

Journal of the House

Thursday, March 28, 2013

At nine o'clock and thirty minutes in the forenoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Pastor Brad Keller of Journey Church, South Royalton, Vt.

Bill Referred to Committee on Ways and Means

H. 50

House bill, entitled

An act relating to the sale, transfer, or importation of pets

Appearing on the Calendar, affecting the revenue of the state, under the rule, was referred to the committee on Ways and Means.

Remarks Journalized

On motion of **Rep. Pugh of South Burlington**, the following remarks by **Rep. French of Randolph** were ordered printed in the Journal:

“Mr. Speaker:

IAN’S LAST WORDS

Ian suffered a traumatic brain injury as an infant, resulting in a seizure disorder, autistic traits, communication deficits and other impairments, and passed away on March 21 at the age of 30. He was to have attended a rally to be held at the State Capital of Vermont to protest yet another proposed budget cut for social services for people with disabilities which would affect programs such as his. Ian was asked if he had anything he would like to say to the legislature concerning this proposal during the rally. Using a voice output typing device used for communication he wrote the following:

‘I will tell them that without funding we will become prisoners and not be useful citizens of Vermont and contribute to our families, friends and communities.

Without funding I would still be lost in Autism. I would not be a photographer. I would not be able to speak through this device (his link). Go camping or kayaking. Or see a therapist who helps me be a better individual.

Who would you rather have: folk who contribute nothing or people who do? I hope that someone reads what I wrote and hears with his brain, ears, heart and pen! This is what is desperately needed.”

Bill Amended, Read Third Time and Passed

H. 526

House bill, entitled

An act relating to the establishment of lake shoreland protection standards

Was taken up and pending third reading of the bill, **Rep. Krebs of South Hero** moved to amend the bill as follows:

First: In Sec. 2, 10 V.S.A. § 1442, by adding a subdivision (10) to read:

(10) “Offsite mitigation” means a practice or activity that:

(A) mitigates the adverse impacts of construction, creation, or expansion of impervious surface or cleared area on the water quality of lakes or on protected shoreland areas; and

(B) occurs on property other than the property where the construction, creation, or expansion of impervious surface or cleared area is proposed.

and by renumbering the remaining subdivisions to be numerically correct

Second: In Sec. 2, 10 V.S.A. § 1443, by adding subdivision (a)(4) to read:

(4) Under this chapter, the area of constructed, created, or expanded impervious surface or cleared area shall be the square footage as measured on a horizontal plane.

Third: In Sec. 2, 10 V.S.A. § 1444, in subsection (b)(1), by adding a new subdivision (b)(1)(D) to read:

(D) authorizing offset mitigation as a best management practice when compliance with vegetative cover or other best management practices is not technically feasible on a property within a protected shoreland area, provided that any authorized mitigation shall be conducted within the watershed of the lake in which the proposed construction, creation, or expansion of impervious surface or cleared area will occur. If, within one year of the proposed construction, creation, or expansion of impervious surface or cleared area, the applicant cannot identify a suitable offset mitigation project within the watershed of the lake where construction, creation, or expansion will occur, the Secretary shall authorize completion of the offset project in an alternative lake watershed.

and by relettering the remaining subdivisions to be alphabetically correct

Fourth: By adding Sec. 6a to read:

Sec. 6a. AGENCY OF NATURAL RESOURCES REPORT ON LAKE
SHORELAND PROTECTION

On or before December 15, 2013, the Secretary of Natural Resources shall submit to the House Committee on Fish, Wildlife and Water Resources, the Senate Committee on Natural Resources and Energy, and the House and Senate Committees on Appropriations a report regarding implementation of pending or proposed Agency of Natural Resources' water quality initiatives. The report shall include:

(1) a summary of how the regulation of construction, creation, or expansion of impervious surface or cleared area in protected shoreland areas will be coordinated with other Agency of Natural Resources water quality initiatives;

(2) a proposal for how the Agency will quantify the contribution to improved water quality in the State from the regulation of construction, creation, or expansion of impervious surface or cleared area in a protected shoreland area; and

(3) a recommendation for a prioritized plan on how to fund water quality initiatives in the State, including an estimate of how much regulation would cost and any revenue source, such as permit fees, that would be used to pay for the cost.

Which was agreed to.

Pending third reading of the bill, **Rep. Helm of Fair Haven** moved to amend asdf as follows:

In Sec. 2, 10 V.S.A. § 1443, by adding subsection (e) to read:

(e) Enforcement. The Secretary shall not initiate an enforcement action under chapter 201 of this title for a violation of this section or of this chapter based on a complaint of alleged violation from the public unless the Secretary obtains the name of the person filing the complaint.

Which was disagreed to.

Thereupon, the bill was read the third time and passed.

Read Third Time and Passed

H. 528

House bill, entitled

An act relating to revenue changes for fiscal year 2014 and fiscal year 2015

Was taken up and pending third reading of the bill, **Reps. Burke of Brattleboro, Stuart of Brattleboro, and Toleno of Brattleboro** moved to amend the bill as follows:

By striking Sec. 13 (sales tax exemptions) in its entirety and inserting in lieu thereof the following:

Sec. 13. 32 V.S.A. § 9741(13) is amended to read:

(13) Sales of food, ~~food stamps, purchases made with food stamps, food products and beverages,~~ and food ingredients sold for human consumption off the premises where sold, and sales of eligible foods that are purchased with benefits under the Supplemental Nutrition Assistance Program or any successor program. When a purchase is made with a combination of benefits under the Supplemental Nutrition Assistance Program or any successor program and cash, check, or similar payment, the cash, check, or similar payment shall be applied first to food and food ingredients exempt under this subdivision.

Which was disagreed to.

Pending third reading of the bill, **Rep. Scheuermann of Stowe** moved to amend the bill as follows:

First: By inserting a new Sec. 13a to read:

Sec. 13a. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and the use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(49) Charges made for the right to remotely access and use prewritten computer software, where possession of the software is maintained by the seller or a third party, regardless of whether the charges for the service are on a per-use, per-license, subscription, or other basis.

Second: In Sec. 17, Effective Dates, in subsection (b), before “Sec. 14”, by inserting “Sec. 13a (prewritten computer software).”

Pending the question, Shall the bill be amended as recommended by Rep. Scheuermann of Stowe? **Rep. Scheuermann of Stowe** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as recommended by Rep. Scheuermann of Stowe? was decided in the negative. Yeas, 53. Nays, 90.

Those who voted in the affirmative are:

Batchelor of Derby	Goodwin of Weston	Myers of Essex
Beyor of Highgate	Greshin of Warren	Pearce of Richford
Bouchard of Colchester	Hebert of Vernon	Poirier of Barre City
Branagan of Georgia	Helm of Fair Haven	Quimby of Concord
Brennan of Colchester	Higley of Lowell	Ralston of Middlebury
Canfield of Fair Haven	Hubert of Milton	Savage of Swanton
Carr of Brandon	Johnson of Canaan	Scheuermann of Stowe *
Condon of Colchester	Juskiewicz of Cambridge	Shaw of Pittsford
Consejo of Sheldon	Koch of Barre Town	Shaw of Derby
Corcoran of Bennington	Komline of Dorset	Smith of New Haven
Cross of Winooski	Krebs of South Hero	Strong of Albany
Cupoli of Rutland City	Larocque of Barnet	Terenzini of Rutland Town
Devereux of Mount Holly	Lawrence of Lyndon	Townsend of Randolph
Dickinson of St. Albans	Lewis of Berlin	Turner of Milton
Town	Marcotte of Coventry	Van Wyck of Ferrisburgh
Donaghy of Poultney	McFaun of Barre Town	Winters of Williamstown
Fagan of Rutland City	Mitchell of Fairfax	Wright of Burlington
Gage of Rutland City	Morrissey of Bennington	Yantachka of Charlotte

Those who voted in the negative are:

Ancel of Calais	Gallivan of Chittenden	Miller of Shaftsbury
Bartholomew of Hartland	Grad of Moretown	Mook of Bennington
Bissonnette of Winooski	Haas of Rochester	Moran of Wardsboro
Botzow of Pownal	Head of South Burlington	Mrowicki of Putney
Browning of Arlington	Heath of Westford	Nuovo of Middlebury
Burke of Brattleboro	Hooper of Montpelier	O'Brien of Richmond
Buxton of Tunbridge	Jerman of Essex	O'Sullivan of Burlington
Campion of Bennington	Jewett of Ripton	Partridge of Windham
Cheney of Norwich	Johnson of South Hero	Pearson of Burlington
Christie of Hartford	Keenan of St. Albans City	Peltz of Woodbury
Clarkson of Woodstock	Klein of East Montpelier	Potter of Clarendon
Cole of Burlington	Krowinski of Burlington	Pugh of South Burlington
Connor of Fairfield	Kupersmith of South	Rachelson of Burlington
Conquest of Newbury	Burlington	Ram of Burlington
Copeland-Hanzas of	Lanpher of Vergennes	Russell of Rutland City *
Bradford	Lenes of Shelburne	Sharpe of Bristol
Dakin of Chester	Lippert of Hinesburg	South of St. Johnsbury
Davis of Washington	Macaig of Williston	Spengler of Colchester
Deen of Westminster	Malcolm of Pawlet	Stevens of Waterbury
Donovan of Burlington	Manwaring of Wilmington	Stevens of Shoreham
Ellis of Waterbury	Marek of Newfane	Stuart of Brattleboro
Emmons of Springfield	Martin of Springfield	Sweaney of Windsor
Evans of Essex	Martin of Wolcott	Taylor of Barre City
Fay of St. Johnsbury	Masland of Thetford	Till of Jericho
Feltus of Lyndon	McCarthy of St. Albans City	Toleno of Brattleboro
Fisher of Lincoln	McCormack of Burlington	Toll of Danville
Frank of Underhill	McCullough of Williston	Townsend of South
French of Randolph	Michelsen of Hardwick	Burlington

Vowinkel of Wilder	Weed of Enosburgh	Woodward of Johnson
Waite-Simpson of Essex	Wilson of Manchester	Young of Glover *
Webb of Shelburne	Wizowaty of Burlington	Zagar of Barnard

Those members absent with leave of the House and not voting are:

Burditt of West Rutland	Huntley of Cavendish	Kitzmiller of Montpelier
Donahue of Northfield	Kilmartin of Newport City	Trieber of Rockingham

Rep. Russell of Rutland explained his vote as follows:

“Mr. Speaker:

I thank the Ways and Means Committee for their thoughtful and meticulous work on H.528 and vote no on this amendment. Especially important is the committee’s vision in their support of our Vermont communities and neighborhoods put forth in this legislation.”

Rep. Scheuermann of Stowe explained her vote as follows:

“Mr. Speaker:

This was a chance for the House to recognize the importance of nurturing the 21st century economy. We failed, and in fact sent the exact opposite message.”

Rep. Young of Glover explained his vote as follows:

“Mr. Speaker:

Last year I cosponsored a bill with the member from Stowe that exempted cloud based computing. Businesses were given huge tax bills based on a new interpretation of the law. We did the right thing in holding them harmless. This year we have no money in the budget to continue building out faster broadband and I am sure many of my colleagues in this body promised that they would work for this. If we can connect the collection of this money to further telecom investments then we would be doing the state a great service.”

Thereupon, the bill was read the third time and passed.

Recess

At eleven o'clock in the forenoon, the Speaker declared a recess until twelve o'clock and forty minutes in the afternoon.

At twelve o'clock and fifty minutes in the afternoon, the Speaker called the House to order.

Bill Read Second Time; Consideration Interrupted by Recess**H. 530**

Rep. Heath of Westford spoke for the committee on Appropriations.

House bill entitled

An act relating to making appropriations for the support of government

Having appeared on the Calendar one day for notice, was taken up and read the second time.

Pending the question, Shall the bill be read the third time?

Recess

At four o'clock and ten minutes in the afternoon, the Speaker declared a recess until five o'clock in the afternoon.

At five o'clock and twenty minutes in the afternoon, the Speaker called the House to order.

**Consideration Resumed; Bill Amended;
Consideration Interrupted by Recess****H. 530**

Consideration resumed on House bill entitled

An act relating to making appropriations for the support of government

Pending the question, Shall the bill be read the third time? **Rep. Donahue of Northfield** moved to amend the bill as follows:

First: By striking Sec. E.323 in its entirety and inserting in lieu thereof a new Sec. E.323 to read:

Sec. E.323. 33 V.S.A. § 1108 is amended to read:

§ 1108. ~~OBLIGATION TO ASSIST ELIGIBLE FAMILIES WITH
DEPENDENT CHILDREN~~ TERM LIMITS ON REACH UP
FAMILY FINANCIAL ASSISTANCE

~~Except as specifically authorized herein, the commissioner shall not adopt any rule that would result in the termination of financial assistance to a participating family, including a dependent child, on the basis of an adult family member's having received TANF-funded financial assistance, as an adult, for 60 or more months in his or her lifetime. This provision shall not prevent the commissioner from adopting rules that impose limitations on how~~

~~many months that families, including a parent who has received an associate or bachelor's degree while receiving support from the postsecondary education program authorized by section 1121 of this chapter, may receive financial assistance authorized by this chapter in the five year period immediately following the receipt of such associate or bachelor's degree.~~

(a) All Reach Up participating families who have received 60 cumulative months of financial assistance, excluding child-only grants, shall be deemed ineligible for benefits under the Reach Up Program.

(b) Deferment granted for the following reasons shall not count toward the Reach Up Program's cumulative 60-month lifetime eligibility period:

(1) The participant is not able-to-work.

(2) The participant is affected by domestic violence pursuant to subdivision 1114(b)(9) of this chapter.

(3) The participant is the primary caretaker parent in a two-parent family in which one parent is able-to-work-part-time or unable-to-work, a single parent, or a caretaker who is caring for a child who has not attained 24 months of age for 12 months, so long as the parent or caretaker of a child older than the age of six months but younger than 24 months cooperates in the development of and participates in a family development plan.

(c) The cumulative 60-month lifetime eligibility period shall not begin to toll until the parent or parents of a participating family have reached the age of 18.

(d) The Commissioner personally may waive subsection (a) of this section for a participating family if he or she finds that the participating family has experienced an unpredictable and catastrophic event that renders the family in need of continued support under the Reach Up Program.

Second: By striking Sec. E.323.3 in its entirety and inserting in lieu thereof a new Sec. E.323.3 to read:

Sec. E. 323.3. REACH UP PROGRAM EVALUATION

On or before January 15, 2014, the Agency of Human Services, in consultation with other stakeholders, shall submit an evaluation to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the House and Senate Committees on Appropriations assessing the effectiveness of the Reach Up Program in meeting the purposes outlined in 33 V.S.A. § 1102.

Pending the question, Shall the bill be amended as recommended by Rep. Donahue of Northfield? **Rep. Donahue of Northfield** demanded the Yeas and

Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be amended as recommended by Rep. Donahue of Northfield? was decided in the negative. Yeas, 51. Nays, 88.

Those who voted in the affirmative are:

Batchelor of Derby *	Gage of Rutland City	Pearce of Richford
Beyor of Highgate	Goodwin of Weston	Quimby of Concord
Branagan of Georgia *	Greshin of Warren	Ralston of Middlebury
Brennan of Colchester	Hebert of Vernon	Savage of Swanton
Browning of Arlington	Helm of Fair Haven	Scheuermann of Stowe
Burditt of West Rutland *	Higley of Lowell	Shaw of Pittsford
Canfield of Fair Haven	Hubert of Milton	Shaw of Derby
Consejo of Sheldon	Johnson of Canaan	Smith of New Haven
Corcoran of Bennington	Juskiewicz of Cambridge	Stevens of Shoreham
Cupoli of Rutland City	Kilmartin of Newport City	Terenzini of Rutland Town
Devereux of Mount Holly	Komline of Dorset	Trieber of Rockingham
Dickinson of St. Albans Town	Larocque of Barnet	Turner of Milton *
Donaghy of Poultney	Lawrence of Lyndon	Van Wyck of Ferrisburgh
Donahue of Northfield	Lewis of Berlin	Wilson of Manchester
Evans of Essex	Marcotte of Coventry	Winters of Williamstown
Fagan of Rutland City	McFaun of Barre Town	Wright of Burlington *
Feltus of Lyndon	Morrissey of Bennington	
	Myers of Essex	

Those who voted in the negative are:

Ancel of Calais	Frank of Underhill	Manwaring of Wilmington
Bartholomew of Hartland	French of Randolph	Marek of Newfane *
Bissonnette of Winooski	Gallivan of Chittenden	Martin of Springfield
Botzow of Pownal	Grad of Moretown	Martin of Wolcott
Burke of Brattleboro	Haas of Rochester	Masland of Thetford
Buxton of Tunbridge	Head of South Burlington	McCarthy of St. Albans City
Campion of Bennington	Heath of Westford	McCormack of Burlington
Carr of Brandon	Hooper of Montpelier	McCullough of Williston
Cheney of Norwich	Huntley of Cavendish	Michelsen of Hardwick
Christie of Hartford	Jerman of Essex	Miller of Shaftsbury
Clarkson of Woodstock	Jewett of Ripton	Mook of Bennington
Cole of Burlington	Johnson of South Hero	Moran of Wardsboro
Connor of Fairfield	Keenan of St. Albans City	Mrowicki of Putney
Conquest of Newbury	Klein of East Montpelier	Nuovo of Middlebury
Cross of Winooski	Krebs of South Hero	O'Brien of Richmond
Dakin of Chester	Krowinski of Burlington	O'Sullivan of Burlington
Davis of Washington	Kupersmith of South Burlington	Partridge of Windham
Deen of Westminster	Lanpher of Vergennes	Pearson of Burlington
Donovan of Burlington	Lenes of Shelburne	Peltz of Woodbury
Ellis of Waterbury	Lippert of Hinesburg	Poirier of Barre City
Emmons of Springfield	Macaig of Williston	Potter of Clarendon
Fay of St. Johnsbury	Malcolm of Pawlet	Pugh of South Burlington
Fisher of Lincoln		Ram of Burlington

Russell of Rutland City	Taylor of Barre City	Waite-Simpson of Essex
Sharpe of Bristol	Till of Jericho	Webb of Shelburne
South of St. Johnsbury	Toleno of Brattleboro	Weed of Enosburgh
Spengler of Colchester	Toll of Danville	Wizowaty of Burlington
Stevens of Waterbury	Townsend of South	Woodward of Johnson
Stuart of Brattleboro *	Burlington	Young of Glover *
Sweaney of Windsor	Vowinkel of Wilder	Zagar of Barnard

Those members absent with leave of the House and not voting are:

Bouchard of Colchester	Kitzmiller of Montpelier	Strong of Albany
Condon of Colchester	Koch of Barre Town	Townsend of Randolph
Copeland-Hanzas of Bradford	Mitchell of Fairfax	Yantachka of Charlotte
	Rachelson of Burlington	

Rep. Batchelor of Derby explained her vote as follows:

“Mr. Speaker:

I am surprised and disappointed that Washington DC politics has come to the state of Vermont.”

Rep. Branagan of Georgia explained her vote as follows:

“Mr. Speaker:

Our work here is absolutely dependent on process. In fact, that is how we ensure the voices of those who sent us here are heard. I am very disappointed in the outcome of this vote and, even more, I am bothered by the lack of regard for one of our most important points of ethics.”

Rep. Burditt of West Rutland explained his vote as follows:

“Mr. Speaker:

We finally had an opportunity to hold a hand out to needy Vermonters and offer them the services that they need to achieve self-reliance in a fiscally responsible way. Unfortunately, the majority party leadership has undermined this process with reckless regard for its apparent casualties. Mr. Speaker, I hope that your Human Services committee is not one of those casualties.”

Rep. Marek of Newfane explained his vote as follows:

“Mr. Speaker:

Whatever confusion may once have existed, the Appropriations Committee today, with full information, voted to reject this amendment. I, too, voted against it based on its merits, not upon an inconclusive attempt at forensic analysis.”

Rep. Stuart of Brattleboro explained her vote as follows:

“Mr. Speaker:

I’m surprised and disappointed by the tenor of the debate today, which has devolved into tea party political rhetoric. Under the guise of a failed process and spurred on by the concern that this proposed amendment may fail, members whose opinions differ have hurled unfounded accusations at those who spent hour, after countless hour in committee grappling with these exceedingly tough financial issues.

Mr. Speaker, last Saturday, Brattleboro had a historically long town meeting that lasted 13.5 hours. As many of you know, Brattleboro is one small town with one huge diversity of opinion. During the two decades the former Speaker of the House, Tim O’Connor, presided over our Representative Town meeting, he never presided over a Town meeting that lasted anywhere near 13 hours.

I deeply respect my colleagues from different sides of the aisle whose points of view differ from mine. But I respectfully request that we keep the debate civil, and that we keep the dialogue productive. As former House Speaker Tim O’Connor said after over 13-hours of vigorous but civil debate ‘that’s what it’s all about.’”

Rep. Turner of Milton explained his vote as follows:

“Mr. Speaker:

We understand our role as the minority party. However, the rules and this legislative process entitles us the opportunity to present our constituents’ views in a respectful and thoughtful manner. This opportunity was taken away from us by this underhanded maneuver. The integrity of this institution is of utmost importance. I hope that we remember this in the future. Thank you.”

Rep. Wright of Burlington explained his vote as follows:

“Mr. Speaker:

I vote ‘yes’ on the substance of the amendment, though it is not perfect in my opinion. Beyond the substance, the process was more than disturbing. A committee vote was held and never forwarded on to Appropriations for consideration. It was as if the vote never happened. What does this say on any committee vote going forward? Not getting the vote you want out of committee should not mean the process can be subverted. This should not happen again.”

Rep. Young of Glover explained his vote as follows:

“Mr. Speaker:

I vote 'no' with serious reservations. I am afraid that 'trust the committee process' will mean little to anyone if this sort of thing continues to happen."

Pending the question, Shall the bill be read the third time? **Rep. Pearson of Burlington** moved to amend the bill as follows:

First: In Sec. E.321.1, General Assistance emergency housing, in subsection (c), following "shall issue", by inserting ", in consultation with interested stakeholders, including both statewide organizations and local agencies."

Second: In Sec. E.321.1, General Assistance emergency housing, in subsection (d), preceding "shall adopt", by inserting ", in consultation with interested stakeholders, including both statewide organizations and local agencies."

Third: In Sec. F.100, effective dates, by adding a subsection (e) to read:

(e) Sec. E.321.1 (General Assistance emergency housing) shall take effect on July 1, 2013, except that subsection (c) of that section shall take effect on passage to allow for consultation prior to the effective date of the new emergency housing policies.

Which was agreed to.

Pending third reading of the bill, **Reps. Moran of Wardsboro, Campion of Bennington, Christie of Hartford, Davis of Washington, Fay of St. Johnsbury, Krowinski of Burlington, McCarthy of St. Albans City, McCormack of Burlington, Mrowicki of Putney, Pearson of Burlington, South of St. Johnsbury, Till of Jericho, Toleno of Brattleboro, Townsend of South Burlington, Weed of Enosburgh, Wizowaty of Burlington, Yantachka of Charlotte, and Zagar of Barnard** moved to amend the bill as follows:

In Sec. E.323 by striking subsection (a) in its entirety and inserting in lieu thereof the following:

(a) All Reach Up participating families who have received 60 cumulative months of financial assistance shall be deemed ineligible for benefits under the Reach Up Program, except:

(1) Child-only grants shall not be subject to the cumulative 60-month eligibility period set forth in this subsection; and

(2) Participants who are able-to-work and who are in compliance with this chapter and Reach Up Program regulations, including a family development plan pursuant to section 1107 of this chapter, shall not be subject to the cumulative 60-month eligibility period set forth in this subsection and

shall receive comprehensive family development plan reviews every 90 days to identify and remove employment barriers.

Pending the question, Shall the bill be amended as recommended by Reps. Moran of Wardsboro, et al? **Rep. Higley of Lowell** moved to recommit the bill to the committee on Appropriations, which was disagreed to.

Pending the question, Shall the bill amended as recommended by Reps. Moran of Wardboro, Campion of Bennington, Christie of Hartford, Davis of Washington, Fay of St. Johnsbury, Krowinski of Burlington, McCarthy of St. Albans City, McCormack of Burlington, Till of Jericho, Toleno of Brattleboro, Townsend of South Burlington, Weed of Enosburg, Wizowaty of Charlotte, and Zagar of Barnard? **Rep. Pearson of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill amended as recommended by Reps. Moran of Wardboro, Campion of Bennington, Christie of Hartford, Davis of Washington, Fay of St. Johnsbury, Krowinski of Burlington, McCarthy of St. Albans City, McCormack of Burlington, Till of Jericho, Toleno of Brattleboro, Townsend of South Burlington, Weed of Enosburg, Wizowaty of Charlotte, and Zagar of Barnard? was decided in the negative. Yeas, 36. Nays, 97.

Those who voted in the affirmative are:

Branagan of Georgia	Hooper of Montpelier	Stevens of Waterbury
Browning of Arlington	Krowinski of Burlington	Stevens of Shoreham
Burke of Brattleboro	McCarthy of St. Albans City	Till of Jericho
Campion of Bennington	McCormack of Burlington	Toleno of Brattleboro
Christie of Hartford	Michelsen of Hardwick	Townsend of South Burlington
Clarkson of Woodstock	Moran of Wardsboro	Vowinkel of Wilder
Cole of Burlington	Mrowicki of Putney	Weed of Enosburg
Cross of Winooski	O'Sullivan of Burlington	Wizowaty of Burlington
Davis of Washington	Pearson of Burlington	Woodward of Johnson
Fay of St. Johnsbury	Pugh of South Burlington	Zagar of Barnard
Fisher of Lincoln	Ram of Burlington	
French of Randolph *	South of St. Johnsbury	
Haas of Rochester	Spengler of Colchester *	

Those who voted in the negative are:

Ancel of Calais	Cheney of Norwich	Dickinson of St. Albans Town
Batchelor of Derby	Connor of Fairfield	Donovan of Burlington
Beyor of Highgate	Conquest of Newbury	Ellis of Waterbury
Bissonnette of Winooski	Consejo of Sheldon	Emmons of Springfield
Botzow of Pownal	Corcoran of Bennington	Evans of Essex
Brennan of Colchester	Cupoli of Rutland City	Fagan of Rutland City
Burditt of West Rutland	Dakin of Chester	Feltus of Lyndon
Buxton of Tunbridge	Deen of Westminster	Frank of Underhill
Carr of Brandon	Devereux of Mount Holly	

Gage of Rutland City	Lanpher of Vergennes	Potter of Clarendon
Gallivan of Chittenden	Lawrence of Lyndon	Quimby of Concord
Goodwin of Weston	Lenes of Shelburne	Ralston of Middlebury
Grad of Moretown	Lewis of Berlin	Russell of Rutland City
Greshin of Warren	Lippert of Hinesburg	Savage of Swanton
Head of South Burlington	Macaig of Williston	Scheuermann of Stowe
Heath of Westford	Malcolm of Pawlet	Sharpe of Bristol
Hebert of Vernon	Manwaring of Wilmington	Shaw of Pittsford
Helm of Fair Haven	Marcotte of Coventry	Shaw of Derby
Higley of Lowell	Marek of Newfane	Smith of New Haven
Hubert of Milton	Martin of Springfield	Stuart of Brattleboro *
Huntley of Cavendish	Martin of Wolcott	Sweaney of Windsor
Jerman of Essex	Masland of Thetford	Taylor of Barre City
Jewett of Ripton	McCullough of Williston	Terenzini of Rutland Town
Johnson of South Hero	McFaun of Barre Town	Toll of Danville
Johnson of Canaan	Miller of Shaftsbury	Trieber of Rockingham
Juskiewicz of Cambridge	Mook of Bennington	Turner of Milton
Keenan of St. Albans City	Morrissey of Bennington *	Van Wyck of Ferrisburgh
Kilmartin of Newport City	Myers of Essex	Waite-Simpson of Essex
Klein of East Montpelier	Nuovo of Middlebury	Webb of Shelburne
Komline of Dorset	O'Brien of Richmond	Wilson of Manchester
Krebs of South Hero	Partridge of Windham	Winters of Williamstown
Kupersmith of South Burlington	Pearce of Richford	Wright of Burlington
	Peltz of Woodbury	Young of Glover

Those members absent with leave of the House and not voting are:

Bartholomew of Hartland	Donaghy of Poultney	Poirier of Barre City
Bouchard of Colchester	Donahue of Northfield	Rachelson of Burlington
Canfield of Fair Haven	Kitzmiller of Montpelier	Strong of Albany
Condon of Colchester	Koch of Barre Town	Townsend of Randolph
Copeland-Hanzas of Bradford	Larocque of Barnet	Yantachka of Charlotte
	Mitchell of Fairfax	

Rep. Patsy French of Randolph explained her vote as follows:

“Mr. Speaker:

It is difficult to vote against the Appropriations Committee because they do good work. However, for me, this is all about the children. If we remove the Reach Up support from a family, how will the children be safe and protected if the family can't afford housing? Will the children be more or less likely to continue in a cycle of generational poverty? Will those children be more or less likely to be able to overcome the education gap that we know exists between children in poverty and children not in poverty? I fear for what the answers to those questions may be. For me it's all about the children and that is why I voted 'yes'.”

Rep. Morrissey of Bennington explained her vote as follows:

“Mr. Speaker:

If the policy in regards to the Reach Up program had gone through the appropriate committees of jurisdiction process, we might all have been able to vote for this amendment today. It is with regrets that I have to vote ‘no’.”

Rep. Spengler of Colchester explained her vote as follows:

“Mr. Speaker:

As a woman, as a mother and frankly as a democrat, I am offended.

In a time of the greatest income inequity since the gilded age this bill raises revenue by taking women off Reach Up.

It is morally wrong to focus our time and energy examining ways to extract funds from low-income Vermonters instead of looking to Vermonters who could well afford to share their good fortune.

Was it last week that we passed the equal pay bill taking women and children one step forward? And today we are asked to turn around and deny women a chance to succeed? This is an assault on women and, specifically, poor women and their children.”

Rep. Stuart of Brattleboro explained her vote as follows:

“Mr. Speaker:

I have been an outspoken advocate for the poor and the hungry, and I have spoken out frequently about the growing gulf in our country and the world between the rich and the poor.

But, Mr. Speaker, with all due respect to my colleagues from all sides of the aisle, I request that we respect the committee process. I also respectfully request that we appreciate the endless hours the Big Money Committees, who do the heaviest lifting in this House, devoted to stretching every dollar in the budget as far as it could go.

And Mr. Speaker, although I too have reservations about a few sections of both big money bills, I defer to the Big Money Committees, I defer to the committee process and I defer to their best judgment. Because they are the ones that heard countless hours of testimony. And they are the ones that did the best research.”

Rep. Waite-Simpson of Essex explained her vote as follows:

“Mr. Speaker:

I support the underlying principle in this amendment but I vote ‘no’ because we have given ample discretion to the agency to waive the caps. I do not for

one minute believe that the Agency of Human Services could be so ruthless as to plunge compliant families further in to poverty.”

Pending the question, Shall the bill be read a third time?

Recess

At seven o'clock and twenty minutes in the evening, the Speaker declared a recess until eight o'clock and twenty minutes in the evening.

At eight o'clock and twenty-five minutes in the evening, the Speaker called the House to order.

Consideration Resumed; Third Reading Ordered

H. 530

Consideration resumed on House bill entitled

An act relating to making appropriations for the support of government

Pending the question, Shall the bill be read the third time? **Rep. Wizowaty of Burlington** moved to amend the bill as follows:

By adding Secs. E.151.1 and E.151.2 to read:

Sec. E.151.1. FINDINGS AND PURPOSE

The General Assembly finds:

(1) There exists in the United States a widely documented, growing income gap between the wealthiest Americans and average workers that is greater now than at any time since the Great Depression.

(2) Vermont has not escaped this trend. According to a recent study by the Public Assets Institute, the total annual income received by Vermonters between 1989 and 2009 rose 60 percent—the same rate as the overall economy. During the same period, the median household income of Vermonters remained virtually flat—in fact, rose only 2.1 percent (figures adjusted for inflation).

(3) In 1980, the top 10 percent of Americans collected about one-third of the nation's income and the bottom 90 percent collected two-thirds. By 2011, that top 10 percent collected close to one-half of the nation's income. In 1980, the top one percent collected 10 percent of the nation's income; they now collect double that. Furthermore, the income of the top one-thousandth, sometimes known as the super-rich, quadrupled.

(4) In 2009, the bottom 80 percent of Americans collectively held less than 13 percent of the wealth.

(5) The ratio between highest and lowest paid employees in a company or institution provides a measure of this growing income inequality. Even the averages, by definition higher than the lowest and lower than the highest, show a disparity that can only be described as astonishing. The ratio of the average CEO pay to the average worker pay in the United States, estimated at 343:1 in 2010, is now estimated at 475:1.

(6) Past efforts to address income inequality have included establishing ratios between the lowest and highest paid employees in a corporation. Ben & Jerry's Ice Cream famously instituted such a policy in 1990 but dropped it in 1995. A few other companies continue the effort, such as Bridgeway, a highly successful investment company, which still uses a ratio.

(7) In July 2011, President Obama signed into law the Dodd–Frank Wall Street Reform and Consumer Protection Act, which includes a provision requiring companies to disclose the ratio of the pay of the CEO to the median pay of everyone else in the company.

(8) In Vermont, the ratio between lowest and highest paid state employees varies from state department to department but is nowhere greater than 1:9. At least one department has a ratio of 1:4.

(9) The General Assembly of the State of Vermont has a responsibility to allocate its resources to where they can accomplish the greatest good, in support of education, infrastructure, environmental protection, public health, human services, and the like. It is likewise in the State's interest to ensure that its investments and appropriations go to agencies, organizations, and businesses that have in turn demonstrated responsible use of resources. This includes adhering to a compensation system that meets a standard that is reasonably close to that upheld by the State itself.

(10) Thus, the State should evaluate appropriations in light of the potential recipient's compensation system—specifically, the ratio between the lowest and highest paid employees.

Sec. E.151.2. STUDY OF ECONOMIC IMPACTS OF LIMITING
COMPENSATION RATIOS FOR EMPLOYEES OF
RECIPIENTS THAT RECEIVE STATE FUNDING

(a) Creation of committee. There is created an interim study committee to calculate and analyze the economic impacts to the State of Vermont of conditioning eligibility to receive state funding upon achieving a maximum 10:1 compensation ratio between a recipient's highest and lowest paid employees.

(b) Membership. The Committee shall be composed of five members, as follows:

(1) The Commissioner of Finance and Management or designee.

(2) A member of the House Committee on Appropriations appointed by the Speaker of the House of Representatives.

(3) A member of the Senate Committee on Appropriations appointed by the President Pro Tempore of the Senate.

(4) One member of the public appointed by the Governor.

(5) The Director of the Gund Institute for Ecological Economics at the University of Vermont.

(c) Report. On or before January 15, 2014, the Committee shall report its findings and recommendations to the House and Senate Committees on Appropriations.

(d) Number of meetings; term of Committee; reimbursement. The Committee may meet no more than five times, and shall cease to exist on January 16, 2014.

(e) Reimbursement. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to compensation and reimbursement for expenses as provided in 2 V.S.A. § 406; and other members of the Committee who are not employees of the State of Vermont shall be reimbursed at the per diem rate set in 32 V.S.A. § 1010(b) and costs for necessary travel.

Thereupon, **Rep. Wizowaty of Burlington** asked and was granted leave of the House to withdraw her amendment.

Pending the question, Shall the bill be read the third time? **Rep. Cross of Winooski** moved to amend the bill as follows:

By inserting a new section E.100.1:

Sec. E.100.1 – Collaborative process concerning assignment of F.35 aircraft to the Vermont National Guard

(a) In 2010, the General Assembly adopted J.R.H. 51, *Joint resolution supporting the assignment of the F-35 aircraft to the Vermont Air National Guard*, requesting that the U.S. Air Force, the Vermont Air National Guard, the City of South Burlington, the City of Winooski, the Town of Williston, and the City of Burlington conduct collaborative hearings with concerned citizens on environmental, health, housing, and workforce issues related to the F-35 prior to the issuing of a final decision on basing F-35 fighter jets at Burlington International Airport. More recently, J.R.H.4, *Joint resolution related to the*

conduct of collaborative hearings and the basing of the F-35A in Vermont, was introduced, respectfully requesting that the collaborative hearing process begin in order to provide detailed responses concerning these issues.

(b) The Secretary of Administration shall work with the U.S. Air Force and the Vermont National Guard to begin the collaborative hearing process and any expenses shall be absorbed by the Secretary's budget.

Thereupon, **Rep. Cross of Winooski** asked and was granted leave of the House to withdraw his amendment.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

H. 60

Rep. Donovan of Burlington, for the committee on Education, to which had been referred House bill, entitled

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

Reported in favor of its passage.

Rep. Manwaring of Wilmington, for the committee on Appropriations recommended that the bill ought to pass when amended as follows:

By striking Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3 to read:

Sec. 3. APPROPRIATION

Of the funds appropriated in 2013 Acts and Resolves No. ____, Sec. B.501 (House Bill No. 530), the sum of \$322,250.00 is appropriated from the General Fund in fiscal year 2014 to the Agency of Education for the student share of the cost of lunches provided to all students eligible for a reduced-price lunch under the federal school lunch program.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time, report of the committees on Education and Appropriations agreed to.

Pending the question, Shall the bill be read a third time? **Rep. Donovan of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time? was decided in the affirmative. Yeas, 120. Nays, 10.

Those who voted in the affirmative are:

Ancel of Calais	Heath of Westford	O'Brien of Richmond
Bartholomew of Hartland	Hebert of Vernon	O'Sullivan of Burlington
Batchelor of Derby	Helm of Fair Haven	Partridge of Windham
Bissonnette of Winooski	Hooper of Montpelier	Pearce of Richford
Botzow of Pownal	Huntley of Cavendish	Pearson of Burlington
Branagan of Georgia	Jewett of Ripton	Peltz of Woodbury
Brennan of Colchester	Johnson of South Hero	Potter of Clarendon
Burke of Brattleboro	Johnson of Canaan	Pugh of South Burlington
Buxton of Tunbridge	Juskiewicz of Cambridge	Ram of Burlington
Campion of Bennington	Keenan of St. Albans City	Russell of Rutland City
Carr of Brandon	Kilmartin of Newport City	Savage of Swanton
Cheney of Norwich	Klein of East Montpelier	Scheuermann of Stowe
Christie of Hartford	Komline of Dorset	Sharpe of Bristol
Clarkson of Woodstock	Krebs of South Hero	Shaw of Pittsford
Cole of Burlington	Krowinski of Burlington	Shaw of Derby
Connor of Fairfield	Kupersmith of South Burlington	Smith of New Haven
Conquest of Newbury	Lanpher of Vergennes	South of St. Johnsbury
Consejo of Sheldon	Lenes of Shelburne	Spengler of Colchester
Corcoran of Bennington	Lewis of Berlin	Stevens of Waterbury
Cross of Winooski	Lippert of Hinesburg	Stevens of Shoreham
Cupoli of Rutland City	Macaig of Williston	Stuart of Brattleboro *
Dakin of Chester	Malcolm of Pawlet	Sweaney of Windsor
Davis of Washington	Manwaring of Wilmington	Taylor of Barre City
Deen of Westminster	Marcotte of Coventry	Terenzini of Rutland Town
Donahue of Northfield	Marek of Newfane	Till of Jericho
Donovan of Burlington	Martin of Springfield	Toleno of Brattleboro
Ellis of Waterbury	Martin of Wolcott	Toll of Danville
Emmons of Springfield	Masland of Thetford	Trieber of Rockingham
Evans of Essex	McCarthy of St. Albans City	Turner of Milton
Fagan of Rutland City	McCormack of Burlington	Vowinkel of Wilder
Fay of St. Johnsbury	McCullough of Williston	Waite-Simpson of Essex
Fisher of Lincoln	McFaun of Barre Town	Webb of Shelburne
Frank of Underhill	Michelsen of Hardwick	Weed of Enosburgh
French of Randolph	Miller of Shaftsbury	Wilson of Manchester
Gage of Rutland City	Mook of Bennington	Wizowaty of Burlington
Gallivan of Chittenden	Moran of Wardsboro	Woodward of Johnson
Goodwin of Weston	Morrissey of Bennington	Wright of Burlington
Grad of Moretown	Mrowicki of Putney	Young of Glover
Greshin of Warren	Myers of Essex	Zagar of Barnard
Haas of Rochester	Nuovo of Middlebury	
Head of South Burlington		

Those who voted in the negative are:

Beyor of Highgate	Higley of Lowell *	Van Wyck of Ferrisburgh
Burditt of West Rutland	Hubert of Milton	Winters of Williamstown
Devereux of Mount Holly	Lawrence of Lyndon	
Feltus of Lyndon	Quimby of Concord	

Those members absent with leave of the House and not voting are:

Bouchard of Colchester	Donaghy of Poultney	Ralston of Middlebury
Browning of Arlington	Jerman of Essex	Strong of Albany
Canfield of Fair Haven	Kitzmiller of Montpelier	Townsend of Randolph
Condon of Colchester	Koch of Barre Town	Townsend of South
Copeland-Hanzas of Bradford	Larocque of Barnet	Burlington
Dickinson of St. Albans Town	Mitchell of Fairfax	Yantachka of Charlotte
	Poirier of Barre City	
	Rachelson of Burlington	

Rep. Higley of Lowell explained his vote as follows:

“Mr. Speaker:

I understand the concept of having good meals for our children but let’s not continue to take the responsibility of paying for it away from parents. Forty cents a meal is not too much to ask!”

Action on Bill Postponed

H. 169

House bill, entitled

An act relating to relieving employers’ experience-rating records

Was taken up and pending the reading of the report of the committee on Commerce and Economic Development, on motion of **Rep. Botzow of Pownal**, action on the bill was postponed until Tuesday, April 2, 2013.

Message from the Senate No. 33

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has on its part passed Senate bills of the following titles:

S. 41. An act relating to water and sewer service.

S. 58. An act relating to Act 250 and oil pipelines.

S. 128. An act relating to updating mental health judicial proceedings.

S. 159. An act relating to various amendments to Vermont’s land use control law and related statutes.

S. 161. An act relating to mitigation of traffic fines and approval of a DLS Diversion Program contract.

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

Bill Amended; Third Reading Ordered

H. 329

Rep. Clarkson of Woodstock, for the committee on Ways and Means, to which had been referred House bill, entitled

An act relating to the Use Value Program

Reported in favor of its passage when amended as follows:

First: In Sec. 1, § 3757(a), in the fourth sentence after the words “If the property has been continuously enrolled by the same owner for 12 to 20 years, the tax rate shall be” by striking out the words “five percent” and inserting in lieu thereof the words “eight percent”

Second: In Sec. 1, § 5757(a), in the fifth sentence after the words “If the property has been continuously enrolled by the same owner for over 20 years, the tax rate shall be” by striking out the words “three percent” and inserting in lieu thereof the words “five percent”

Third: In Sec. 1, 32 V.S.A. § 3757, in subsection (c) after the words “has petitioned for withdrawal from” by striking the words “the Program” and inserting in lieu thereof “use value appraisal”

Fourth: In Sec. 1, § 3757(c), in the last sentence after the words “The local assessing officials shall notify” by striking out the words “the owner and”

Fifth: In Sec. 1, § 3757(e), after the words “The owner of any classified land receiving use value appraisal under this subchapter shall immediately notify the ~~director~~ Director,” by adding the words “who in turn shall notify the”

Sixth: In Sec. 6, after the words “this act shall not be available for any” by striking out the word “parcel” and inserting in lieu thereof the word “land”

Seventh: In Sec. 7(a) in the first sentence, after the words “There is created a Use Value” by striking the word “Program” and inserting in lieu thereof the word “Appraisal”

Eighth: In Sec. 7(a)(8), after the words “who shall be a land owner” by striking the words “enrolled in the Use Value Program” and inserting in lieu thereof the words “with land subject to use value appraisal”

Ninth: In Sec. 7(a), in the second sentence, by striking the words “House Committees on Agriculture, on Natural Resources and Energy, on Fish, Wildlife and Water Resources, and on Ways and Means and to the Senate Committees on Agriculture, on Natural Resources and Energy, and on”

Finance” and inserting in lieu thereof the words “House Committees on Agriculture and Forest Products and on Ways and Means and to the Senate Committees on Agriculture and on Finance”

Tenth: By striking Sec. 9 (report on additional issues) in its entirety and renumbering accordingly

Eleventh: In the renumbered Sec. 10, after the words “property withdrawn from” by striking the words “the Use Value Appraisal Program” and inserting in lieu thereof the words “use value appraisal”

Twelvth: By striking the renumbered Sec. 10(c) in its entirety and relettering subsection (d) to be (c)

and that after passage the title of the bill be amended to read: “An act relating to use value appraisals”

Rep. Winters of Williamstown, for the committee on Appropriations recommended that the bill ought to pass when amended as recommended by the committee on Ways and Means and when further amended as follows:

In Sec. 7 (use value appraisal study committee) by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(b) Reimbursement. Members of the Committee who are not employees of the State of Vermont shall be entitled to compensation as provided in 32 V.S.A. § 1010. Legislative members of the Committee shall be entitled to the same per diem compensation and reimbursement for necessary expenses for attendance at a meeting when the General Assembly is not in session as provided to members of standing committees under 2 V.S.A. § 406.

The bill, having appeared on the Calendar one day for Notice was taken up and read the second time.

Thereupon, **Rep. Clarkson of Woodstock** asked and was granted leave of the House to substitute her amendment for that offered by the committee on Ways and Means as follows:

By striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. § 3757 is amended to read:

§ 3757. LAND USE CHANGE TAX

(a) Land which has been classified as agricultural land or managed ~~forest land~~ forestland pursuant to this chapter shall be subject to a land use change tax upon the development of that land, as defined in section 3752 of this chapter. ~~Said tax shall be at the rate of 20 percent of the full fair market value of the changed land determined without regard to the use value appraisal; or~~

~~the tax shall be at the rate of 10 percent if the owner demonstrates to the satisfaction of the director that the parcel has been enrolled continuously more than 10 years. If changed land is a portion of a parcel, the fair market value of the changed land shall be the fair market value of the changed land prorated on the basis of acreage, divided by the common level of appraisal. Such~~ The tax shall be expressed as a percentage of the full fair market value of the developed or withdrawn land determined without regard to the use value appraisal. If the property has been continuously enrolled by the same owner for fewer than 12 years, the tax rate shall be ten percent. If the property has been continuously enrolled by the same owner for 12 to 20 years, the tax rate shall be eight percent. If the property has been continuously enrolled by the same owner for over 20 years, the tax rate shall be five percent. A change in ownership that adds or subtracts a family member or that transfers the property to a family member who is an heir does not interrupt the counting of continuously enrolled years; however, a transfer in whole or in part to people who are not family members or to a legal entity whose members are not all family members does interrupt the counting of continuously enrolled years. For purposes of this subsection, "family member" means a spouse, former spouse, child, parent, grandparent, grandchild, sibling, aunt, uncle, or nephew or niece, by blood, marriage, or adoption. For purposes of the land use change tax, fair market value shall be determined as of the date the land is no longer eligible for use value appraisal developed or at an earlier date, if the owner petitions for the determination pursuant to subsection (c) of this section and pays the tax within 30 days of notification from the local assessing official. This tax shall be in addition to the annual property tax imposed upon such property. Nothing in this section shall be construed to require payment of an additional land use change tax upon the subsequent development of the same land, nor shall it be construed to require payment of a land use change tax merely because previously eligible land becomes ineligible, provided no development of the land has occurred.

(b) ~~Any owner of eligible land who wishes to withdraw land from use value appraisal shall petition for a determination of the fair market value of the land at the time of the withdrawal~~ notify the Director, who shall in turn notify the local assessing official. In the alternative, if the Director determines that development has occurred, the Director shall notify the local assessing official of his or her determination. Thereafter, land which has been withdrawn or developed shall be appraised and listed at its full fair market value in accordance with the provisions of chapter 121 of this title and subsection 3756(d) of this title, according to the appraisal model and land schedule of the municipality. Said determination of the fair market value shall be used in calculating the amount of the land use change tax that shall be due when and if the development of the land occurs.

(c) ~~The~~ For the purposes of the land use change tax, the determination of the fair market value of the land as of the date the land is no longer eligible for a use value appraisal, or as of the time of the withdrawal of the land from use value appraisal, shall be made by the director local assessing officials in accordance with the provisions of subsection (b) of this section and divided by the municipality's most recent common level of appraisal as determined by the Director. The determination shall be made within 30 days after the date that the Director notifies the local assessing officials that the owner ~~or assessing officials petition for the determination and shall be effective on the date of dispatch to the owner~~ has petitioned for withdrawal from use value appraisal or that the Director or local assessing official has determined that development has occurred. The local assessing officials shall notify the Director of their determination, and the provisions for appeal relating to property tax assessments in chapter 131 of this title shall apply.

(d) The land use change tax shall be due and payable by the owner 30 days after the tax notice is mailed to the taxpayer unless, in the case of land use change tax due with respect to development occurring as a result of the issuance of a wastewater system permit, the landowner enters into a payment agreement with the commissioner of taxes. The tax shall be paid to the ~~commissioner for deposit into the general fund~~ Commissioner, who shall deposit one-half of the tax paid into the General Fund and remit one-half of the tax paid to the municipality in which the land is located. The ~~commissioner~~ Commissioner shall issue a form to the assessing officials which shall provide for a description of the land developed, the amount of tax payable, and the fair market value of the land at the time of development or withdrawal from use value appraisal. The owner shall fill out the form and shall sign it under the penalty of perjury. After receipt of payment, the ~~commissioner~~ Commissioner shall furnish the owner with one copy, shall retain one copy, and shall forward one copy to the local assessing officials ~~and~~ one copy to the register of deeds of the municipality in which the land is located, and one copy to the Secretary of Agriculture, Food and Markets if the land is agricultural land and in all other cases to the Commissioner of Forests, Parks and Recreation. ~~Thereafter, the land which has been developed shall be appraised and listed at its full fair market value in accordance with the provisions of chapter 121 of this title.~~

(e) The owner of any classified land receiving use value appraisal under this subchapter shall immediately notify the ~~director~~ Director, who in turn shall notify the local assessing officials, the Secretary of Agriculture, Food and Markets if the land is agricultural land and in all other cases the Commissioner of Forests, Parks and Recreation of:

* * *

Sec. 2. 32 V.S.A. § 3756(d) is amended to read:

(d) The assessing officials shall appraise qualifying agricultural land and managed ~~forest land~~ forestland and farm buildings at use value appraisal as defined in subdivision 3752(12) of this title. If the land to be appraised is a portion of a parcel, the assessing officials shall:

(1) determine the contributory value of each portion such that the fair market value of the total parcel is comparable with other similar parcels in the municipality; and

(2) notify the landowner according to the procedures for notification of change of appraisal. The portion of the parcel that is not to be appraised at use value shall be appraised at its fair market value determined in this subsection.

Sec. 3. 32 V.S.A. § 3752(12) is amended to read:

(12) “Use value appraisal” means, with respect to land, the price per acre which the land would command if it were required to remain henceforth in agriculture or forest use, as determined in accordance with the terms and provisions of this subchapter. With respect to farm buildings, “use value appraisal” means zero percent of fair market value. ~~The director shall annually provide the assessing officials with a list of farm sales, including the town in which the farm is located, the acreage, sales price, and date of sale.~~

Sec. 4. 32 V.S.A. § 3756(i) is amended to read:

(i) ~~The director~~ After providing 30 days notice to the owner, the Director shall remove from use value appraisal an entire parcel of managed forest land and notify the owner in accordance with the procedure in subsection (b) of this section when the ~~department of forests, parks and recreation~~ Department of Forests, Parks and Recreation has not received a required management activity report or has received an adverse inspection report, unless the lack of conformance consists solely of the failure to make prescribed planned cutting. In that case, the ~~director~~ Director may delay removal from use value appraisal for a period of one year at a time to allow time to bring the parcel into conformance with the plan.

Sec. 5. USE VALUE APPRAISAL “EASY-OUT”

Notwithstanding any other provision of law, an owner of property enrolled in use value appraisal under 32 V.S.A. chapter 124 as of the passage of this act who elects to discontinue enrollment of the entire parcel may be relieved of the first \$100,000.00 of land use change tax imposed pursuant to 32 V.S.A. § 3757; provided that if the property owner does elect to discontinue enrollment and be relieved of the first \$100,000.00 of land use change tax, the owner shall pay the full property tax, based upon the property’s full fair market

value, for the 2013 assessment, and no state reimbursement shall be paid for that land. No property owner shall be relieved of more than \$100,000.00 in land use change tax under this provision. An election to discontinue enrollment under this provision is effective only if made in writing to the Director of Property Valuation and Review on or before October 1, 2013; and an owner who elects to discontinue enrollment under this section or any successor owner shall not reenroll less than the entire withdrawn parcel in the succeeding five years. If the property owner withdraws less than the entire parcel, the provisions of this section do not apply.

Sec. 6. LIMITATION ON EASY-OUT

The “easy-out” provided for in Sec. 5 of this act shall not be available for any land that has been developed, as that term is defined in 32 V.S.A. § 3752(5), prior to passage of this act.

Sec. 7. MUNICIPAL REIMBURSEMENT PAYMENTS

(a) There is created a Use Value Appraisal Municipal Reimbursement Study Committee to examine the existing formula for municipal reimbursement payments (“hold harmless payments”) to determine if the payments are equitable and appropriate in light of the reallocation of land use change tax payments under this act and, if not, to propose an alternative formula. The Committee shall issue a report on or before January 15, 2014, and the report shall be submitted to the House Committees on Agriculture and Forest Products and on Ways and Means and to the Senate Committees on Agriculture and on Finance. The members of the Study Committee shall be:

(1) The Director of Property Valuation and Review, who shall serve as the Chair of the Committee and shall call the first meeting of the Committee on or before September 1, 2013;

(2) The Secretary of the Agency of Agriculture, Food and Markets or designee;

(3) The Commissioner of the Department of Forests, Parks and Recreation or designee;

(4) The Executive Director of the Vermont Assessors and Listers Association or designee;

(5) Two representatives of the Vermont League of Cities and Towns, one from a rural community and one from an urban community, appointed by its Board of Directors;

(6) A member of the House appointed by the Speaker of the House;

(7) A member of the Senate appointed by the Committee on Committees;

(8) A member of the public appointed by the Governor who shall be a land owner with land subject to use value appraisal.

(b) Members of the Committee who are not state employees shall be entitled to compensation as provided under 32 V.S.A. § 1010, unless otherwise compensated.

Sec. 8. ASSESSMENT OF CONSERVED PROPERTY

On or before January 1, 2014, the Director of Property Valuation and Review shall publish guidance for the local assessing officials concerning how to assess land permanently encumbered by a conservation easement and how to apply the methodology in a consistent manner across the State.

Sec. 9. REPEAL OF WASTEWATER PROVISIONS

The following provisions are repealed:

(1) 2011 Acts and Resolves No. 45, Sec. 13a (wastewater permits);

(2) 2012 Acts and Resolves No. 143, Secs. 41 through 43 (wastewater permits).

Sec. 10. EFFECTIVE DATE AND TRANSITION RULES

(a) Subject to Sec. 6 of this act, property withdrawn from use value appraisal on or before October 1, 2013 but not developed before that date shall be subject to the land use change tax under the provisions of 32 V.S.A. § 3757 in effect at the time of withdrawal; and revenues from the land use change tax paid on any such property shall be paid to the Commissioner for deposit into the General Fund.

(b) Sec. 1 (land use change tax) of this act shall take effect on October 2, 2013.

(c) All other sections of this act shall take effect on July 1, 2013.

and that after passage the title of the bill be amended to read: “An act relating to use value appraisals”

Thereupon, the report of the committee on Appropriations was agreed to and the recommendation of amendment offered by Rep. Clarkson of Woodstock, as amended, was agreed to and third reading ordered.

Adjournment

At nine o'clock and thirty minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at eight o'clock and thirty minutes in the forenoon.