Senate Calendar

THURSDAY, FEBRUARY 20, 2014

SENATE CONVENES AT: 10:20 A.M.

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ACTION CALENDAR

UNFINISHED BUSINESS OF TUESDAY, FEBRUARY 18, 2014

Second Reading

Favorable with Recommendation of Amendment

S. 168.

An act relating to making miscellaneous amendments to laws governing municipalities.

Reported favorably with recommendation of amendment by Senator French 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:

* * * Municipal Animal Control * * *

Sec. 1. 13 V.S.A. § 351 is amended to read:

§ 351. DEFINITIONS

As used in this chapter:

* * *

(4) "Humane officer" or "officer" means any law enforcement officer as defined in 23 V.S.A. § 4(11); auxiliary state police State Police officers; deputy game wardens; humane society officer, employee, or agent, elected animal control officer; animal control officer appointed by the legislative body of a municipality; local board of health officer or agent; or any officer authorized to serve criminal process.

* * *

Sec. 2. 20 V.S.A. § 3549 is amended to read:

§ 3549. DOMESTIC PETS OR WOLF-HYBRIDS, REGULATION BY TOWNS

The legislative body of a city or town by ordinance may regulate the <u>licensing</u>, keeping, leashing, muzzling, restraint, impoundment, and destruction of domestic pets or wolf-hybrids and their running at large except that a legislative body of a city or town shall not prohibit or regulate the barking or running at large of a working farm dog when it is on the property being farmed

by the person who registered the working farm dog, pursuant to subsection 3581(a) of this title, in the following circumstances:

- (1) If the working farm dog is barking in order to herd or protect livestock or poultry or to protect crops.
- (2) If the working farm dog is running at large in order to herd or protect livestock or poultry or to protect crops.
- Sec. 3. 20 V.S.A. § 3550 is amended to read:
- § 3550. PENALTIES; ENFORCEMENT; MUNICIPAL LEGISLATIVE BODY; SECRETARY

* * *

- (k) A municipality may adopt ordinances inconsistent with this section imposing penalties for violation of any provisions of subchapter 1 or 2, refusal to obtain a kennel permit, or refusal to comply with an order issued by a municipal officer under subchapter 5 of this chapter, in which case those ordinances shall apply.
- Sec. 4. 20 V.S.A. § 3621 is amended to read:
- § 3621. ISSUANCE OF WARRANT TO IMPOUND; COMPLAINT
- (a)(1) The legislative body of a municipality may at any time issue a warrant to one or more police officers of constables, or pound keepers, or elected or appointed animal control officers, directing them to proceed forthwith to impound all dogs or wolf-hybrids within the town or city not licensed according to the provisions of this subchapter, except as exempted by section 3587 of this title, and to enter a complaint against the owners or keepers thereof.
- (2) A dog or wolf-hybrid impounded by a municipality under this section may be transferred to an animal shelter or rescue organization for the purpose of finding an adoptive home for the dog or wolf-hybrid. If the dog or wolf-hybrid cannot be placed in an adoptive home or transferred to a humane society or rescue organization within ten days, or a greater number of days established by the municipality, the dog or wolf-hybrid may be destroyed in a humane way. The municipality shall not be liable for expenses associated with keeping the dog or wolf-hybrid at the animal shelter or rescue organization beyond the established number of days.

* * *

* * * Current and Delinquent Tax Collectors * * *

Sec. 5. 17 V.S.A. § 2646 is amended to read:

§ 2646. TOWN OFFICERS; QUALIFICATION; ELECTION

At the annual meeting, a town shall choose from among its legally qualified voters the following town officers, who shall serve until the next annual meeting and until successors are chosen, unless otherwise provided by law:

* * *

- (8) A collector of current taxes, if the town so orders; [Repealed.]
- (9) A collector of delinquent taxes, if the town so orders, for a term of one year unless a town votes that a collector of delinquent taxes shall be elected for a term of three years. When a town votes for a three-year term for the collector of delinquent taxes, that three-year term shall remain in effect until the town rescinds it by the majority vote of the legal voters present and voting at an annual meeting, duly warned for that purpose;

* * *

Sec. 6. 17 V.S.A. § 2651d is added to read:

§ 2651d. COLLECTOR OF DELINQUENT TAXES; APPOINTMENT; REMOVAL

- (a) A municipality may vote by Australian ballot at an annual or special meeting to authorize the legislative body to appoint a collector of delinquent taxes, who may be the municipal treasurer. A collector of delinquent taxes so appointed may be removed by the legislative body for just cause after notice and hearing.
- (b) When a municipality votes to authorize the legislative body to appoint a collector of delinquent taxes, the legislative body's authority to make such appointment shall remain in effect until the municipality rescinds that authority by the majority vote of the legal voters present and voting at an annual or special meeting, duly warned for that purpose.
- (c) Any collector of delinquent taxes appointed under this section shall be paid a salary or other compensation for collecting delinquent taxes in lieu of fees and commissions. Fees and commissions collected by the collector of delinquent taxes shall be turned over to the municipal treasurer at least once a month.
 - * * * Incompatible Offices; Cemetery Commissioners and Treasurers * * *
- Sec. 7. 17 V.S.A. § 2647 is amended to read:
- § 2647. INCOMPATIBLE OFFICES

- (a)(1) An auditor shall not be town clerk, town treasurer, selectboard member, first constable, collector of current or delinquent taxes, trustee of public funds, town manager, road commissioner, water commissioner, sewage system commissioner, sewage disposal commissioner, cemetery commissioner, or town district school director; nor shall a spouse of or any person assisting any of these officers in the discharge of official duties be eligible to hold office as auditor.
- (2) A selectboard member or school director shall not be first constable, collector of taxes, town treasurer, auditor, or town agent. A selectboard member shall not be lister or assessor.
 - (3) A cemetery commissioner shall not be town treasurer.
- (3)(4) A town manager shall not hold any elective office in the town or town school district.
- $\frac{(4)(5)}{(5)}$ Election officers at local elections shall be disqualified as provided in section 2456 of this title.
- (b) Notwithstanding subsection (a) of this section, if a school district prepares and reports its budget independently from the budget of the town and the school district is audited by an independent public accountant, a person shall be eligible to hold office as auditor even if that person's spouse holds office as a school director.
 - * * * Town Clerks; Public Record Redaction Authority * * *
- Sec. 8. 24 V.S.A. § 1164 is amended to read:

§ 1164. CERTIFIED COPIES; FORM

- (a) A town clerk shall furnish certified copies of any instrument on record in his <u>or her</u> office, or any instrument or paper filed in his <u>or her</u> office pursuant to law, on the tender of <u>his the clerk's</u> fees therefor, and his <u>or her</u> attestation shall be a sufficient authentication of the copies, except that the town clerk shall not copy the word "illegitimate" from any birth certificate he <u>or she</u> furnishes. The town clerk may redact Social Security numbers from copies of any instrument or record in his or her office.
- (b) Copies of vital records for events occurring outside the state State, filed with a town clerk pursuant to section 5015 of Title 18 V.S.A. § 5015, shall not be copied and certified.
 - * * * Planning and Advisory Commissions * * *
- Sec. 9. 24 V.S.A. § 4433 is amended to read:
- § 4433. ADVISORY COMMISSIONS AND COMMITTEES

Municipalities may at any time create one or more advisory commissions, which for the purposes of this chapter include committees, or a combination of advisory commissions to assist the legislative body or the planning commission in preparing, adopting, and implementing the municipal plan. Advisory commissions authorized under this section and under chapter 118 of this title may advise appropriate municipal panels, applicants, and interested parties in accordance with the procedures established under section 4464 of this title.

- (1) Creation of an advisory commission. Advisory commissions not authorized in chapter 118 of this title shall be created as follows:
- (A) An advisory commission may be created at any time when a municipality votes to create one, or through adoption of bylaws, or if the charter of a municipality permits it, when the legislative body of the municipality votes to create one.
- (B) An advisory commission shall have <u>not less no fewer</u> than three members. All members should be residents of the municipality, except that historic preservation, <u>or</u> design advisory, <u>or conservation</u> commissions may be composed of professional and lay members, a majority of whom shall reside within the municipality creating the commission.

* * *

- (2) Procedures for advisory commissions. Advisory commissions not authorized in chapter 118 of this title shall establish the following procedures:
- (A) At its organizational meeting, an advisory commission shall adopt by majority vote of those present and voting such rules as it deems necessary and appropriate for the performance of its functions. It shall annually elect a chairperson, a treasurer, chair and a clerk.
- (B) Times and places of meetings of an advisory commission shall be publicly posted in the municipality, and its meetings shall be open to the public in accordance with the terms of the open meeting law, subchapter 2 of chapter 5 of Title 1 set forth in 1 V.S.A. chapter 5, subchapter 2.

* * *

(3) Duties and powers of historic preservation commissions. In addition to the requirements set forth in subdivision (2) of this section, all historic preservation commissions shall comply with all the following:

- (C) Have responsibilities set forth in the commission's rules of procedure a written document approved by a majority vote of the local legislative body at a regular or special meeting that may include:
- (i) Preparation of reports and recommendations on standards for the planning commission in creating a local historic district bylaw under this chapter.
- (ii) Advising and assisting the legislative body, planning commission, and other entities on matters related to historic preservation.
- (iii) Advising the appropriate municipal panel and administrative officer in development review and enforcement pursuant to subdivision 4414(2)(C) 4414(1)(F) and section 4464 of this title.
- (iv) If provided in the bylaw, advising and assisting the legislative body, appropriate municipal panel, and administrative officer in creating and administering a design review district or downtown or village center district pursuant to subdivision 4414(1)(A) or (B)(E) of this title.
- (v) If provided in a bylaw developed in cooperation with the division for historic preservation, those procedural and advisory powers required of a Certified Local Government under the National Historic Preservation Act.
- (4) Powers and duties of design review commissions. In addition to the requirements set forth in subdivision (2) of this section, all design review commissions shall:
- (A) To the extent possible, have among their members professionals in the fields of architecture, landscape architecture, urban planning, historic preservation, and related disciplines.
- (B) Have responsibilities identified by the legislative body that $\underline{\text{may}}$ include:
- (i) Preparation of reports and standards for the planning commission in creating a design review district bylaw under this chapter.
- (ii) Advising and assisting the legislative body, planning commission, and other entities on design-related matters in the creation of plans and bylaws and planning for public improvements.
- (iii) Advising appropriate municipal panels and the administrative officer in development review and enforcement pursuant to subdivisions 4414(1)(E) and (F) and section 4464 of this title.

- (5) Powers and duties of housing commissions. In addition to the requirements set forth in subdivision (2) of this section, housing commissions may have responsibilities identified by the local legislative body that include:
- (A) Make Making an inventory of the current stock of housing units in the municipality and identify any gaps in the housing stock according to household incomes or special needs of the community. The inventory may include documentation of the affordable housing cost index for an average citizen of the municipality, the average cost of rental units and vacancy rates, and the annual average sales price of homes.
- (B) Review Reviewing the zoning ordinances, subdivision bylaws, building codes, and the development review process of the municipality, make recommendations to facilitate the development of affordable housing in the municipality, and promote bylaws that increase densities for the purpose of providing affordable housing.
- (C) Assist Assisting the local appropriate municipal panels pursuant to section 4464 of this title and the district environmental commission by providing advisory testimony on the housing needs of the municipality, where pertinent to applications made to those bodies, for permits for development.
- (D) Cooperate Cooperating with the local legislative body, planning commission, zoning board of adjustment, road committee, or other municipal or private organizations on matters affecting housing resources of the municipality. This may include working with the municipality on a wastewater and water allocation policy that reserves a percentage of the capacity for future affordable housing.
- (E) <u>Collaborate Collaborating</u> with not-for-profit housing organizations, government agencies, developers, and builders in pursuing options to meet the housing needs of the local residents.

Sec. 10. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

* * *

(c) In the case of an urban municipality or of a rural town where the planning commission does not serve as the board of adjustment or the development review board, members of the board of adjustment or the development review board shall be appointed by the legislative body, the number and terms of office of which shall be determined by the legislative body subject to the provisions of subsection (a) of this section. The municipal legislative body may appoint alternates to a planning commission, a board of adjustment, or a development review board for a term to be determined by the

legislative body. Alternates may be assigned by the legislative body to serve on the <u>planning commission</u>, the board of adjustment, or the development review board in situations when one or more members of the board are disqualified or are otherwise unable to serve. Vacancies shall be filled by the legislative body for the unexpired terms and upon the expiration of such terms. Each member of a board of adjustment or a development review board may be removed for cause by the legislative body upon written charges and after public hearing. If a development review board is created, provisions of this subsection regarding removal of members of the board of adjustment shall not apply.

* * *

* * * Required Frontage for Land Development * * *

Sec. 11. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

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

* * *

(3) Required frontage on, or access to, public roads, elass 4 town highways, or public waters. Land development may be permitted on lots that do not have frontage either on a public road, elass 4 town highway, or public waters, provided that access through a permanent easement or right-of-way has been approved in accordance with standards and process specified in the bylaws. This approval shall be pursuant to subdivision bylaws adopted in accordance with section 4418 of this title, or where subdivision bylaws have not been adopted or do not apply, through a process and pursuant to standards defined in bylaws adopted for the purpose of assuring safe and adequate access. Any permanent easement or right-of-way providing access to such a road or waters shall be at least 20 feet in width.

* * *

* * * Municipal Law Enforcement Authority * * *

Sec. 12. 20 V.S.A. § 2358(c)(4) is added to read:

(4) "Exercise of law enforcement authority" does not include the enforcement of civil municipal ordinances, except civil municipal ordinances relating to the operation or use of motor vehicles which are adopted pursuant to 24 V.S.A. chapters 59 and 117.

* * * General Municipal Regulatory Authority * * *

Sec. 13. 24 V.S.A. § 2291 is amended to read:

§ 2291. ENUMERATION OF POWERS

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

* * *

(10) To regulate the keeping of dogs, and to provide for their <u>licensing</u>, leashing, muzzling, restraint, impoundment, and destruction.

* * *

(16) To name and rename streets and to number and renumber lots pursuant to section 4463 of this title, and to require the owner of a house or other building to which a number has been assigned to affix the number, including the assigned 911 address, to the structure, sign, or number post so that it is clearly visible from the road.

* * *

(26) When a disaster or emergency has been declared by the Governor, a municipal building inspector, health officer, fire marshal, or zoning administrator may declare a property that has been damaged in the disaster or emergency and is dangerous to life, health, or safety due to the disaster-related damage, condemned to be destroyed.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

(Committee vote: 4-0-1)

NEW BUSINESS

Third Reading

S. 304.

An act relating to public school principals and nonrenewal of contracts.

Amendment to S. 304 to be Offered by Senators Mullin and Flory before Third Reading

Senators Mullin and Flory move to amend the bill as follows:

In Sec. 1, in 16 V.S.A. § 243(c), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read:

(2) Nonrenewal may be based upon elimination of the position, performance deficiencies, or other reasons. The written notice shall recite the grounds for nonrenewal. If nonrenewal is based on performance deficiencies, the written notice shall be accompanied by an evaluation performed by the superintendent. At its discretion, the school board may allow a period of remediation of performance deficiencies prior to issuance of the written notice.

Second Reading

Favorable with Proposal of Amendment

H. 583.

An act relating to the charge of the Vermont Child Poverty Council.

Reported favorably with recommendation of proposal of amendment by Senator McCormack for the Committee on Health and Welfare.

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 2007 Acts and Resolves No. 68, Sec. 1 is amended to read:

Sec. 1. VERMONT CHILD POVERTY COUNCIL

- (b)(1) The <u>council</u> Shall consist of the following members or their designees:
- (A) the president pro tempore of the senate President Pro Tempore of the Senate:
- (B) the speaker of the house of representatives Speaker of the House of Representatives;
- (C) the chair of the senate committee on health and welfare Chair of the Senate Committee on Health and Welfare;
- (D) the chair of the house committee on human services <u>Chair of the</u> House Committee on Human Services;
- (E) the chair of the senate committee on education Chair of the Senate Committee on Education;
- (F) the chair of the house committee on education Chair of the House Committee on Education;
- (G) the commissioners of the departments for children and families; of health; of education; and of labor Commissioners for Children and Families;

of Health; and of Labor; and the Secretaries of Human Services and of Education; and

(H) one representative each from Voices for Vermont's Children, the Vermont low income advocacy council Low Income Advocacy Council, Vermont Legal Aid, and the Vermont superintendents' association Superintendents' Association.

* * *

(3) The <u>council</u> shall meet up to six times while the <u>general assembly General Assembly</u> is not in session to perform its functions under this section. In addition, during the 2007 legislative interim, the council shall hold 14 public hearings as required under subsection (d) of this section. The Council may meet an unlimited number of times during the legislative session, but Council members shall not receive compensation or compensation and reimbursement for expenses pursuant to subsection (e) of this section for participation in meetings during the legislative session.

* * *

(e) Funds from private and public sources may be accepted and utilized by the eouncil Council to develop and implement the plan and provisions of this section. Legislative For participation in meetings during the legislative interim, legislative members of the committee Council shall be entitled to compensation and reimbursement for expenses under section 406 of Title 2 2 V.S.A. § 406. All other members not receiving compensation for service on the committee Council from another source are entitled to compensation under section 1010 of Title 32 32 V.S.A. § 1010 for participation in meetings during the legislative interim.

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

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(No House amendments)

NOTICE CALENDAR

Second Reading

Favorable with Recommendation of Amendment

S. 201.

An act relating to siting review by the Public Service Board.

Reported favorably with recommendation of amendment by Senator Hartwell for the Committee on Natural Resources and Energy.

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. PURPOSE

The purposes of this act include:

- (1) to encourage regional planning to meet statutory policies and goals to reduce greenhouse gas emissions, increase energy efficiency, and develop renewable electric generation in an orderly fashion and to allow each region to support these policies and goals in a manner that suits the region and preserves and promotes its natural resources;
- (2) to strengthen the role of regional planning commissions and local selectboards and planning commissions in the siting review process for energy facilities by giving greater weight to their recommendations and plans;
- (3) to provide an option under which a regional planning commission may amend its plan to meet statutory energy policies and goals so that, in the siting review process, electric generation facilities will be required to conform to the regional plan;
- (4) to direct that, if a regional planning commission elects this option, the regional commission shall recommend the actions and measures that the region should take to meet:
- (A) the goals of 10 V.S.A. § 578 to reduce greenhouse gas emissions from Vermont energy consumption from the 1990 baseline by 50 percent by January 1, 2028 and by 75 percent by January 1, 2050;
- (B) the goal of 10 V.S.A § 580 to produce 25 percent of the energy consumed in the State through use of renewable energy resources, particularly from Vermont's farms and forests;
- (C) the building efficiency goals of 10 V.S.A. § 581, including improving the energy fitness of at least 20 percent of the State's housing stock by 2017 and 25 percent of the State's housing stock by 2020 and reducing

Vermont's fossil fuel energy consumption at a rate of six percent annually by 2017 and 10 percent annually by 2025;

- (D) the State energy policy set forth at 30 V.S.A. § 202a, including the promotion of energy efficiency and conservation, the wise use of renewable resources, and environmentally sound energy supply;
- (E) the goals of 30 V.S.A. § 8001, including supporting development of renewable energy that uses natural resources efficiently, produces jobs and economic benefits for the State, and displaces fossil fuels; and
- (F) the goals and total renewables targets of 30 V.S.A. § 8005, including assuring that 20 percent of the State's total statewide electric retail sales in 2017 be from new renewable energy and that, in that same year, 55 percent of each utility's retail sales be from renewable energy, whether new or existing, rising to 75 percent by 2032;
- (5) to provide that, if a regional planning commission elects this option, the regional commission in amending its plan shall consider the State Electrical Energy and Comprehensive Energy Plans and use data, information, and digital resources available from the State and other sources; and
- (6) to encourage public engagement and participation in energy siting before and during the siting review process and to reduce the barriers to and burdens of public participation in that process.
- Sec. 2. 30 V.S.A. § 248 is amended to read:
- § 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES: CERTIFICATE OF PUBLIC GOOD
 - (a) Certificate of public good; obligation and procedure.
- (1) <u>Electricity; out-of-state purchases and investments.</u> No company, as defined in section 201 of this title, may:
- (A) in any way purchase electric capacity or energy from outside the State:
- (i) for a period exceeding five years, that represents more than three percent of its historic peak demand, unless the purchase is from a plant as defined in subdivision 8002(14) of this title that produces electricity from renewable energy as defined under subdivision 8002(17); or
- (ii) for a period exceeding ten years, that represents more than ten percent of its historic peak demand, if the purchase is from a plant as defined in subdivision 8002(14) of this title that produces electricity from renewable energy as defined under subdivision 8002(17); or

- (B) invest in an electric generation or transmission facility located outside this <u>state</u> unless the Public Service Board first finds that the same will promote the general good of the State and issues a certificate to that effect.
- (2) <u>In-state electric generation and transmission facilities</u>. Except for the replacement of existing facilities with equivalent facilities in the usual course of business, and except for electric generation facilities that are operated solely for on-site electricity consumption by the owner of those facilities:
- (A) no company, as defined in section 201 of this title, and no person, as defined in 10 V.S.A. § 6001(14), may begin site preparation for or construction of an electric generation facility or electric transmission facility within the state State which is designed for immediate or eventual operation at any voltage; and
- (B) no such company may exercise the right of eminent domain in connection with site preparation for or construction of any such transmission or generation facility, unless the Public Service Board first finds that the same will promote the general good of the State and issues a certificate to that effect.
- (3) Natural gas facilities. No company, as defined in section 201 of this title, and no person, as defined in 10 V.S.A. § 6001(14), may in any way begin site preparation for or commence construction of any natural gas facility, except for the replacement of existing facilities with equivalent facilities in the usual course of business, unless the Public Service Board first finds that the same will promote the general good of the State and issues a certificate to that effect pursuant to this section.
- (A) For the purposes of <u>In</u> this section, the term "natural gas facility" shall mean any natural gas transmission line, storage facility, manufactured-gas facility, or other structure incident to any of the above. For purposes of <u>In</u> this section, a "natural gas transmission line" shall include any feeder main or any pipeline facility constructed to deliver natural gas in Vermont directly from a natural gas pipeline facility that has been certified pursuant to the Natural Gas Act, 15 U.S.C. § 717 et seq.
- (B) For the purposes of In this section, the term "company" shall not include a "natural gas company" (including a "person which will be a natural gas company upon completion of any proposed construction or extension of facilities"), within the meaning of the Natural Gas Act, 15 U.S.C. § 717 et seq.; provided, however, that the term "company" shall include any "natural gas company" to the extent it proposes to construct in Vermont a natural gas facility that is not solely subject to federal jurisdiction under the Natural Gas Act.

(C) The Public Service Board shall have the authority to, and may in its discretion, conduct a proceeding, as set forth in subsection (h) of this section, with respect to a natural gas facility proposed to be constructed in Vermont by a "natural gas company" for the purpose of developing an opinion in connection with federal certification or other federal approval proceedings.

(4) Procedure and participation.

- (A) <u>Hearings.</u> With respect to a facility located in the State, the Public Service Board shall hold a nontechnical public hearing on each petition for such finding and certificate in at least one county in which any portion of the construction of the facility is proposed to be located.
- (B) The Public Service Board shall hold technical hearings at locations which it selects.

(C)(B) Notice.

- (i) At the time of filing its application with the Board, copies shall be given by the petitioner to the Attorney General and the Department of Public Service, and, with respect to facilities within the State, the Department of Health, Agency of Natural Resources, historic preservation division Division for Historic Preservation, Agency of Transportation, the and Agency of Agriculture, Food and Markets and to the chairperson or director of the municipal and regional planning commissions and the municipal legislative body for each town and city in which the proposed facility will be located. At the time of filing its application with the Board, the petitioner shall give the Byways Advisory Council notice of the filing.
- (D)(ii) Notice of the public hearing shall be published and maintained on the Board's website for at least 12 days before the day appointed for the hearing. Notice of the public hearing shall be published once in a newspaper of general circulation in the county or counties in which the proposed facility will be located, and the notice shall include an Internet address where more information regarding the proposed facility may be viewed.

(E)(C) Participation. In proceedings under this section:

- (i) Each person identified in subdivision (B)(i) of this subdivision (a)(4) as being entitled to receive a copy or notice of the application at the time of filing shall have the right to appear as a party to the proceeding on the application.
- (ii) The Agency of Natural Resources shall appear as a party in any proceedings held under this subsection section regarding an in-state facility, shall provide evidence and recommendations concerning any findings to be made under subdivision (b)(5) of this section, and may provide evidence

and recommendations concerning any other matters to be determined by the Board in such a proceeding.

- (iii) With respect to an application under this section for an in-state facility, the Board shall allow as a party any adjoining property owner or other person who demonstrates that the person has a particularized interest protected under this section and there is a reasonable possibility that the interest may be affected by an act or decision of the Board on the application.
- (iv) The Board may allow any other person as a party as its rules may provide.
- (v) The Board may allow a person to participate as a friend of the Board without being accorded party status. Participation may be limited to one or more of the following: providing testimony or other evidence; engaging in cross-examination; or the filing of legal memoranda, proposed findings of fact and conclusions of law, or argument on legal issues. A motion to participate as a friend of the Board shall identify the interest of the requestor and the desired scope of participation and shall state the reasons why the participation of the requestor will be beneficial to the Board. The Board may allow a person to participate as a friend of the Board on its own motion. Unless the Board orders otherwise, all friends of the Board shall submit their filings within the times allowed the parties. A friend of the Board shall not be subject to discovery except to the extent that the friend of the Board provides testimony or other evidence.
- (vi) The Board shall adopt and make publicly available one or more forms that a person may complete in order to move to participate as a party or friend of the Board.
- (vii) The Board shall limit discovery to that which is necessary for a full and fair determination of the proceeding. In determining the allowed discovery, the Board shall consider the relative resources of the parties and friends of the Board and the need for disclosure by the applicant of relevant information.
- (D) Postcertification review. The Board may employ postcertification review for an in-state electric transmission or natural gas facility and shall not employ postcertification review for an in-state electric generation facility. In this subdivision (D), "postcertification review" means a procedure under which a certificate of public good is conditioned on subsequent submission and consideration of other approvals issued for a facility or of specific details or designs of a facility prior to its construction, and does not include an application for an amendment to a certificate of public good that is a new application under this section.

- (E) "Person." In this subdivision (4), "person" shall have the same meaning as in 1 V.S.A. § 128.
- (5) Application fee. On filing an application under this section, an applicant for an in-state facility shall pay a fee for the purpose of compensating the State of Vermont for the direct and indirect costs incurred with respect to the review of the application and the administration of the State programs involved in this review and for the Board's posting a copy of each transcript of the proceeding online, available for download.
- (A) The fee shall be \$5.40 for each \$1,000.00 of the first \$15,000,000.00 of construction costs and \$2.50 for each \$1,000.00 of construction costs above \$15,000,000.00. In no event shall the fee exceed \$750,000.00. The Board shall adjust the amounts contained in this subdivision (A) annually commencing in 2015 for inflation since January 1, 2014 using the Consumer Price Index for all urban consumers, designated as "CPI-U," in the northeast region, as published by the U.S. Department of Labor, Bureau of Labor Statistics.
- (B) Eighty percent of the fee shall be deposited into the special fund described in section 22 of this title and allocated between the Board and the Department of Public Service in accordance with that section. Twenty percent of the fee shall be deposited into the Environmental Permit Fund under 3 V.S.A. § 2805.
- (C) The Board shall not require a fee for an application under this section for a net metering system, a facility that will pay expenses allocated pursuant to subsection 8005a(l) of this title, or a facility to be undertaken and owned by an agency of the State or a political subdivision of the State.
- (D) Nothing in this subdivision (5) shall affect the authority of the Board, the Department of Public Service, or the Agency of Natural Resources to retain personnel and allocate costs under sections 20 and 21 of this title, except that, if the costs of regular employees are allocated under section 21 of this title to an applicant paying a fee under this subdivision, the allocated amount shall be offset by the portion of the fee available to the allocating agency.
- (b) <u>Criteria.</u> Before the Public Service Board issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment, or construction:
- (1) with respect to an in-state facility, will not unduly interfere with the orderly development of the region with due consideration substantial deference having been given to the recommendations of the municipal and regional planning commissions, the recommendations of the municipal legislative

bodies, and the land conservation measures contained in the plan of any affected municipality. In this subdivision (1), "substantial deference" means that a recommendation or land conservation measure shall be applied in accordance with its terms unless there is a clear and convincing demonstration that other factors affecting the general good of the State outweigh application of the recommendation or measure. However, if a recommendation of a municipal legislative body and a recommendation of the planning commission of the same municipality conflict, the Board shall apply its independent judgment to resolve the conflict. In addition:

- (A) with respect to a natural gas transmission line subject to Board review, the line shall be in conformance with any applicable provisions concerning such lines contained in the duly adopted regional plan; and, in addition, upon application of any party, the Board shall condition any certificate of public good for a natural gas transmission line issued under this section so as to prohibit service connections that would not be in conformance with the adopted municipal plan in any municipality in which the line is located; and
- (B) with respect to an electric generation facility subject to Board review, the facility shall conform with any provisions of the regional plan that are specific to electric generation facilities if the regional plan meets the requirements of this subdivision (B).
- (i) The conformance requirement of this subdivision (B) shall apply only to a regional plan that is amended under 24 V.S.A. § 4348 after the effective date of this subdivision to:
- (I) state the basis for each provision that is specific to electric generation facilities;
- (II) identify the areas within the region that are suitable and are not suitable for siting electric generation facilities; and
- (III) analyze the options available to the region and recommend the actions and measures that the region should undertake in order to contribute to meeting the goals of 10 V.S.A. §§ 578 (greenhouse gas reduction), 580 (25 by 25), and 581 (building efficiency) and the goals and policies of sections 202a (state energy policy), 8001 (renewable energy), and 8005 (SPEED; total renewables targets) of this title.
- (ii) In amending a regional plan under this subdivision (B), the regional planning commission shall consider the State Electrical Energy and Comprehensive Energy Plans issued under sections 202 and 202b of this title and use data, information, and digital resources available from the State and other sources, including resources that may assist the regional planning

commission to identify areas that are likely candidates to site particular categories of generation technologies.

- (iii) This subdivision (B) shall not require a region to establish a numerical amount or capacity of electric generation facilities to be sited within the region.
- (iv) In any proceeding involving the application of a regional plan that has been amended under this subdivision (B), the Board shall presume that the regional plan complies with the requirements of subdivision (b)(1)(B)(i) of this section unless there is a clear and convincing demonstration that the regional plan does not meet one or more of those requirements or that there is no rational basis for a challenged provision of the regional plan;

* * *

- (5) with respect to an in-state facility, will not have an undue adverse effect on esthetics, historic sites, air and water purity, the natural environment, the use of natural resources, and the public health and safety, with due consideration having been given to greenhouse gas impacts and to the criteria specified in 10 V.S.A. §§ § 1424a(d) and substantial deference having been given to the criteria specified in 10 V.S.A. § 6086(a)(1) through (8) and (9)(K) and greenhouse gas impacts. In this subdivision (5), "substantial deference" to a criterion of 10 V.S.A. § 6086 means that the Board shall:
- (A) apply the criterion to the facts in the same manner that the criterion is applied under 10 V.S.A. chapter 151; and
- (B) if the outcome under the criterion is negative, deny the application unless there is a clear and convincing demonstration that other factors affecting the general good of the State outweigh denial;

* * *

- (10) except as to a natural gas facility that is not part of or incidental to an electric generating facility;
- (A) can be served economically by existing or planned transmission facilities without undue adverse effect on Vermont utilities or customers; and
- (B) as to an in-state electric generation facility, is designed to minimize curtailment of the facility's expected generation and includes any transmission facilities needed to place the facility's expected generation on the regional transmission system without causing congestion;

* * *

(f) However, the: Public engagement plan; notice of intent; preapplication plans.

- (1) With respect to a proposed in-state electric generation facility with a capacity exceeding 15 MW, at least eight months before filing an application under this section, the petitioner shall submit a public engagement plan to the Public Service Board. The Department of Public Service shall develop and publish guidelines that shall be the basis for each public engagement plan submitted under this subdivision (1). The petitioner shall implement the public engagement plan and its petition to the Board shall identify and respond to the issues raised during the public engagement process conducted under the plan.
- (2) The petitioner shall submit a notice of intent to construct such a facility within the State an in-state facility requiring a certificate of public good under this section to the municipal and regional planning commissions at least six months prior to an application for a certificate of public good under this section. The Board shall specify by rule the content of such a notice of intent, which shall be designed to provide a reasonable description of the facility to be built, its size and location, and related infrastructure to be constructed. A notice of intent under this subdivision (2) shall not be required for a facility that the Board determines to be eligible for treatment under subsection (j) (facilities of limited size and scope) of this section.
- (3) The petitioner shall submit plans for the construction of such a facility within the state must be submitted by the petitioner State to the municipal and regional planning commissions no less than 45 days prior to application for a certificate of public good under this section, unless the municipal and regional planning commissions shall waive such requirement. Such municipal or regional planning commission may hold a public hearing on the proposed plans. Such commissions shall may make recommendations, if any, to the public service board Public Service Board and to the petitioner at least seven days prior to filing of the petition within 21 days after the date the petition is filed with the public service board Board.
- (g) <u>Preapplication plans; transmission line relocation.</u> <u>However, notwithstanding the above Notwithstanding subdivision (f)(3) of this section, plans involving the relocation of an existing transmission line within the State <u>must shall</u> be submitted to the municipal and regional planning commissions no less than 21 days prior to application for a certificate of public good under this section.</u>

* * *

(j) Facilities of limited size and scope.

(1) The Board may, subject to such conditions as it may otherwise lawfully impose, issue a certificate of public good in accordance with the

provisions of this subsection and without the notice and hearings otherwise required by this chapter if the Board finds that:

- (A) approval is sought for construction of facilities described in subdivision (a)(2) or (3) of this section;
 - (B) such facilities will be of limited size and scope;
- (C) the petition does not raise a significant issue with respect to the substantive criteria of this section; and
- (D) the public interest is satisfied by the procedures authorized by this subsection.
- (2) Any party seeking to proceed under the procedures authorized by this subsection shall file a proposed certificate of public good and proposed findings of fact with its petition. The Board shall give written notice of the proposed certificate to the parties specified in subdivision (a)(4)(C)(B)(i) of this section, to any public interest organization that has in writing requested notice of applications to proceed under this subsection and to any other person found by the Board to have a substantial interest in the matter. Such notice shall be published on the Board's website and shall request comment within the Board's website and shall request comment within 28 days of the initial publication on the question of whether the petition raises a significant issue with respect to the substantive criteria of this section. If the Board finds that the petition raises a significant issue with respect to the substantive criteria of this section, the Board shall hear evidence on any such issue.

* * *

(k) Waiver.

- (1) Notwithstanding any other provisions of this section, the Board may waive, for a specified and limited time, the prohibitions contained in this section upon site preparation for or construction of an electric transmission facility or a generation facility necessary to assure the stability or reliability of the electric system or a natural gas facility, pending full review under this section.
- (2) A person seeking a waiver under this subsection shall file a petition with the Board and shall provide copies to the Department of Public Service and the Agency of Natural Resources. Upon receiving the petition, the Board shall conduct an expedited preliminary hearing, upon such notice to the governmental bodies listed in subdivision (a)(4)(C)(B)(i) of this section as the board Board may require.

- (r) When evaluating the need for a purchase, investment, or facility subject to this section and when giving due consideration under this section to the greenhouse gas impacts of an in-state facility, the Board shall consider all greenhouse gas emissions avoided by and related to the facility during its life cycle. The Board shall require a petitioner seeking a certificate of public good under this section for an in-state facility to provide a full accounting of the emissions avoided by and related to the facility.
- (s) The Board shall not issue a certificate of public good under this section for an in-state facility to be sited on land subject to a permit issued under 10 V.S.A. chapter 151 unless one of the following applies:
 - (1) The facility is for the purpose of system reliability.
- (2) The facility is allowed by and will comply with the terms and conditions of that permit or the applicant has obtained a permit amendment under that chapter authorizing the facility.
- Sec. 3. 3 V.S.A. § 2805 is amended to read:

§ 2805. ENVIRONMENTAL PERMIT FUND

There is hereby established a special fund to be known as the Environmental Permit Fund. Within the fund Fund, there shall be two accounts: the Environmental Permit Account and the Air Pollution Control Unless otherwise specified, fees collected in accordance with Account. subsections 2822(i) and (j) of this title, and 10 V.S.A. § 2625 and gifts and appropriations shall be deposited in the Environmental Permit Account. Fees transferred in accordance with 30 V.S.A. § 248(a) shall be deposited in the Environmental Permit Account. Fees collected in accordance with subsections 2822(j)(1), (k), (l), and (m) of this title shall be deposited in the air pollution control account Air Pollution Control Account. The Environmental Permit Fund shall be used to implement the programs specified under section 2822 of this title. The Secretary of Natural Resources shall be responsible for the Fund and shall account for the revenues and expenditures of the Agency of Natural Resources. The Environmental Permit Fund shall be subject to the provisions of 32 V.S.A. chapter 7, subchapter 5. The Environmental Permit Fund shall be used to cover a portion of the costs of administering the Environmental Division established under 4 V.S.A. chapter 27. The amount of \$143,000.00 per fiscal year shall be disbursed for this purpose. Fees transferred in accordance with 30 V.S.A. § 248(a) shall be used first to support the Agency's participation in proceedings under 30 V.S.A. § 248 and next for the other purposes authorized in this section.

Sec. 4. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

* * *

(3)(A) "Development" means each of the following:

* * *

(xi) The construction of improvements for a facility located within the State for which a certificate of public good is required under 30 V.S.A. § 248, if the improvements are for a purpose other than system reliability and will be located on a tract or tracts of land that are subject to a permit issued under this chapter and the improvements would constitute a material change to the permitted project under the rules of the Board.

* * *

- (D) The word "development" does not include:
- (i) The construction of improvements for farming, logging, or forestry purposes below the elevation of 2,500 feet.
- (ii) The construction of improvements for an electric generation or transmission facility that requires a certificate of public good under 30 V.S.A. § 248, or for a natural gas facility as defined in 30 V.S.A. § 248(a)(3), unless the provisions of subdivision (3)(C)(xi) of this section apply, or for a telecommunications facility issued a certificate of public good under 30 V.S.A. § 248a.

* * *

Sec. 5. 24 V.S.A. § 4348a is amended to read:

§ 4348a. ELEMENTS OF A REGIONAL PLAN

- (a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include but need not be limited to the following:
- (1) A statement of basic policies of the region to guide the future growth and development of land and of public services and facilities, and to protect the environment;
- (2) A land use element, which shall consist of a map and statement of present and prospective land uses:
- (A) indicating those areas proposed for forests, recreation, agriculture (using the agricultural lands identification process established in 6 V.S.A. § 8),

residence, commerce, industry, public, and semi-public uses, open spaces, and areas identified by the State, regional planning commissions or municipalities, which that require special consideration for aquifer protection, wetland protection, or for other conservation purposes;

- (B) indicating locations proposed for developments with a potential for regional impact, as determined by the regional planning commission, including flood control projects, surface water supply projects, industrial parks, office parks, shopping centers and shopping malls, airports, tourist attractions, recreational facilities, private schools, public or private colleges, and residential developments or subdivisions;
- (C) setting forth the present and prospective location, amount, intensity, and character of such land uses and the appropriate timing or sequence of land development activities in relation to the provision of necessary community facilities and services;
- (D) indicating those areas that have the potential to sustain agriculture and recommendations for maintaining them which may include transfer of development rights, acquisition of development rights, or farmer assistance programs;

(E) indicating those areas that are suitable and are not suitable for the siting of electric generation facilities;

(3) An energy element, which may include an analysis of energy resources, needs, scarcities, costs, and problems within the region; a statement of policy on the conservation of energy and the development of renewable energy resources, and; a statement of policy on patterns and densities of land use and control devices likely to result in conservation of energy; and an analysis of the options available to the region and recommendations of the actions and measures that the region should undertake in order to contribute to meeting the goals of 10 V.S.A. §§ 578 (greenhouse gas reduction), 580 (25 by 25), and 581 (building efficiency) and the goals and policies of 30 V.S.A. §§ 202a (State energy policy), 8001 (renewable energy), and 8005 (SPEED; total renewables targets);

* * *

(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings, and facilities, including public schools, state State office buildings, hospitals, libraries, power generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal,

storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need;

* * *

(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps, and may be referred to in each separate statement called for by this section.

Sec. 6. 30 V.S.A. § 246 is amended to read:

§ 246. TEMPORARY SITING OF METEOROLOGICAL STATIONS

- (a) As used in this section, a "meteorological station" consists of one temporary tower, which may include guy wires, and attached instrumentation to collect and record wind speed, wind direction, and atmospheric conditions.
- (b) The Public Service Board shall establish by rule or order standards and procedures governing application for, and issuance or revocation of, a certificate of public good for the temporary installation of one or more meteorological stations under the provisions of section 248 of this title. A meteorological station shall be deemed to promote the public good of the State if it is in compliance with the criteria of this section and the Board rules or orders. An applicant for a certificate of public good for a meteorological station shall be exempt from the requirements of subsection 202(f) of this title. Subdivision 248(a)(4)(C) (participation) of this title shall govern participation in proceedings under this section.
 - (c) In developing rules or orders, the Board:
- (1) Shall develop a simple application form and shall require that completed applications be filed with the Board, the Department of Public Service, the Agency of Natural Resources, the Agency of Transportation, and the municipality in which the meteorological station is proposed to be located and the same State, regional, and municipal entities entitled to receive notice of an application under subsection 248(a) of this title.
- (2) Shall require that if no objections are filed within 30 days of the Board's receipt of a complete application and the Board determines that the applicant has met all of the requirements of section 248 of this title, the certificate of public good shall be issued for a period that the Board finds reasonable, but in no event for more than five years. Upon request of an applicant, the Board may renew a certificate of public good. Upon expiration of the certificate, the meteorological station and all associated structures and material shall be removed, and the site shall be restored substantially to its preconstruction condition.

- (3) May waive the requirements of section 248 of this title that are not applicable to meteorological stations, including criteria that are generally applicable to public service companies as defined in this title. The Board shall not waive review regarding whether construction will have an undue adverse effect on esthetics, historic sites, air and water purity, the natural environment, and the public health and safety.
- (4) Shall seek to simplify the application and review process, as appropriate, in conformance with this section.
- (5) Shall require an applicant for a certificate of public good for a meteorological station to pay an application fee for the purpose of compensating the State of Vermont for the direct and indirect costs incurred with respect to the review of the application and the administration of the State programs involved in this review. This fee shall be \$20,000.00 or the amount calculated in accordance with the requirements for an application fee under subsection 248(a) of this title, whichever is greater. The fee shall be deposited and allocated in the same manner as the application fee under subsection 248(a) of this title.
- (d) A proposal for decision shall be issued within five months of when the Board receives a completed application for a certificate of public good for the temporary installation of one or more meteorological stations under the provisions of section 248 of this title.
- Sec. 7. 30 V.S.A. § 20 is amended to read:

§ 20. PARTICULAR PROCEEDINGS; PERSONNEL

- (a)(1) The Board or Department may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research services:
- (i) to assist the Board or Department in any proceeding listed in subsection (b) of this section;
- (ii) to monitor compliance with any formal opinion or order of the Board;
- (iii) in proceedings under section <u>246 or</u> 248 of this title, to assist other State agencies that are named parties to the proceeding where the Board or Department determines that they are essential to a full consideration of the petition, or for the purpose of monitoring compliance with an order resulting from such a petition;

- (2) The Agency of Natural Resources may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, other research, scientific, or engineering services to:
- (A) assist the Agency of Natural Resources in any proceeding under section 246 or 248 of this title;
- (B) monitor compliance with an order issued under section <u>246 or</u> 248 of this title;

* * *

(b) Proceedings, including appeals therefrom, for which additional personnel may be retained are:

* * *

(4) hearings resulting from a petition for a certificate of public good;

* * *

Sec. 8. STATUTORY REVISION

In its statutory revision capacity under 2 V.S.A. § 424, the Office of Legislative Council shall:

- (1) insert an internal caption in each subsection of 30 V.S.A. § 248 not amended by Sec. 2 of this act that reflects the subsection's subject matter; and
- (2) replace the phrase "the effective date of this subdivision" where it appears in Sec. 2, 30 V.S.A. § 248(b)(1)(B)(i), with the actual effective date of Sec. 2.

Sec. 9. EFFECTIVE DATE; ADOPTION OF FORMS

- (a) This act shall take effect on June 1, 2014.
- (b) On or before September 1, 2014, the Board shall adopt the forms required by Sec. 2, 30 V.S.A. § 248(a)(4)(C) (participation).

(Committee vote: 4-1-0)

S. 247.

An act relating to the regulation of medical marijuana dispensaries.

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. 18 V.S.A. § 4472 is amended to read:

§ 4472. DEFINITIONS

As used in this subchapter:

(1) "Bona fide health care professional-patient relationship" means a treating or consulting relationship of not less than six months' duration, in the course of which a health care professional has completed a full assessment of the registered patient's medical history and current medical condition, including a personal physical examination. If a patient has a terminal illness, the six-month requirement shall not apply.

* * *

(6) "Health care professional" means an individual licensed to practice medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a naturopathic physician under 26 V.S.A. chapter 81 who has a special license endorsement authorizing the individual to prescribe, dispense, and administer prescription medicines, an individual certified as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as an advanced practice registered nurse under 26 V.S.A. chapter 28. This definition includes individuals who are professionally licensed under substantially equivalent provisions in New Hampshire, Massachusetts, or New York.

* * *

Sec. 2. 18 V.S.A. § 4474 is amended to read:

§ 4474. REGISTERED CAREGIVERS; QUALIFICATION STANDARDS AND PROCEDURES

- (a) A person may submit a signed application to the department of public safety Department of Public Safety to become a registered patient's registered caregiver. The department Department shall approve or deny the application in writing within 30 days. The Department shall adopt rules for the issuance of a registry identification card which shall include standards for approval or denial of an application based on an individual's criminal history record. The rules shall address whether an applicant who has been convicted of an offense listed in subsection 4474g(e) of this title has been rehabilitated and should be otherwise eligible for a registry identification card. An applicant shall not be denied solely on the basis of a criminal conviction that is not listed in subsection 4474g(e) of this title. The department Department shall approve a registered caregiver's application and issue the person an authorization card, including the caregiver's name, photograph, and a unique identifier, after verifying:
- (1) the person will serve as the registered caregiver for-one registered patient only; and

- (2) the person has never been convicted of a drug-related crime.
- (b) Prior to acting on an application, the department Department shall obtain from the Vermont eriminal information center Crime Information Center a Vermont criminal record, an out-of-state criminal record, and a criminal record from the Federal Bureau of Investigation for the applicant. For purposes of As used in this subdivision, "criminal record" means a record of whether the person has ever been convicted of a drug-related crime. Each applicant shall consent to release of criminal records to the department Department on forms substantially similar to the release forms developed by the center pursuant to 20 V.S.A. § 2056c. The department Department shall comply with all laws regulating the release of criminal history records and the protection of individual privacy. The Vermont eriminal information center Crime Information Center shall send to the requester any record received pursuant to this section or inform the department of public safety <u>Department</u> that no record exists. If the <u>department</u> <u>Department</u> disapproves an application, the department Department shall promptly provide a copy of any record of convictions and pending criminal charges to the applicant and shall inform the applicant of the right to appeal the accuracy and completeness of the record pursuant to rules adopted by the Vermont eriminal information center Crime Information Center. No person shall confirm the existence or nonexistence of criminal record information to any person who would not be eligible to receive the information pursuant to this subchapter.
- (c)(1) A Except as provided in subdivision (2) of this subsection, a registered caregiver may serve only one registered patient at a time, and a registered patient may have only one registered caregiver at a time.
- (2) A registered patient who is under 18 years of age may have two registered caregivers.
- Sec. 3. 18 V.S.A. § 4473(b) is amended to read:
- (b) The department of public safety Department of Public Safety shall review applications to become a registered patient using the following procedures:
- (1) A patient with a debilitating medical condition shall submit, under oath, a signed application for registration to the department Department. If the patient is under the age of 18 years of age, the application must be signed by both the patient and a parent or guardian. The application shall require identification and contact information for the patient and the patient's registered caregiver applying for authorization under section 4474 of this title, if any, and the patient's designated dispensary under section 4474e of this title, if any. The applicant shall attach to the application a medical verification form

developed by the department Department pursuant to subdivision (2) of this subsection.

* * *

Sec. 4. 18 V.S.A. § 4474e is amended to read:

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

- (a) A dispensary registered under this section may:
- (1) Acquire, possess, cultivate, manufacture, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief. For purposes of As used in this section, "transport" shall mean the movement of marijuana or marijuana-infused products from registered growing locations to their associated dispensaries, between dispensaries, to registered patients and registered caregivers in accordance with delivery protocols, or as otherwise allowed under this subchapter.

* * *

(3) Cultivate and possess at any one time up to 28 mature marijuana plants, 98 immature marijuana plants, and 28 ounces of usable marijuana. However, if a dispensary is designated by more than 14 registered patients, the dispensary may cultivate and possess at any one time two mature marijuana plants, seven immature plants, and two four ounces of usable marijuana for every registered patient for which the dispensary serves as the designated dispensary.

* * *

(d)(1) A dispensary shall implement appropriate security measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and shall ensure that each location has an operational security alarm system. All cultivation of marijuana shall take place in an enclosed, locked facility which is either indoors or otherwise not visible to the public and which can only be accessed by principal officers and employees of the dispensary who have valid registry identification cards. The department of public safety Department of Public Safety shall perform an annual on-site assessment of each dispensary and may perform on-site assessments of a dispensary without limitation for the purpose of determining compliance with this subchapter and any rules adopted pursuant to this subchapter and may enter a dispensary at any time for such purpose. During an inspection, the department Department may review the dispensary's confidential records,

including its dispensing records, which shall track transactions according to registered patients' registry identification numbers to protect their confidentiality.

- (2)(A) A registered patient or registered caregiver may obtain marijuana from the dispensary facility by appointment only.
- (B) A dispensary may deliver marijuana to a registered patient or registered caregiver. The marijuana shall be transported in a locked container. The Department of Public Safety shall adopt rules establishing protocols for the safe delivery of marijuana to patients and caregivers.
- (3) The operating documents of a dispensary shall include procedures for the oversight of the dispensary and procedures to ensure accurate record-keeping.
- (4) A dispensary shall submit the results of an annual a biennial financial audit to the department of public safety Department of Public Safety no later than 60 days after the end of the dispensary's fiscal year. The annual audit shall be conducted by an independent certified public accountant, and the costs of any such audit shall be borne by the dispensary. The department Department may also periodically require, within its discretion, the audit of a dispensary's financial records by the department Department.
- (5) A dispensary shall destroy or dispose of marijuana, marijuana-infused products, clones, seeds, parts of marijuana that are not usable for symptom relief or are beyond the possession limits provided by this subchapter, and marijuana-related supplies only in a manner approved by rules adopted by the department of public safety Department of Public Safety.

* * *

Sec. 4a. 18 V.S.A. § 4474e(b) is amended to read:

- (b)(1) A dispensary shall be operated on a nonprofit basis for the mutual benefit of its patients but need. A dispensary does not need to be recognized as a tax-exempt organization by the Internal Revenue Service. Notwithstanding any other provision of law, a dispensary shall be exempt from taxes imposed by 32 V.S.A. §§ 5822 and 5832.
- (2) A dispensary shall have a sliding-scale fee system that takes into account a registered patient's ability to pay.
- Sec. 5. 18 V.S.A. § 4474f is amended to read:
- § 4474f. DISPENSARY APPLICATION, APPROVAL, AND REGISTRATION

(b) Within 30 days of the adoption of rules, the department Department shall begin accepting applications for the operation of dispensaries. Within 365 days of the effective date of this section, the department Department shall grant registration certificates to four dispensaries, provided at least four applicants apply and meet the requirements of this section. No more than four six dispensaries shall hold valid registration certificates at one time. The total statewide number of registered patients who have designated a dispensary shall not exceed 1,000 at any one time. Any time a dispensary registration certificate is revoked, is relinquished, or expires, the department Department shall accept applications for a new dispensary. If at any time after one year after the effective date of this section fewer than four dispensaries hold valid registration certificates in Vermont, the department of public safety shall accept applications for a new dispensary.

* * *

(g) After a dispensary is approved but before it begins operations, it shall submit the following to the department of public safety <u>Department</u>:

* * *

(4) A registration fee of \$20,000.00 for the first year of operation, and an annual fee of \$30,000.00 in subsequent years that do not require a biennial audit and \$25,000.00 in subsequent years that require a biennial audit.

Sec. 6. EFFECTIVE DATES

- (a) This section and Sec. 4a shall take effect on passage.
- (b) All remaining sections shall take effect on July 1, 2014.

(Committee vote: 5-0-0)

Reported favorably with recommendation of amendment by Senator Ashe for the Committee on Finance.

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. 4a in its entirety.

<u>Second</u>: In Sec. 5, 18 V.S.A. § 4474f, by striking out subsection (g) in its entirety and inserting in lieu thereof the following:

(g) After a dispensary is approved but before it begins operations, it shall submit the following to the department of public safety <u>Department</u>:

(4) A registration fee of \$20,000.00 for the first year of operation, and an annual fee of \$30,000.00 in subsequent years.

<u>Third</u>: By striking out Sec. 6 in its entirety and inserting in lieu thereof the following:

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

(Committee vote: 5-0-2)

CONCURRENT RESOLUTIONS FOR NOTICE

S.C.R. 42 (For text of Resolution, see Addendum to Senate Calendar for February 20, 2014)

H.C.R. 230-234 (For text of Resolutions, see Addendum to House Calendar for February 20, 2014)

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.

Patti Pallito of Richmond – Member of the State Police Advisory Commission – By Sen. French for the Committee on Government Operations. (2/19/14)

Shirley A. Jefferson of South Royalton – Member of the State Police Advisory Commission – By Sen. McAllister for the Committee on Government Operations. (2/19/14)

PUBLIC HEARINGS

Friday, February 21, 2014 – Room 11 – 1:00 P.M. – 2:00 P.M. – Re: Governor's Proposed FY 2015 State Budget – House Committee on Appropriations.

NOTICE OF JOINT ASSEMBLY

Thursday, February 20, 2014 - 10:30 A.M. - Election of two (2) trustees for the Vermont State Colleges Corporation.

The following rules shall apply to the conduct of these elections:

<u>First</u>: All nominations for these offices will be presented in alphabetical order prior to voting.

<u>Second</u>: There will be only one nominating speech of not more than three (3) minutes and not more than two seconding speeches of not more than one (1) minute each for each nominee.

FOR INFORMATION ONLY

CROSSOVER DEADLINES

The Joint Rules Committee established the following Crossover deadlines:

- (1) All **Senate** bills must be reported out of the last committee of reference (<u>including</u> the Committees on Appropriations and Finance, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 14**, **2014**, and filed with the Secretary of the Senate so that they may be placed on the Calendar for Notice the next legislative day.
- (2) All **Senate** bills referred pursuant to Senate Rule 31 to the Committees on Appropriations and Finance must be reported out by the last of those committees on or before **Friday**, **March 21**, **2014**, and filed with the Secretary of the Senate so that they may be placed on the Calendar for Notice the next legislative day.

These deadlines may be waived for any bill or committee only with the consent of the Committee on Rules.

Note: The deadlines were determined by the Joint Rules Committee. The Senate will not act on House bills that do not meet these crossover deadlines, without the consent of the Senate Rules Committee.

Exceptions to the foregoing deadlines include the major money bills (Appropriations "Big Bill", Transportation Spending Bill, Capital Construction Bill, and Miscellaneous Tax Bill).