or more in any two-year general election cycle for the purpose of advocating a position on a public question in any election shall file a report of its expenditures 30 days before, 10 days before, and two weeks after the election with the Secretary of State.

(d) At any time, but not later than December 15th following the general election, each candidate for state office and each candidate for the General Assembly who has made expenditures or received contributions of \$500.00 or more shall file with the Secretary of State a "final report" which lists a complete accounting of all contributions and expenditures since the last report and disposition of surplus and which shall constitute the termination of his or her campaign activities.

(e) A political committee or political party shall file a campaign finance report not later than 40 days following the general election. At any time, a political committee or a political party may file a "final report" which lists a complete accounting of all contributions and expenditures since the last report and disposition of surplus and which shall constitute the termination of its campaign activities.

(f) Each candidate for state office and each candidate for the General Assembly who has made expenditures or accepted contributions of less than \$500.00 shall file with the Secretary of State 10 days following the general election a statement that the candidate has not made expenditures or accepted contributions of \$500.00 or more during the two-year general election cycle.

(g) The failure of a candidate for the General Assembly to file a report under subsection (a) of this section shall be deemed an affirmative statement that the candidate has not accepted contributions or made expenditures of \$500.00 or more.

§ 2934. ADDITIONAL CAMPAIGN REPORTS; CANDIDATES FOR
STATE OFFICE AND THE GENERAL ASSEMBLY;
INDEPENDENT EXPENDITURE-ONLY POLITICAL
COMMITTEES

(a) In addition to any other reports required to be filed under this chapter, a candidate for state office or for the General Assembly who accepts a monetary contribution in an amount over \$2,000.00 within 10 days of a primary or

general election shall report the contribution to the Secretary of State within 24 hours of receiving the contribution.

(b) A report required by this section shall include the following information:

(1) the full name, town of residence, and mailing address of the contributor; the date of the contribution; and the amount contributed; and

(2) the amount contributed or loaned by the candidate to his or her own campaign.

§ 2935. CAMPAIGN REPORTS; COUNTY OFFICE CANDIDATES

(a) Each candidate for county office who has made expenditures or accepted contributions of \$500.00 or more shall file campaign finance reports with the Secretary of State as follows:

(1) Ten days before the primary election.

(2) Ten days before the general election.

(3) Further campaign reports shall be filed on the 15th day of July and annually thereafter or until all contributions and expenditures have been accounted for and any indebtedness and surplus have been eliminated.

(b) Within 40 days after the general election, each candidate for county office who has made expenditures or accepted contributions of \$500.00 or more shall file with the Secretary of State a “final report” which lists a complete accounting of all contributions and expenditures since the last report and a disposition of surplus and which shall constitute the termination of his or her campaign activities.

(c) The failure of a county candidate to file a campaign finance report shall be deemed an affirmative statement that the candidate has not accepted contributions or made expenditures of \$500.00 or more.

§ 2936. CAMPAIGN REPORTS; LOCAL CANDIDATES

(a) Each candidate for local office who has made expenditures or accepted contributions of \$500.00 or more shall file with the Secretary of State campaign finance reports 30 days before, 10 days before, and two weeks after the local election.

(b) The failure of a local candidate to file a campaign finance report shall be deemed an affirmative statement that the candidate has not accepted contributions or made expenditures of \$500.00 or more.

§ 2937. REPORT OF MASS MEDIA ACTIVITIES

(a)(1) In addition to any other reports required to be filed under this chapter, a person who makes expenditures for any one mass media activity totaling \$500.00 or more, adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter, within 45 days before a primary, general, county, or local election shall, for each activity, file a mass media report with the Secretary of State and send a copy of the report to each candidate whose name or likeness is included in the activity without that candidate's knowledge.

(2) The copy of the mass media report shall be sent by e-mail to each candidate who has provided the Secretary of State with an e-mail address on his or her consent form and to any other candidate by mail.

(3) The mass media report shall be filed and the copy of the report shall be sent within 24 hours of the expenditure or activity, whichever occurs first. For the purposes of this section, a person shall be treated as having made an expenditure if the person has executed a contract to make the expenditure.

(b) The report shall identify the person who made the expenditure; the name of each candidate whose name or likeness was included in the activity; the amount and date of the expenditure; to whom it was paid; and the purpose of the expenditure.

(c) If the activity occurs within 30 days before the election and the expenditure was previously reported, an additional report shall be required under this section.

(d)(1) In addition to the reporting requirements of this section, an independent expenditure-only political committee that makes an expenditure for any one mass media activity totaling \$5,000.00 or more, adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter, within 45 days before a primary, general, county, or local election shall, for each such activity, file an independent expenditure-only political committee mass media report with the Secretary of State and send a copy of the report to each candidate whose name or likeness is included in the activity without that candidate's knowledge.

(2) The report shall include all of the information required under subsection (b) of this section, as well as the names, dates, and amounts of all contributions in excess of \$100.00 accepted since the filing of the committee's last report.

§ 2938. IDENTIFICATION IN ELECTIONEERING COMMUNICATIONS

(a) An electioneering communication shall contain the name and mailing address of the person, candidate, political committee, or political party that paid for the communication. The name and address shall appear prominently such that a reasonable person would clearly understand by whom the expenditure has been made, except that:

(1) An electioneering communication transmitted through radio and paid for by a candidate does not need to contain the candidate's address.

(2) An electioneering communication paid for by a person acting as an agent or consultant on behalf of another person, candidate, political committee, or political party shall clearly designate the name and mailing address of the person, candidate, political committee, or political party on whose behalf the communication is published or broadcast.

(b) If an electioneering communication is a related campaign expenditure made on a candidate's behalf as provided in section 2924 of this chapter, then in addition to other requirements of this section, the communication shall also clearly designate the candidate on whose behalf it was made by including language such as "on behalf of" such candidate.

(c) In addition to the identification requirements in subsections (a) and (b) of this section, an electioneering communication paid for on behalf of a political committee or political party shall contain the name of any contributor who contributed more than 25 percent of all contributions and more than \$2,000.00 to that committee or party since the beginning of the two-year general election cycle in which the electioneering communication was made.

(d) The identification requirements of this section shall not apply to lapel stickers or buttons, nor shall they apply to electioneering communications made by a single individual acting alone who spends, in a single two-year general election cycle, a cumulative amount of no more than \$150.00 on those electioneering communications, adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter.

§ 2939. SPECIFIC IDENTIFICATION REQUIREMENTS FOR RADIO OR TELEVISION COMMUNICATIONS

(a) A person, candidate, political committee, or political party that makes an expenditure for an electioneering communication shall include in any communication which is transmitted through radio or television, in a clearly spoken manner, an audio statement of the name and title of the person who paid for the communication, that the person paid for the communication, and that the person approves of the content of the communication.

(b) If the person who paid for the communication is not a natural person, the audio statement required by this section shall include the name of that person, the name and title of the principal officer of the person, and a statement that the officer approves of the content of the communication.

Subchapter 5. Public Financing Option

§ 2951. DEFINITIONS

As used in this subchapter:

(1) “Affidavit” means the Vermont campaign finance affidavit required under section 2952 of this chapter.

(2) “General election period” means the period beginning the day after the primary election and ending the day of the general election.

(3) “Primary election period” means the period beginning the day after primary petitions must be filed under section 2356 of this title and ending the day of the primary election.

(4) “Vermont campaign finance qualification period” means the period beginning February 15 of each even-numbered year and ending on the date on which primary petitions must be filed under section 2356 of this title.

§ 2952. FILING OF VERMONT CAMPAIGN FINANCE AFFIDAVIT

(a) A candidate for the office of Governor or Lieutenant Governor who intends to seek Vermont campaign finance grants from the Secretary of State Services Fund shall file a Vermont campaign finance affidavit on the date on or before which primary petitions must be filed, whether the candidate seeks to enter a party primary or is an independent candidate.

(b) The Secretary of State shall prepare a Vermont campaign finance affidavit form, informational materials on procedures and financial requirements, and notification of the penalties for violation of this subchapter.

(c)(1) The Vermont campaign finance affidavit shall set forth the conditions of receiving grants under this subchapter and provide space for the candidate to agree that he or she will abide by such conditions and all expenditure and contribution limitations, reporting requirements, and other provisions of this chapter.

(2) The affidavit shall also state the candidate’s name, legal residence, business or occupation, address of business or occupation, party affiliation, if any, the office sought, and whether the candidate intends to enter a party primary.

(3) The affidavit shall also contain a list of all the candidate's qualifying contributions together with the name and town of residence of the contributor and the date each contribution was made.

(4) The affidavit may further require affirmation of such other information as deemed necessary by the Secretary of State for the administration of this subchapter.

(5) The affidavit shall be sworn and subscribed to by the candidate.

§ 2953. VERMONT CAMPAIGN FINANCE GRANTS; CONDITIONS

(a) A person shall not be eligible for Vermont campaign finance grants if, prior to February 15 of the general election year during any two-year general election cycle, he or she becomes a candidate by announcing that he or she seeks an elected position as Governor or Lieutenant Governor or by accepting contributions totaling \$2,000.00 or more or by making expenditures totaling \$2,000.00 or more.

(b) A candidate who accepts Vermont campaign finance grants shall:

(1) not solicit, accept, or expend any contributions except qualifying contributions, Vermont campaign finance grants, and contributions authorized under section 2955 of this chapter, which contributions may be solicited, accepted, or expended only in accordance with the provisions of this subchapter;

(2) deposit all qualifying contributions, Vermont campaign finance grants, and any contributions accepted in accordance with the provisions of section 2955 of this chapter in a federally insured noninterest-bearing checking account; and

(3) not later than 40 days after the general election, deposit in the Secretary of State Services Fund, after all permissible expenditures have been paid, the balance of any amounts remaining in the account established under subdivision (2) of this subsection.

§ 2954. QUALIFYING CONTRIBUTIONS

(a) In order to qualify for Vermont campaign finance grants, a candidate for the office of Governor or Lieutenant Governor shall obtain during the Vermont campaign finance qualification period the following amount and number of qualifying contributions for the office being sought:

(1) for Governor, a total amount of no less than \$35,000.00 collected from no fewer than 1,500 qualified individual contributors making a contribution of no more than \$50.00 each; or

(2) for Lieutenant Governor, a total amount of no less than \$17,500.00 collected from no fewer than 750 qualified individual contributors making a contribution of no more than \$50.00 each.

(b) A candidate shall not accept more than one qualifying contribution from the same contributor and a contributor shall not make more than one qualifying contribution to the same candidate in any Vermont campaign finance qualification period. For the purpose of this section, a qualified individual contributor means an individual who is registered to vote in Vermont. No more than 25 percent of the total number of qualified individual contributors may be residents of the same county.

(c) Each qualifying contribution shall indicate the name and town of residence of the contributor and the date received and be acknowledged by the signature of the contributor.

(d) A candidate may retain and expend qualifying contributions obtained under this section. A candidate may expend the qualifying contributions for the purpose of obtaining additional qualifying contributions and may expend the remaining qualifying contributions during the primary and general election periods. Amounts expended under this subsection shall be considered expenditures for purposes of this chapter.

§ 2955. VERMONT CAMPAIGN FINANCE GRANTS; AMOUNTS;
TIMING

(a) The Secretary of State shall make grants from the Secretary of State Services Fund in separate grants for the primary and general election periods to candidates who have qualified for Vermont campaign finance grants under this subchapter.

(b) Whether a candidate has entered a primary or is an independent candidate, Vermont campaign finance grants shall be in the following amounts:

(1) For Governor, \$75,000.00 in a primary election period and \$225,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions.

(2) For Lieutenant Governor, \$25,000.00 in a primary election period and \$75,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions;

(3) A candidate who is an incumbent of the office being sought shall be entitled to receive a grant in an amount equal to 85 percent of the amount listed in subdivision (1) or (2) of this subsection.

(c) In an uncontested general election and in the case of a candidate who enters a primary election and is unsuccessful in that election, an otherwise eligible candidate shall not be eligible for a general election period grant. However, such candidate may solicit and accept contributions and make expenditures as follows: contributions shall be subject to the limitations set forth in subchapter 3 of this chapter, and expenditures shall be limited to an amount equal to the amount of the grant set forth in subsection (b) of this section for the general election for that office.

(d) Grants awarded in a primary election period but not expended by the candidate in the primary election period may be expended by the candidate in the general election period.

(e) Vermont campaign finance grants for a primary election period shall be paid to qualifying candidates within the first 10 business days of the primary election period. Vermont campaign finance grants for a general election period shall be paid to qualifying candidates during the first 10 business days of the general election period.

§ 2956. MONETARY AMOUNTS ADJUSTED FOR INFLATION

The monetary amounts contained in sections 2953–2955 of this subchapter shall be adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter.

Sec. 4. 17 V.S.A. § 2937 is amended to read:

§ 2937. REPORT OF MASS MEDIA ACTIVITIES

(a)(1) In addition to any other reports required to be filed under this chapter, a person who makes expenditures for any one mass media activity totaling \$500.00 or more, adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter, within 45 days before a primary, general, county, or local election shall, for each activity, file a mass media report with the Secretary of State and send a copy of the report to each candidate whose name or likeness is included in the activity without that candidate's knowledge.

(2) The copy of the mass media report shall be sent by e-mail to each candidate who has provided the Secretary of State with an e-mail address on his or her consent form and to any other candidate by mail.

(3) The mass media report shall be filed and the copy of the report shall be sent within 24 hours of the expenditure or activity, whichever occurs first. For the purposes of this section, a person shall be treated as having made an expenditure if the person has executed a contract to make the expenditure.

(b) The report shall identify the person who made the expenditure; the name of each candidate whose name or likeness was included in the activity; the amount and date of the expenditure; to whom it was paid; and the purpose of the expenditure.

(c) If the activity occurs within 30 days before the election and the expenditure was previously reported, an additional report shall be required under this section.

~~(d)(1) In addition to the reporting requirements of this section, an independent expenditure only political committee that makes an expenditure for any one mass media activity totaling \$5,000.00 or more, adjusted for inflation pursuant to the Consumer Price Index as provided in section 2905 of this chapter, within 45 days before a primary, general, county, or local election shall, for each such activity, file an independent expenditure only political committee mass media report with the Secretary of State and send a copy of the report to each candidate whose name or likeness is included in the activity without that candidate's knowledge.~~

~~(2) The report shall include all of the information required under subsection (b) of this section, as well as the names, dates, and amounts of all contributions in excess of \$100.00 accepted since the filing of the committee's last report. [Repealed.]~~

Sec. 5. APPROPRIATION

The amount of \$100,000.00 is appropriated to the Office of the Secretary of State for the purpose of the preliminary measures necessary to establish the digital filing of campaign finance reports and direct machine-readable electronic access to the individual data elements in each report as required by Sec. 3 of this act in 17 V.S.A. § 2931.

Sec. 6. EVALUATION OF 2014 PRIMARY AND GENERAL ELECTIONS

The House and Senate Committees on Government Operations shall evaluate the 2014 primary and general elections to determine whether the major provisions of this act are accomplishing their intended purposes.

Sec. 7. EFFECTIVE DATES; TRANSITIONAL PROVISIONS

(a) This act shall take effect on passage, except that:

(1) in Sec. 3 of this act, 17 V.S.A. § 2931 (submission of reports to the Secretary of State) shall take effect on January 15, 2015;

(2) in Sec. 3 of this act, 17 V.S.A. § 2921(6) (limitations of contributions; aggregate limits on contributions from a single source) shall not

take effect unless the final disposition, including all appeals, of *McCutcheon v. Federal Election Commission*, No. 12cv1034 (D.D.C. Sept. 28, 2012) either:

(A) holds that aggregate limits on contributions from single sources are constitutional; or

(B) does not result in an order of the Court that aggregate limits on contributions from single sources are unconstitutional; and

(3) Sec. 4 of this act, amending 17 V.S.A. § 2937, shall not take effect unless the final disposition, including all appeals, of *Vermont Right to Life Committee, Inc. v. Sorrell*, No. 2:09-cv-188 (D. Vt. June 21, 2012) either:

(A) holds that limits on contributions to independent expenditure-only political committees are constitutional; or

(B) does not result in an order of the Court that limits on contributions to independent expenditure-only political committees are unconstitutional.

(b) The provisions of 17 V.S.A. § 2921(4) (limitations of contributions; limits on contributions to a political committee) in Sec. 3 of this act shall not apply to independent expenditure-only political committees, except that those provisions shall apply to independent expenditure-only political committees if the final disposition, including all appeals, of *Vermont Right to Life Committee, Inc. v. Sorrell*, No. 2:09-cv-188 (D. Vt. June 21, 2012) either:

(1) holds that limits on contributions to independent expenditure-only political committees are constitutional; or

(2) does not result in an order of the Court that limits on contributions to independent expenditure-only political committees are unconstitutional.

(c) As used in this section, “independent expenditure-only political committee” shall have the same meaning as that term is defined in Sec. 3, 17 V.S.A. § 2901(9), of this act.

(Committee vote: 5-0-0)

Reported favorably with recommendation of amendment by Senator Fox for the Committee on Appropriations.

The Committee recommends that the bill be amended as recommended by the Committee on Government Operations, with the following amendments thereto:

First: By striking out Sec. 5 in its entirety

Second: By striking out Sec. 6 in its entirety and inserting in lieu thereof a new Sec. 6 to read:

Sec. 6. EVALUATION OF 2014 PRIMARY AND GENERAL ELECTIONS

The House and Senate Committees on Government Operations shall evaluate the 2014 primary and general elections to determine the effect of the implementation of this act.

Third: By striking out Sec. 7 in its entirety and inserting in lieu thereof a new Sec. 7 to read:

Sec. 7. EFFECTIVE DATES; TRANSITIONAL PROVISIONS

(a) This act shall take effect on passage, except that:

(1) in Sec. 3 of this act, 17 V.S.A. § 2931 (submission of reports to the Secretary of State) shall take effect on January 15, 2015;

(2) in Sec. 3 of this act, 17 V.S.A. § 2921(6) (limitations of contributions; aggregate limits on contributions from a single source) shall not take effect unless the final disposition, including all appeals, of *McCutcheon v. Federal Election Commission*, No. 12cv1034 (D.D.C. Sept. 28, 2012) holds that aggregate limits on contributions from single sources are constitutional; and

(3) Sec. 4 of this act, amending 17 V.S.A. § 2937, shall not take effect unless the final disposition, including all appeals, of *Vermont Right to Life Committee, Inc. v. Sorrell*, No. 2:09-cv-188 (D. Vt. June 21, 2012) holds that limits on contributions to independent expenditure-only political committees are constitutional.

(b) The provisions of 17 V.S.A. § 2921(4) (limitations of contributions; limits on contributions to a political committee) in Sec. 3 of this act shall not apply to independent expenditure-only political committees, except that those provisions shall apply to independent expenditure-only political committees if the final disposition, including all appeals, of *Vermont Right to Life Committee, Inc. v. Sorrell*, No. 2:09-cv-188 (D. Vt. June 21, 2012) holds that limits on contributions to independent expenditure-only political committees are constitutional.

(c) As used in this section, “independent expenditure-only political committee” shall have the same meaning as that term is defined in Sec. 3, 17 V.S.A. § 2901(9), of this act.

(Committee vote: 6-0-1)

**AMENDMENT TO S. 82 TO BE OFFERED BY SENATORS
GALBRAITH, BARUTH, BENNING AND ASHE**

Senators Galbraith, Baruth, Benning and Ashe move that the recommendation of amendment of the Committee on Government Operations be amended as follows:

First: In Sec. 1 (findings), by adding four new subdivisions to be subdivisions (12)–(15) to read:

(12) J.R.S. 11, adopted in 2012, declared the General Assembly’s support for a U.S. constitutional amendment “that provides that money is not speech and corporations are not persons under the U.S. Constitution.”

(13) The General Assembly, in its findings in J.R.S. 11 in support of a constitutional amendment, noted that “in 1907, Congress enacted the Tillman Act prohibiting corporate financial contributions to federal election campaigns for public office.”

(14) The Tillman Act remains the law of the land and has reduced the corrupting influence of corporations and other special interests in congressional and presidential elections.

(15) The General Assembly reaffirms its support for J.R.S. 11, for the proposition that money is not speech, and for the Tillman Act.

Second: In Sec. 3, in 17 V.S.A. § 2901, by inserting a new subdivision to be subdivision (14) to read:

(14) “Separate segregated fund” means a bank account held separately from the general treasury of a corporation or labor union and which contains only contributions made by natural persons within the contribution limits of this chapter for those persons.

and by renumbering the remaining subdivisions within 17 V.S.A. § 2901 to be numerically correct.

Third: In Sec. 3, under Subchapter 2 (registration and maintenance requirements), by adding a new section to be 17 V.S.A. § 2915 to read:

§ 2915. REQUIREMENTS FOR SEPARATE SEGREGATED FUNDS

(a) The separate segregated fund of a corporation or labor union shall be considered a political committee.

(b) Only a natural person may make a contribution to a separate segregated fund.

(c) A separate segregated fund may be used only to make contributions to candidates, political committees, or political parties.

Fourth: In Sec. 3, under Subchapter 3 (contribution limitations), by adding a new section to be 17 V.S.A. § 2926 to read:

§ 2926. LIMITATIONS ON CONTRIBUTIONS; CORPORATIONS AND LABOR UNIONS; SEPARATE SEGREGATED FUNDS

(a) Notwithstanding any provision of law to the contrary and except as provided in subsection (b) of this section, a corporation or labor union shall not make a contribution to a candidate, political committee, or political party.

(b)(1) A corporation or labor union may:

(A) establish a separate segregated fund that may contribute to candidates, political committees, and political parties; and

(B) provide its meeting facilities to a candidate, political committee, or political party on a nondiscriminatory and nonpreferential basis.

(2) A corporation may use money, property, labor, or any other thing of monetary value of the corporation for the purposes of soliciting its stockholders, executive or administrative personnel, and the immediate families of those persons for contributions to the corporation's separate segregated fund and for financing the administration of that separate segregated fund. The corporation's employees and the immediate families of those employees to whom the foregoing authority does not extend may only be solicited in writing, and such solicitations may only take place two times in a calendar year.

(3) A labor union may use money, property, labor, or any other thing of monetary value of the labor union for the purposes of soliciting its members, executive or administrative personnel, and the immediate families of those persons for contributions to the labor union's separate segregated fund and for financing the administration of that separate segregated fund. The labor union's employees and the immediate families of those employees to whom the foregoing authority does not extend and stockholders and their immediate families of a corporation in which the labor union represents members working for the corporation may only be solicited in writing, and such solicitations may only take place two times in a calendar year.

(c) Notwithstanding any provision of law to the contrary, a candidate, political committee, or political party shall not accept a contribution from a corporation or labor union except from the separate segregated fund of that corporation or labor union.

(d) The provisions of this section shall not apply to a non-profit corporation that:

(1) is not organized or operating for the principal purpose of conducting a business;

(2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and

(3) was not established by a business corporation or a labor union and has a policy not to accept significant contributions from those entities.

(e) As used in this section, “immediate families” means the spouse and the father, mother, sons, and daughters who live in the same household as a corporation or labor union’s stockholder, executive or administrative personnel, member, or employee.

NEW BUSINESS

Third Reading

S. 11.

An act relating to the Austine School.

S. 18.

An act relating to automated license plate recognition systems.

AMENDMENT TO S. 18 TO BE OFFERED BY SENATOR CAMPBELL BEFORE THIRD READING

Senator Campbell moves to amend the bill in Sec. 2, 23 V.S.A. § 1608(a), by striking out subdivision (1) in its entirety and inserting in lieu thereof the following:

(1) A law enforcement agency or the Department of Motor Vehicles may apply to the Criminal Division of the Superior Court for an extension of up to 90 days of the 18-month retention period established under subdivision 1607(d)(2) of this title if the agency or department offers specific and articulable facts showing that there are reasonable grounds to believe that the captured plate data are relevant and material to an ongoing criminal or missing persons investigation, or to a pending proceeding in the Judicial Bureau. Requests for additional 90-day extensions or for longer periods may be made to the Superior Court subject to the same standards applicable to an initial extension request under this subdivision.

S. 26.

An act relating to providing state financial support for school meals for children of low-income households.

S. 40.

An act relating to establishing an interim committee that will develop policies to restore the 1980 ratio of state funding to student tuition at Vermont State Colleges and to make higher education more affordable.

**AMENDMENT TO S. 40 TO BE OFFERED BY SENATORS
GALBRAITH AND CAMPBELL BEFORE THIRD READING**

Senators Galbraith and Campbell move to amend the bill as follows:

First: In Sec. 2(b)(1), by striking out the words “United Professions American Federation of Teachers Vermont” and inserting the words the Faculty Senate

Second: In Sec. 2(b)(2), by striking out the words “United Professions American Federation of Teachers Vermont” and inserting the words the Faculty Senates

S. 61.

An act relating to the shipment of malt beverages.

S. 132.

An act relating to sheriffs, deputy sheriffs, and the service of process.

S. 152.

An act relating to the Green Mountain Care Board’s rate review authority.

S. 157.

An act relating to modifying the requirements for hemp production in the State of Vermont.

CONCURRENT RESOLUTIONS FOR NOTICE

S.C.R. 19 (For text of Resolution, see Addendum to House Calendar for March 28, 2013)

H.C.R. 73-83 (For text of Resolutions, see Addendum to House Calendar for March 28, 2013)

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.

Heidi Pelletier of Montpelier – Member of Vermont State Colleges Board of Trustees – By Sen. Doyle for the Committee on Education. (3/13/13)

M. Jerome Diamond of Montpelier – Member of Vermont State Colleges Board of Trustees – By Sen. Doyle for the Committee on Education. (3/13/13)

Harlan Sylvester of Burlington – Chair of the Vermont Racing Commission – By Sen. Mullin for the Committee on Economic Development, Housing and General Affairs. (3/14/13)

Cheryl DeVos of North Ferrisburgh – Member of the Vermont Housing and Conservation Board – By Sen. Collins for the Committee on Economic Development, Housing and General Affairs. (3/19/13)

Megan Smith of Mendon – Commissioner, Tourism and Marketing - By Sen. Mullin for the Committee on Economic Development, Housing and General Affairs. (3/19/13)

Lawrence Miller of Montpelier – Secretary, Agency of Commerce and Community Development – By Sen. Doyle for the Committee on Economic Development, Housing and General Affairs. (3/19/13)

Chris Recchia of Randolph – Commissioner of Department of Public Service - By Sen. MacDonald for the Committee on Finance. (3/22/13)

David Mears of Montpelier – Commissioner, Vermont Department of Environmental Conservation – By Sen. Snelling for the Committee on Natural Resources and Energy. (3/27/13)

Michael Snyder of Stowe – Commissioner, Department of Forest, Parks and Recreation - By Sen. Galbraith for the Committee on Natural Resources and Energy. (3/27/13)

Patrick Berry of Middlebury – Commissioner, Fish and Wildlife – By Sen. Hartwell for the Committee on Natural Resources and Energy. (3/27/13)

Carolyn Dwyer of Montpelier – Member, University of Vermont Board of Trustees – By Sen. Baruth for the Committee on Education. (3/27/13)

Margaret D. MacLean of Peacham – Member of the State Board of Education - By Sen. McCormack for the Committee on Education. (3/27/13)

Jim Gish of Middlebury – Member of the Board of Libraries – By Sen. McCormack for the Committee on Education. (3/27/13)

Matthew Valerio of Proctor – Defender General – By Sen. Benning for the Committee on Judiciary. (3/28/13)

Stacy Weinberger of Burlington – Member of the State Board of Education – By Sen. Zuckerman for the Committee on Education. (3/29/13)

Christopher Macfarlane of Essex Junction – Member of the Vermont State Colleges Board of Trustees – By Sen. Zuckerman for the Committee on Education. (3/29/13)

PUBLIC HEARINGS

Thursday, April 18, 2013 - Room 11 - 6:00 - 8:00 P.M. Re: H. 208 Earned Sick Days - House Committee on General, Housing and Military Affairs.

SENATE APPROPRIATIONS COMMITTEE

FY 2014 Budget

ADVOCATES TESTIMONY

On **Monday, April 1, 2013** beginning at **3:00 pm**, the Senate Appropriations Committee will be taking testimony from advocates regarding the Fiscal Year 2014 Budget (H.530) in Room 10 of the State House. To schedule time before the Committee contact Becky Buck at the Legislative Joint Fiscal Office located at 1 Baldwin Street (phone: 828-5969).

JFO NOTICE

INFORMATION NOTICE

The following items were recently received by the Joint Fiscal Committee:

JFO #2616 – \$781,226 grant from the U.S. Department of Agriculture to the Vermont Department of Agriculture, Food and Markets. These funds will be used to develop a water quality trading initiative intended to reduce nonpoint source phosphorus pollution loading in Lake Champlain (from the Missisquoi Bay and Otter Creek).

JFO #2617 – \$75,000 grant from the U.S. Department of Agriculture to the Vermont Department of Agriculture, Food and Markets. These funds will be used to support the State's efforts to develop an agricultural water quality improvement program through outreach to farmers and nonagricultural stakeholders and the creation of a database designed to track water quality progress.

JFO #2618 – \$10,000 grant from the National Alcohol Beverage Control Association to the Vermont Department of Liquor Control. These

funds will be used to produce and distribute materials to help employers detect fraudulent identifications.

JFO #2619 – \$219,898 grant from the Northern Border Regional Commission to the Vermont Telecommunications Authority (VTA). These funds will be used to assist the VTA in completing construction of a 13-mile segment of a 178-mile fiber-optic network in the northeastern Vermont.

FOR INFORMATION ONLY

CROSSOVER DEADLINES

(1) The date for standing committees to report Senate bills out of committee was March 15, 2013.

(2) The date for the Committees on Appropriations and Finance to report Senate bills referred pursuant to Senate Rule 31 was March 22, 2013.

(3) These deadlines may be waived for any bill or committee **only** by consent given by the Committee on Rules.