## Journal of the House

## **Tuesday, May 14, 2013**

At ten o'clock in the forenoon the Speaker called the House to order.

## **Devotional Exercises**

Devotional exercises were conducted by the Speaker.

## **Joint Resolution Adopted**

#### J.R.H. 13

Joint resolution relating to federal affordable housing policy

Offered by: Representative Head of South Burlington

Whereas, in 2011, the private Bipartisan Policy Center established a Commission on Housing, which was charged with "examining what the appropriate role of government should be in helping to shape the future housing landscape in an increasingly diverse society," and

Whereas, the Commission's four co-chairs were former U.S. Senate Majority Leader George J. Mitchell, former U.S. Senator Christopher S. Bond, former U.S. Senator and Secretary of Housing and Urban Development (HUD) Mel Martinez, and former U.S. HUD Secretary Henry Cisneros, and

Whereas, on February 25, 2013, the Commission issued its report entitled *Housing America's Future: New Directions for National Policy* (report), and

Whereas, on May 1, 2013, Commission member Nan Roman testified before the Vermont House Committee on General, Housing and Military Affairs and presented highlights of the report, and

Whereas, the Commission has developed a series of findings that would increase resources for effective programs in Vermont, including the low-income housing tax credit and rural development programs, and

Whereas, in her testimony, Nan Roman noted a number of Vermont initiatives as programs with promise, including the development of the SASH model (support and services at home) for citizens aging in place, and the role of land trusts, and

Whereas, the report proposed (1) focusing rental assistance on the lowest income citizens and making the assistance universally available in an effort to combat and alleviate homelessness; and (2) a significant HUD investment in

public housing which according to HUD's own accounting system has been underfunded for many years, and

Whereas, Vermont has established housing policies which focus on placing development in town and village centers, the rehabilitation of our historic buildings, and serving our lowest income citizens, and

Whereas, according to 10 V.S.A § 302, the creation of affordable housing is a policy goal of the Vermont Housing and Conservation Board, and this policy goal through the Board's Trust Fund has promoted the preservation of housing stock and made home purchasing available to Vermonters, and

Whereas, the current federal budget crisis requires bipartisan housing policy solutions, now therefore be it

## Resolved by the Senate and House of Representatives:

That the General Assembly requests that the National Conference of State Legislatures seek a federal consensus on housing policy as recommended in the report of the Bipartisan Policy Center's Commission on Housing, and be it further

Resolved: That the General Assembly encourages the Vermont Congressional Delegation to participate in the building of a bipartisan consensus on a federal housing policy, including reallocating funds to pay for increased federal financial support for affordable housing, and be it further

<u>Resolved</u>: That the Secretary of State be directed to send a copy of this resolution to the National Conference of State Legislatures, the Vermont Congressional Delegation, the Vermont Housing and Conservation Board, and Housing Vermont.

Was taken up and adopted on the part of the House.

# Rules Suspended; Senate Proposal of Amendment Concurred in H. 226

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to the regulation of underground storage tanks

Appearing on the Calendar for notice, was taken up for immediate consideration.

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

First: Prior to Sec. 1, by inserting the following reader assistance line:

\* \* \* Underground Storage Tanks; Petroleum Cleanup Fund \* \* \*

<u>Second</u>: By striking out Sec. 10 (effective dates) in its entirety and inserting in lieu thereof five new sections to read:

\* \* \* Brownfields; Redevelopment \* \* \*

#### Sec. 10. LEGISLATIVE INTENT

For the purposes of Secs. 10 through 13 of this act, it is the intent of the General Assembly that:

- (1) It is appropriate to confer a limited defense to liability for hazardous material cleanup when a municipality, regional development corporation, or regional planning commission conforms to the requirements of 10 V.S.A. § 6615(d)(3), in the case of municipalities, and 10 V.S.A. § 6615(d)(4).
- (2) It is of vital importance for purchasers of commercial properties to conduct environmental site assessments that conform to statutorily recognized standards.
- (3) In construing the defense to liability established pursuant to 10 V.S.A. § 6615(f), the courts of this State shall be guided by the construction of similar terms contained in 42 U.S.C. § 9601(35)(A)(i) and (B), as amended, and the courts of the United States.
- (4) It is appropriate to confer limited defense to liability for secured lenders and fiduciaries under state law that is equivalent to liability under federal law.
- (5) In construing the defense to liability established pursuant to 10 V.S.A. § 6615(g), the courts of this State will be guided by the construction of similar terms contained in 42 U.S.C. §§ 9601(20)(F) and 9607(n), as amended, and the courts of the United States.
- Sec. 11. 10 V.S.A § 6602 is amended to read:

## § 6602. DEFINITIONS

For the purposes of this chapter:

(1) "Secretary" means the secretary of the agency of natural resources Secretary of Natural Resources, or his or her duly authorized representative.

\* \* \*

(4) "Hazardous waste" means any waste or combination of wastes of a solid, liquid, contained gaseous, or semi-solid form, including but not limited to those which are toxic, corrosive, ignitable, reactive, strong sensitizers, or

which generate pressure through decomposition, heat, or other means, which in the judgment of the secretary Secretary may cause, or contribute to, an increase in mortality or an increase in serious irreversible or incapacitating reversible illness, taking into account the toxicity of such waste, its persistence and degradability in nature, and its potential for assimilation, or concentration in tissue, and other factors that may otherwise cause or contribute to adverse acute or chronic effects on the health of persons or other living organisms, or any matter which may have an unusually destructive effect on water quality if discharged to ground or surface waters of the state State. All special nuclear, source, or by-product material, as defined by the Atomic Energy Act of 1954 and amendments thereto, codified in 42 U.S.C. § 2014, is specifically excluded from this definition.

\* \* \*

(6) "Person" means any individual, partnership, company, corporation, association, unincorporated association, joint venture, trust, municipality, the state State of Vermont or any agency, department or subdivision of the state State, federal agency, or any other legal or commercial entity.

\* \* \*

(10) "Facility" means all contiguous land, structures, other appurtenances, and improvements on the land, used for treating, storing, or disposing of waste. A facility may consist of several treatment, storage, or disposal operational units.

\* \* \*

(13) "Waste" means a material that is discarded or is being accumulated, stored, or physically, chemically, or biologically treated prior to being discarded or has served its original intended use and is normally discarded or is a manufacturing or mining by-product and is normally discarded.

\* \* \*

- (16)(A) "Hazardous material" means all petroleum and toxic, corrosive, or other chemicals and related sludge included in any of the following:
- (i) any substance defined in section 101(14) of the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980;
  - (ii) petroleum, including crude oil or any fraction thereof; or
- (iii) hazardous wastes, as determined under subdivision (4) of this section;

- (B) "Hazardous material" does not include herbicides and pesticides when applied consistent with good practice conducted in conformity with federal, state, and local laws and regulations and according to manufacturer's instructions. Nothing in this subdivision shall affect the authority granted and the limitations imposed by section 6608a of this title.
- (17) "Release" means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the state State, or into waters outside the jurisdiction of the state State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the state State.

\* \* \*

(23) "Secured lender" means a person who holds indicia of ownership in a facility, furnished by the owner or person in lawful possession, primarily to assure the repayment of a financial obligation. Such indicia include interests in real or personal property which are held as security or collateral for repayment of a financial obligation such as a mortgage, lien, security interest, assignment, pledge, surety bond, or guarantee and include participation rights, held by a financial institution solely for legitimate commercial purposes, in making or servicing loans. The term "secured lender" includes a person who acquires indicia of ownership by assignment from another secured lender.

\* \* \*

- (34) "Participation in management" means, for the purpose of subsection 6615(g) of this title, a secured lender's or fiduciary's actual participation in the management or operational affairs of a facility. It does not mean a secured lender's or fiduciary's mere capacity to influence, or unexercised right to control, facility operations. A secured lender or fiduciary shall be considered to have participated in management if the secured lender or fiduciary:
- (A) exercises decision-making control over environmental compliance related to the facility, such that the secured lender or fiduciary has undertaken responsibility for hazardous materials handling or disposal practices related to the facility; or
- (B) exercises control at a level comparable to that of a manager of the facility, such that the secured lender or fiduciary has assumed or manifested responsibility:

- (i) for the overall management of the facility encompassing day-to-day decision making with respect to environmental compliance; or
- (ii) over all or substantially all of the operational functions, as distinguished from financial or administrative functions, of the facility other than the function of environmental compliance.
- (35) "Regional development corporation" means a nonprofit corporation organized in this State whose principal purpose is to promote, organize, or accomplish economic development, including providing planning and resource development services to local communities, supporting existing industry, assisting the growth and development of new and existing small businesses, and attracting industry or commerce to a particular economic region of the State.
- (36) "Regional planning commission" means a planning commission created for a region established under 24 V.S.A. chapter 117, subchapter 3.
- Sec. 12. 10 V.S.A. § 6615 is amended to read:

## § 6615. LIABILITY

- (a) Subject only to the defenses set forth in subsections (d) and (e) of this section:
  - (1) the owner or operator of a facility, or both;
- (2) any person who at the time of release or threatened release of any hazardous material owned or operated any facility at which such hazardous materials were disposed of;
- (3) any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous materials owned or possessed by such person, by any other person or entity, at any facility owned or operated by another person or entity and containing such hazardous materials; and
- (4) any person who accepts or accepted any hazardous materials for transport to disposal or treatment facilities selected by such persons, from which there is a release, or a threatened release of hazardous materials shall be liable for:
  - (A) abating such release or threatened release; and
- (B) costs of investigation, removal, and remedial actions incurred by the <u>state State</u> which are necessary to protect the public health or the environment.

\* \* \*

- (d)(1) There shall be no liability under this section for a person otherwise liable who can establish by a preponderance of the evidence that the release or threat of release of hazardous material and the damages resulting therefrom were caused solely by any of the following:
  - (A) an act of God;
  - (B) an act of war;
- (C) an act or omission of a third party other than an employee or agent of the defendant, or other than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant. If the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail, for purposes of this section, there shall be considered to be no contractual relationship at all. This subdivision (d)(1)(C) shall only serve as a defense if the defendant establishes by a preponderance of the evidence:
- (i) that the defendant exercised due care with respect to the hazardous material concerned, taking into consideration the characteristics of that hazardous material, in light of all relevant facts and circumstances; and
- (ii) that the defendant took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from those acts or omissions; or
  - (D) any combination of the above.

\* \* \*

- (3) A municipality shall not be liable under <u>subdivision (a)(1) of</u> this section <u>as an owner</u> provided that the municipality can show all the following:
- (A) The property was acquired by virtue of its function as sovereign through bankruptcy, tax delinquency, abandonment, or other similar circumstances.
- (B) The municipality did not cause or, contribute to the contamination of, or worsen a release or threatened release of a hazardous material at the property.
- (C)(i) The municipality has entered into an agreement with the secretary regarding sale of the property acquired or has undertaken abatement, investigation, remediation, or removal activities as required by subchapter 3 of this chapter Secretary, prior to the acquisition of the property, requiring the municipality to conduct a site investigation with respect to any release or

- threatened release of a hazardous material and an agreement for the municipality's marketing of the property acquired.
- (ii) The Secretary shall consult with the Secretary of Commerce and Community Development on the plan related to the marketing of the property.
- (iii) The municipality may assert a defense to liability only after implementing a site investigation at the property acquired and taking reasonable steps defined by the agreement with the Secretary to market the property.
- (iv) In developing an agreement regarding site investigation, the Secretary shall consider: the degree and extent of the known releases of hazardous materials at the property; the financial ability of the municipality; and the availability of state and federal funding when determining what is required by the agreement for the investigation of the site.
- (4) A regional development corporation or regional planning commission shall not be liable under subdivision (a)(1) of this section as an owner provided that the regional development corporation or regional planning commission can show all the following:
- (A) The regional development corporation or regional planning commission did not cause, contribute to, or worsen a release or threat of release at the property.
- (B) The regional development corporation received, in the 12 months preceding the acquisition of the property, a performance contract for economic development pursuant to 24 V.S.A. chapter 76. The requirement of this subdivision (d)(4)(B) shall not apply to regional planning commissions.
- (C)(i) The regional development corporation or regional planning commission has entered into an agreement with the Secretary, prior to the acquisition of the property, requiring the regional development corporation or regional planning commission to conduct a site investigation with respect to any release or threatened release of a hazardous material and an agreement for the regional development corporation's or regional planning commission's marketing of the property acquired.
- (ii) The Secretary shall consult with the Secretary of Commerce and Community Development on the plan related to the marketing of the property.
- (iii) The regional development corporation or regional planning commission may assert a defense to liability only after implementing a site

investigation at the property acquired and taking reasonable steps defined by the agreement to market the property.

- (iv) In developing an agreement regarding site investigation, the Secretary shall consider: the degree and extent of the known releases of hazardous materials at the property; the financial ability of the regional development corporation or the regional planning commission; and the availability of state and federal funding when determining what is required by the agreement for the investigation of the site.
- (e) Any person who is the owner or operator of a facility where a release or threatened release existed at the time that person became owner or operator shall be liable unless he or she can establish by a preponderance of the evidence that after making, based upon a diligent and appropriate investigation of the facility, in conformance with the requirements of section 6615a of this title, that he or she had no knowledge or reason to know that said the release or threatened release was located on the facility.

\* \* \*

(g)(1) A secured lender or a fiduciary, as that the term fiduciary is defined in 14 V.S.A. § 204(b) § 204(2), shall not, absent other circumstances resulting in liability under this section, be liable as either an owner or operator under this section merely because of any one or any combination of more than one of the following:

\* \* \*

- (J) in an emergency, requiring or undertaking activities to prevent exposure of persons to hazardous materials or to contain a release; or
- (K) requiring or conducting abatement, investigation, remediation, or removal activities in response to a release or threatened release, provided that:
- (i) prior notice of intent to do any such activity is given to the secretary Secretary in writing, and, unless previously waived in writing by the secretary Secretary, no such activity is undertaken for 30 days after receipt of such notice by the secretary Secretary;
- (ii) a workplan is prepared by a qualified consultant prior to the commencement of any such activity;
- (iii) if the <u>secretary</u> <u>Secretary</u>, within 30 days of receiving notice as provided in subdivision (i) of this subdivision (K), elects to undertake a workplan review and gives written notice to the secured lender or fiduciary of

such election, no such activity is undertaken without prior workplan approval by the secretary;

- (iv) appropriate investigation is undertaken prior to any abatement, remediation, or removal activity;
- (v) regular progress reports and a final report are produced during the course of any such activity;
- (vi) all plans, reports, observations, data, and other information related to the activity are preserved for a period of 10 years and, except for privileged materials, produced to the secretary Secretary upon request;
- (vii) persons likely to be at or near the facility are not exposed to unacceptable health risk; and
- (viii) such activity complies with all rules, procedures, and orders of the secretary; or
- (L) foreclosing on the facility and after foreclosure: selling; winding up operations; undertaking an investigation or corrective action under the direction of the state or federal government with respect to the facility; or taking any other measure to preserve, protect, or prepare the facility prior to sale or disposition, provided that:
- (i) a secured lender shall be liable as an operator if the secured lender participated in the management of the facility; and
- (ii) a secured lender shall be liable as an owner if during the course of any transaction of the property, the secured lender fails to disclose any known release or threat of release.
- (2) There shall be no protection from liability for a secured lender or a fiduciary under subsections (g) and (h) of this section this subsection if the secured lender or fiduciary causes, worsens, or contributes to a release or threat of release of hazardous material. A secured lender or fiduciary who relies on subdivision (g)(1)(K) of this section, or an agreement with the secretary entered into under subsection (h) of this section shall bear the burden of proving compliance with this subdivision.
- (h)(1) Subject to the provisions of this subsection, the secretary may enter into an agreement with a secured lender or a fiduciary regarding a facility from which there is a release or threat of release of hazardous materials. Upon entering into an agreement with the secretary, a secured lender or fiduciary, to the extent allowed by the agreement and in compliance with the terms and conditions of the agreement, may:

- (A) in the case of a secured lender, take possession, foreclose or otherwise take full title to the facility; and
- (B) undertake other activities at the facility in addition to those of subdivisions (g)(1)(A) (K) of this section, including use of the facility and new development.
- (2) Such an agreement may be entered into only when the secretary has determined, in the secretary's sole discretion, that there exists a release or threat of release, that there will be a substantial benefit to the public health or the environment that would not otherwise be realized and that the proposed activity will not cause, worsen or contribute to a release or threat of release of hazardous materials at the facility or expose persons likely to be at or near the facility to unacceptable health risk. Prior to entering into an agreement which provides for any abatement, investigation, remediation, or removal activities to be taken by a secured lender or fiduciary in response to a release or threatened release, the secretary shall cause notice to be published in a local newspaper generally circulated in the area where the facility is located. The notice shall set forth the abatement, investigation, remediation, and removal activities proposed, shall state that the secretary is considering entering into an agreement providing for such activities, and shall request public comment on the proposed activities within 15 days after publication. The decision of the secretary as to whether an agreement should be entered into and the terms and conditions of any agreement shall be final.
- (3) Such an agreement, if previously approved by the attorney general, may provide for the payment, in whole or in part, of past or future costs described in subdivision (a)(4)(B) of this section and may limit, in whole or in part, the secured lender's or the fiduciary's liability under this section.
- (4) A proposal by a secured lender or fiduciary to enter into such an agreement shall be accompanied by a fee of \$1,000.00. If the secretary's costs related to the proposal exceed the fee paid, then any agreement shall provide for the secured lender or fiduciary to reimburse the secretary for the additional costs incurred. The fee and any excess costs paid to the secretary under this subsection shall be deposited into the contingency fund established under subsection 1283(a) of this title.
- (5) If the secured lender or fiduciary enters into an agreement with the secretary, complies with the agreement and does not cause, worsen or contribute to a release or threat of release of a hazardous material, the maximum liability of such person under this section to the state for costs or injunctive relief shall be as provided in the agreement or, in the absence of such a provision, the fair market value of the property at the time of the

agreement, estimated as if there were no release or threatened release of any hazardous materials, less any costs reasonably incurred by the person for any abatement, investigation, remediation or removal activity undertaken in compliance with subdivision (g)(1)(K) of this section or incurred in compliance with the agreement.

\* \* \*

Sec. 13. 10 V.S.A. § 6615a is added to read:

## § 6615a. DILIGENT AND APPROPRIATE INVESTIGATION FOR HAZARDOUS MATERIALS

- (a) Except as provided for in subsection (b) of this section, a diligent and appropriate investigation, as that term is used in subsection 6615(e) of this title, means, for all properties, an investigation where an owner or operator of a property conforms to the standard developed by the Secretary by rule for a diligent and appropriate investigation. If no standard exists, the owner or operator of a property shall conform to one of the following:
- (1) the all appropriate inquiry standard set forth in 40 C.F.R. Part 312, as amended; or
- (2) the current standard for phase I environmental site assessments established by the American Society for Testing and Materials.
- (b) In the case of residential property used for residential purposes, diligent and appropriate investigation shall mean a facility inspection and title search that:
  - (1) reveal no basis for further investigation; and
- (2) do not reveal that the property was used for or was part of a larger parcel that was used for commercial or industrial purposes.

\* \* \* Effective Dates \* \* \*

## Sec. 14. EFFECTIVE DATES

- (a) This section and Secs. 1 through 9 (underground storage tanks; Petroleum Cleanup Fund) of this act shall take effect on passage, except Sec. 5 (petroleum tank assessment) of this act shall take effect on July 1, 2014.
- (b) Secs. 10 through 13 (brownfields) of this act shall take effect on July 1, 2013.

Which proposal of amendment was considered and concurred in.

# Rules Suspended; Senate Proposal of Amendment Concurred in H. 262

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to establishing a program for the collection and recycling of paint Appearing on the Calendar for notice, was taken up for immediate consideration.

The Senate proposed to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 10 V.S.A. chapter 159, subchapter 4 is added to read:

## Subchapter 4. Paint Stewardship Program

## § 6671. PURPOSE

The purpose of this subchapter is to establish an environmentally sound, cost-effective paint stewardship program in the State that will undertake responsibility for the development and implementation of strategies to reduce the generation of postconsumer paint; promote the reuse of postconsumer paint; and collect, transport, and process postconsumer paint, including reuse, recycling, energy recovery, and disposal. The paint stewardship program will follow the waste management hierarchy for managing and reducing postconsumer paint in the order as follows: reduce consumer generation of postconsumer paint, reuse, recycle, provide for energy recovery, and dispose. The paint stewardship program will provide more opportunities for consumers to manage properly their postconsumer paint; provide fiscal relief for local government in managing postconsumer paint; keep paint out of the waste stream; and conserve natural resources.

## § 6672. DEFINITIONS

## As used in this subchapter:

- (1) "Architectural paint" means interior and exterior architectural coatings, including interior or exterior water- and oil-based coatings, primers, sealers, or wood coatings, that are sold in containers of five gallons or less. "Architectural paint" does not mean industrial coatings, original equipment coatings, or specialty coatings.
- (2) "Distributor" means a company that has a contractual relationship with one or more producers to market and sell architectural paint to retailers in Vermont.

- (3) "Energy recovery" means recovery in which all or a part of the solid waste materials are processed in order to use the heat content or other forms of energy of or from the material.
- (4) "Environmentally sound management practices" means policies to be implemented by a producer or a stewardship organization to ensure compliance with all applicable laws and also addressing such issues as adequate record keeping, tracking and documenting the fate of materials within the State and beyond, and adequate environmental liability coverage for professional services and for the operations of the contractors working on behalf of the producer organization.
  - (5) "Municipality" means a city, town, or a village.
  - (6) "Paint stewardship assessment" means a one-time charge that is:
- (A) added to the purchase price of architectural paint sold in Vermont;
- (B) passed from the producer to the wholesale purchaser to the retailer and then to a retail consumer; and
- (C) necessary to cover the cost of collecting, transporting, and processing the postconsumer paint managed through the statewide program.
- (7) "Postconsumer paint" means architectural paint and its containers not used and no longer wanted by a purchaser.
- (8) "Producer" means a manufacturer of architectural paint who sells, offers for sale, or distributes that paint in Vermont under the producer's own name or brand.
- (9) "Recycling" means any process by which discarded products, components, and by-products are transformed into new usable or marketable materials in a manner in which the original products may lose their identity but does not include energy recovery or energy generation by means of combusting discarded products, components, and by-products with or without other waste products.
- (10) "Retailer" means any person that offers architectural paint for sale at retail in Vermont.
- (11) "Reuse" means the return of a product into the economic stream for use in the same kind of application as originally intended, without a change in the product's identity.
  - (12) "Secretary" means the Secretary of Natural Resources.

- (13) "Sell" or "sale" means any transfer of title for consideration, including remote sales conducted through sales outlets, catalogues, or the Internet or any other similar electronic means.
- (14) "Stewardship organization" means a nonprofit corporation or nonprofit organization created by a producer or group of producers to implement the paint stewardship program required under this subchapter.

## § 6673. PAINT STEWARDSHIP PROGRAM

- (a) A producer or a stewardship organization representing producers shall submit a plan for the establishment of a paint stewardship program to the Secretary for approval by December 1, 2013. The plan shall address the following:
- (1) Provide a list of participating producers and brands covered by the program.
- (2) Provide specific information on the architectural paint products covered under the program, such as interior or exterior water- and oil-based coatings, primers, sealers, or wood coatings.
- (3) Describe how the program proposed under the plan will collect, transport, recycle, and process postconsumer paint for end-of-life management, including recycling, energy recovery, and disposal, using environmentally sound management practices.
- (4) Describe the program and how it will provide for convenient and available statewide collection of postconsumer architectural paint in urban and rural areas of the State. The producer or stewardship organization shall use the existing household hazardous waste collection infrastructure when selecting collection points for postconsumer architectural paint. A paint retailer shall be authorized as a paint collection point of postconsumer architectural paint for a paint stewardship program if the paint retailer volunteers to act as a paint collection point and complies with all applicable laws and regulations.
- (5) Provide geographic information modeling to determine the number and distribution of sites for collection of postconsumer architectural paint based on the following criteria:
- (A) at least 90 percent of Vermont residents shall have a permanent collection site within a 15-mile radius; and
- (B) one additional permanent site will be established for every 10,000 residents of a municipality and additional sites shall be distributed to

provide convenient and reasonably equitable access for residents within each municipality, unless otherwise approved by the Secretary.

- (6) Establish goals to reduce the generation of postconsumer paint, to promote the reuse of postconsumer paint, and for the proper management of postconsumer paint as practical based on current household hazardous waste program information. The goals may be revised by the producer or stewardship organization based on the information collected for the annual report.
- (7) Describe how postconsumer paint will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of paint under the program shall use management activities that promote source reduction, reuse, recycling, energy recovery, and disposal.
- (8) Describe education and outreach efforts to inform consumers of collection opportunities for postconsumer paint and to promote the source reduction and recycling of architectural paint for each of the following: consumers, contractors, and retailers.
- (b) The producer or stewardship organization shall submit a budget for the program proposed under subsection (a) of this section, and for any amendment to the plan that would affect the program's costs. The budget shall include a funding mechanism under which each architectural paint producer remits to a stewardship organization payment of a paint stewardship assessment for each container of architectural paint it sells in this State. Prior to submitting the proposed budget and assessment to the Secretary, the producer or stewardship organization shall provide the budget and assessment to a third-party auditor agreed upon by the Secretary. The third-party auditor shall provide a recommendation as to whether the proposed budget and assessment is cost-effective, reasonable, and limited to covering the cost of the program. The paint stewardship assessment shall be added to the cost of all architectural paint sold in Vermont. To ensure that the funding mechanism is equitable and sustainable, a uniform paint stewardship assessment shall be established for all architectural paint sold. The paint stewardship assessment shall be approved by the Secretary and shall be sufficient to recover, but not exceed, the costs of the paint stewardship program.
- (c) Beginning no later than July 1, 2014, or three months after approval of the plan for a paint stewardship program required under subsection (a) of this section, whichever occurs later, a producer of architectural paint sold at retail or a stewardship organization of which a producer is a member shall implement the approved plan for a paint stewardship program.

- (d) A producer or a stewardship organization of which a producer is a member shall promote a paint stewardship program and provide consumers with educational and informational materials describing collection opportunities for postconsumer paint statewide and promotion of waste prevention, reuse, and recycling. The educational and informational program shall make consumers aware that the funding for the operation of the paint stewardship program has been added to the purchase price of all architectural paint sold in the State.
- (e) A plan approved under this section shall provide for collection of postconsumer architectural paint at no cost to the person from whom the architectural paint is collected.
- (f) When a plan or amendment to an approved plan is submitted under this section, the Secretary shall make the proposed plan or amendment available for public review and comment for at least 30 days.
- (g) A producer or paint stewardship organization shall submit to the Secretary for review, in the same manner as required under subsection 6675(a) of this title, an amendment to an approved plan when there is:
  - (1) a change to a paint stewardship assessment under the plan;
- (2) an addition to or removal of a category of products covered under the program; or
  - (3) a revision of the product stewardship organization's goals.
- (h) A plan approved by the Secretary under section 6675 of this title shall have a term not to exceed five years, provided that the producer remains in compliance with the requirements of this chapter and the terms of the approved plan.
- (i) In addition to the requirements specified in subsection (a) of this section, a stewardship organization shall notify the Secretary in writing within 30 days of any change to:
- (1) the number of collection sites for post-consumer architectural paint identified under this section as part of the plan;
  - (2) the producers identified under this section as part of the plan;
- (3) the brands of architectural paint identified under this section as part of the plan; and
- (4) the processors that manage post-consumer architectural paint identified under this section as part of the plan.

(j) Upon submission of a plan to the Secretary under this section, a producer or a stewardship organization shall pay the fee required by 3 V.S.A. § 2822(j)(31). Thereafter, the producer or stewardship organization shall pay the fee required by 3 V.S.A. § 2822(j)(31) annually by July 1 of each year.

## § 6674. RETAILER RESPONSIBILITY

- (a) A producer or retailer may not sell or offer for sale architectural paint to any person in Vermont unless the producer of that architectural paint brand or a stewardship program of which the producer of that architectural paint brand is a member is implementing an approved plan for a paint stewardship program as required by section 6673 of this title. A retailer complies with the requirements of this section if, on the date the architectural paint was ordered from the producer or its agent, the producer or paint brand is listed on the Agency of Natural Resources' website as a producer or brand participating in an approved plan for a paint stewardship program.
- (b) At the time of sale to a consumer, a producer, a stewardship organization, or a retailer selling or offering architectural paint for sale shall provide the consumer with information regarding available management options for postconsumer paint collected through the paint stewardship program or a brand of paint being sold under the program.

## § 6675. AGENCY RESPONSIBILITY

- (a)(1) Within 90 days of receipt of a plan submitted under section 6673 of this title, the Secretary shall review the plan and make a determination whether or not to approve the plan. The Secretary shall issue a letter of approval for a submitted plan if:
- (A) the submitted plan provides for the establishment of a paint stewardship program that meets the requirements of subsections 6673(a); and
  - (B) the Secretary determines that the plan:
    - (i) achieves convenient collection for consumers;
    - (ii) educates the public on proper paint management;
- (iii) manages waste paint in a manner that is environmentally safe and promotes reuse and recycling; and
  - (iv) is cost-effective.
- (2) If the Secretary does not approve a submitted plan, the Secretary shall issue to the paint stewardship organization a letter listing the reasons for the disapproval of the plan. If the Secretary disapproves a plan, a paint stewardship organization intending to sell or continue to sell architectural paint

in the State shall submit a new plan within 60 days of receipt of the letter of disapproval.

- (b)(1) The Secretary shall review and approve the stewardship assessment proposed by a producer pursuant to subsection 6673(b) of this title. The Secretary shall only approve the program budget and any assessment if the applicant has demonstrated that the costs of the program and any proposed assessment are reasonable and the assessment does not exceed the costs of implementing an approved plan.
- (2) If an amended plan is submitted under subsection 6673(g) of this title that proposes to change the cost of the program or proposes to change the paint stewardship assessment under the plan, the disapproval of any proposed new assessment or the failure of an approved new assessment to cover the total costs of the program shall not relieve a producer or stewardship organization of its obligation to continue to implement the approved plan under the originally approved assessment.
- (c) Facilities solely collecting paint for the paint stewardship program that would not otherwise be subject to solid waste certification requirements shall not be required to obtain a solid waste certification. Persons solely transporting paint for the paint stewardship program that would not otherwise be subject to solid waste hauler permitting requirements shall not be required to obtain a solid waste hauler's permit.

## § 6676. ANTICOMPETITIVE CONDUCT

- (a) A producer or an organization of producers that manages postconsumer paint, including collection, transport, recycling, and processing of postconsumer paint, as required by this subchapter may engage in anticompetitive conduct to the extent necessary to implement the plan approved by the Secretary and is immune from liability for the conduct relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce.
- (b) The activity authorized and the immunity afforded under subsection (a) of this section shall not apply to any agreement among producers or paint stewardship organizations:
- (1) establishing or affecting the price of paint, except for the paint stewardship assessment approved under subsection 6675(b) of this title;
  - (2) setting or limiting the output or production of paint;
  - (3) setting or limiting the volume of paint sold in a geographic area;

- (4) restricting the geographic area where paint will be sold; or
- (5) restricting the customers to whom paint will be sold or the volume of paint that will be sold.

## § 6677. PRODUCER REPORTING REQUIREMENTS

No later than October 15, 2015, and annually thereafter, a producer or a stewardship program of which the producer is a member shall submit to the Secretary a report describing the paint stewardship program that the producer or stewardship program is implementing as required by section 6673 of this title. At a minimum, the report shall include:

- (1) a description of the methods the producer or stewardship program used to reduce, reuse, collect, transport, recycle, and process postconsumer paint statewide in Vermont;
- (2) the volume and type of postconsumer paint collected by the producer or stewardship program at each collection center in all regions of Vermont;
- (3) the volume of postconsumer paint collected by the producer or stewardship program in Vermont by method of disposition, including reuse, recycling, energy recovery, and disposal;
- (4) an independent financial audit of the paint stewardship program implemented by the producer or the stewardship program;
- (5) the prior year's actual direct and indirect costs for each program element and the administrative and overhead costs of administering the approved program; and
- (6) samples of the educational materials that the producer or stewardship program provided to consumers of architectural paint.

## § 6678. CONFIDENTIAL BUSINESS INFORMATION

Data reported to the Secretary by a producer or stewardship organization under this subchapter shall be a trade secret exempt from public inspection and copying under 1 V.S.A. § 317(c)(9), provided that the Secretary may use and disclose such information in summary or aggregated form that does not directly or indirectly identify individual producers, distributors, or retailers. The Secretary may require, as a part of the report submitted under section 6677 of this title, that the manufacturer or stewardship organization provide a report that does not contain trade secret information and is available for public inspection and review.

## § 6679. RULEMAKING; PROCEDURE

The Secretary may adopt rules or procedures to implement the requirements of this subchapter.

## § 6680. UNIVERSAL WASTE DESIGNATION FOR POSTCONSUMER PAINT

- (a) The requirements of Subchapter 9 of the Vermont Hazardous Waste Management Rules, which allow certain categories of hazardous waste to be managed as universal waste, shall apply to postconsumer paint until the postconsumer paint is discarded, provided that:
- (1) the postconsumer paint is collected as a part of a stewardship plan approved under this subchapter; and
- (2) the collected postconsumer paint is or includes paint that is a hazardous waste as defined and regulated by the Vermont Hazardous Waste Management Rules.
- (b) When postconsumer paint is regulated as a universal waste under subsection (a) of this section, small and large quantity handlers of the postconsumer paint shall manage the postconsumer paint in a manner that prevents releases of any universal waste or component of the universal waste to the environment. Postconsumer paint regulated as universal waste shall, at a minimum, be contained in one or more of the following:
- (1) A container that remains closed, structurally sound, and compatible with the postconsumer paint and that lacks evidence of leakage, spillage, or damage that could cause leakage under reasonably foreseeable conditions; or
- (2) A container that does not meet the requirements of subdivision (1) of this subsection, provided that the unacceptable container is overpacked in a container that meets the requirements of subdivision (1).
- (c) Containers holding postconsumer paint that is regulated as universal waste shall be clearly labeled "Universal Waste Paint," "Used Paint," or "Waste Paint."
- (d) Unless otherwise provided by statute, the definitions of the Vermont Hazardous Waste Management Rules shall apply to this section.

## Sec. 2. 3 V.S.A. § 2822(j) is added to read:

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the agency of natural resources.

\* \* \*

- (31) For continuing review of plans required by 10 V.S.A. § 6673: \$15,000.00.
- Sec. 3. AGENCY OF NATURAL RESOURCES REPORT ON PAINT STEWARDSHIP ASSESSMENT

On or before January 15, 2014, the Secretary of Natural Resources shall report to the House and Senate Committees on Natural Resources and Energy, the House Committee on Ways and Means, and the Senate Committee on Finance regarding the paint stewardship assessment proposed by architectural paint producers or stewardship organizations under 10 V.S.A. § 6673. The report shall include:

- (1) a summary of the number of paint producers or stewardship organizations submitting plans;
  - (2) the paint stewardship assessment proposed in any submitted plan;
- (3) a recommendation from the Secretary as to whether a proposed paint stewardship assessment is adequate or should be modified; and
- (4) a recommendation from the Secretary whether and at what amount to establish a statutory maximum cap on the amount of a paint stewardship assessment.

#### Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

## Rules Suspended; Senate Proposal of Amendment Concurred in With a Further Amendment Thereto

## H. 521

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to making miscellaneous amendments to education law

Appearing on the Calendar for notice, was taken up for immediate consideration.

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

First: By striking out Sec. 2 in its entirety.

<u>Second</u>: After Sec. 7, by inserting three new sections to be Secs. 7a through 7c to read:

Sec. 7a. 33 V.S.A. § 6911(a)(1) is amended to read:

(1) The investigative report shall be disclosed only to: the commissioner Commissioner or person designated to receive such records; persons assigned by the commissioner Commissioner to investigate reports; the person reported to have abused, neglected, or exploited a vulnerable adult; the vulnerable adult or his or her representative; the office of professional regulation Office of Professional Regulation when deemed appropriate by the commissioner Commissioner; the Secretary of Education when deemed appropriate by the Committioner; a law enforcement agency, the state's attorney, or the office of the attorney general State's Attorney, or the Office of the Attorney General. when the <del>department</del>-Department believes there may be grounds for criminal prosecution or civil enforcement action, or in the course of a criminal or a civil When disclosing information pursuant to this subdivision, investigation. reasonable efforts shall be made to limit the information to the minimum necessary to accomplish the intended purpose of the disclosure, and no other information, including the identity of the reporter, shall be released absent a court order.

Sec. 7b. 33 V.S.A. § 6911(c) is amended to read:

(c) The <u>commissioner Commissioner</u> or the <u>commissioner's</u> <u>Commissioner's</u> designee may disclose registry information only to:

\* \* \*

- (7) upon request or when relevant to other states' adult protective services offices; and
- (8) the board of medical practice Board of Medical Practice for the purpose of evaluating an applicant, licensee, or holder of certification pursuant to 26 V.S.A. § 1353; and
- (9) the Secretary of Education or the Secretary's designee, for purposes related to the licensing of professional educators pursuant to 16 V.S.A. chapter 5, subchapter 4 and chapter 51.

Sec. 7c. 16 V.S.A. § 253 is amended to read:

## § 253. CONFIDENTIALITY OF RECORDS

(a) Criminal records and criminal record information received under this subchapter are designated confidential unless, under state or federal law or

regulation, the record or information may be disclosed to specifically designated persons.

(b) The Secretary, a superintendent, or a headmaster may disclose criminal records and criminal record information received under this subchapter to a qualified entity upon request, provided that the qualified entity has signed a user agreement and received authorization from the subject of the record request. As used in this section, "qualified entity" means an individual, organization, or governmental body doing business in Vermont that has one or more individuals performing services for it within the State and that provides care or services to children, persons who are elders, or persons with disabilities as defined in 42 U.S.C. § 5119c.

Third: By striking out Sec. 11 in its entirety

Fourth: [Deleted]

<u>Fifth</u>: In Sec. 16, in subsection (a), by striking out subdivisions (1) through (12) in their entirety and inserting in lieu thereof seven new subdivisions to be subdivisions (1) through (7) to read:

- (1) the Executive Director of the Vermont Independent Schools Association or designee;
- (2) one trustee of an approved independent school in Vermont that receives publicly funded tuition, selected by the Vermont Independent Schools Association;
- (3) the Executive Director of the Vermont School Boards Association or designee;
- (4) the Executive Director of the Vermont Principals' Association or designee;
- (5) the Executive Director of the Vermont Council of Special Education Administrators or designee;
  - (6) the Secretary of Education or designee; and
- (7) the chair of the State Board of Education or designee, who shall serve as the committee's chair and convene the first meeting of the committee on or before July 1, 2013.

<u>Sixth</u>: In Sec. 16 subsection (b) by adding a new subdivision (2) to read as follows:

consider whether the decision to close a public school and reopen it as an approved independent school raises issues addressed by the Vermont Constitution or by the U.S. Constitution or other federal law; and

And by renumbering the remaining subdivision to be numerically correct.

<u>Seventh</u>: By striking out Sec. 20 in its entirety and inserting in lieu thereof 10 new sections to be Secs. 20 through 29 and internal captions to read:

\* \* \* Compact for Military Children \* \* \*

Sec. 20. 16 V.S.A. § 806m.E is amended to read:

E. The Interstate Commission may not assess, levy, or collect from Vermont in its annual assessment more than \$100 \$2,000.00 per year. Other funding sources may be accepted and used to offset expenses related to the state's State's participation in the compact.

## Sec. 21. AGENCY OF EDUCATION BUDGET

There shall be no separate or additional General Fund appropriation to the Agency of Education in fiscal year 2014 for purposes of funding the increased assessment to be paid pursuant to Sec. 21 of this act.

\* \* \* Adult Basic Education \* \* \*

Sec. 22. 16 V.S.A. § 164 is amended to read:

## § 164. STATE BOARD; GENERAL POWERS AND DUTIES

The state board State Board shall evaluate education policy proposals, including timely evaluation of policies presented by the governor Governor and secretary Secretary; engage local school board members and the broader education community; and establish and advance education policy for the state State of Vermont. In addition to other specified duties, the board Board shall:

\* \* \*

(13) Constitute Be the state board State Board for the program of adult education and literacy and perform all the duties and powers prescribed by law pertaining to adult education and literacy and to act as the state approval agency for educational institutions conducting programs of adult education and literacy.

\* \* \*

\* \* \* Special Education Employees; Transition to Employment by Supervisory Unions \* \* \* Sec. 23. 2010 Acts and Resolves No. 153, Sec. 18, as amended by 2011 Acts and Resolves No. 58, Sec. 18, is further amended to read:

## Sec. 18. TRANSITION

- (a) Each supervisory union shall provide for any transition of employment of special education and transportation staff employees by member districts to employment by the supervisory union, pursuant to Sec. 9 of this act, 16 V.S.A. § 261a(a)(6), and (8)(E) by:
- (1) providing that the supervisory union assumes all obligations of each existing collective bargaining agreement in effect between the member districts and their special education employees and their transportation employees until the agreement's expiration, subject to employee compliance with performance standards and any lawful reduction in force, layoff, nonrenewal, or dismissal;
- (2) providing, in the absence of an existing recognized representative of its employees, for the immediate and voluntary recognition by the supervisory union of the recognized representatives of the employees of the member districts as the recognized representatives of the employees of the supervisory union;
- (3) ensuring that an employee of a member district who is not a probationary employee shall not be considered a probationary employee upon transition to the supervisory union; and
- (4) containing an agreement negotiating a collective bargaining agreement, addressing special education employees, with the recognized representatives of the employees of the member districts that is effective on the day the supervisory union assumes obligations of existing agreements regarding how the supervisory union, prior to reaching its first collective bargaining agreement with its special education employees and with its transportation employees, will address issues of seniority, reduction in force, layoff, and recall, which, for the purposes of this section, shall be: the exclusive representative of special education teachers; the exclusive representative of the special education administrators; and the exclusive bargaining agent for special education paraeducators if the supervisory union has elected to employ special education paraeducators pursuant to subdivision (b)(3) of this section. The supervisory union shall become the employer of these employees on the date specified in the ratified agreement.
- (b) For purposes of this section and Sec. 9 of this act, "special education employee" shall include a special education teacher, a special education administrator, and a special education paraeducator, which means a teacher, administrator, or paraeducator whose job assignment consists of providing

special education services directly related to students' individualized education programs or to the administration of those services. Provided, however, that "special education employee" shall include a "special education paraeducator" only if the supervisory union board elects to employ some or all special education paraeducators because it determines that doing so will lead to more effective and efficient delivery of special education services to students. If the supervisory union board does not elect to employ all special education paraeducators, it must use objective, nondiscriminatory criteria and identify specific duties to be performed when determining which categories of special education paraeducators to employ.

- (c) Education-related parties to negotiations under either Title 16 or 21 shall incorporate in their current or next negotiations matters addressing the terms and conditions of special education employees.
- (d) If a supervisory union has not entered into a collective bargaining agreement with the representative of its prospective special education employees by August 15, 2015, it shall provide the Secretary of Education with a report identifying the reasons for not meeting the deadline and an estimated date by which it expects to ratify the agreement.

## Sec. 24. 16 V.S.A. § 1981(8) is amended to read:

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

## Sec. 25. 21 V.S.A. § 1722(18) is amended to read:

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

## Sec. 26. APPLICABILITY

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

Sec. 27. REPORT

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

\* \* \* Out-of-State Career Technical Education \* \* \*

Sec. 28. 16 V.S.A. § 1531(c) is amended to read:

(c) For a school district which that is geographically isolated from a Vermont technical center, the state board State Board may approve a technical center in another state as the technical center which that district students may attend. In this case, the school district shall receive transportation assistance pursuant to section 1563 of this title and tuition assistance pursuant to section 1561(c) of this title. Any student who is a resident in the Windham Southwest supervisory union Supervisory Union and who is enrolled at public expense in the Charles H. McCann Technical School at public expense or the Franklin County Technical School shall be considered to be attending an approved technical center in another state pursuant to this subsection, and, if the student is from a school district eligible for a small schools support grant pursuant to section 4015 of this title, the student's full-time equivalency shall be computed according to time attending the school.

## Sec. 29. EFFECTIVE DATES

- (a) Sec. 28 of this act (out-of-state career technical education) shall take effect on July 1, 2013 and shall apply to enrollments in academic year 2013–2014 and after.
- (b) This section and all other sections of this act shall take effect on passage; provided, however, that Sec. 14 of this act (salary) shall apply retroactively beginning on January 2, 2013.

Pending the question, Shall the House concur in the Senate proposal of amendment? **Rep Donovan of Burlington** moved to concur in the Senate proposal of amendment with a further amendment thereto, as follows:

By striking out the Fifth Proposal of Amendment (Sec. 16(a); change in study committee membership) in its entirety and inserting in lieu thereof:

"Fifth: [Deleted]"

Which was agreed to.

## Rules Suspended; Action Ordered Messaged to Senate Forthwith and Bills Delivered to the Governor Forthwith

On motion of **Rep. Savage of Swanton**, the rules were suspended and action on the bills were ordered messaged to the Senate forthwith and the bills delivered to the Governor forthwith.

## H. 226

House bill, entitled

An act relating to the regulation of underground storage tanks

#### H. 262

House bill, entitled

An act relating to establishing a program for the collection and recycling of paint

## Rules Suspended; Report of Committee of Conference Adopted

#### S. 4

On motion of **Rep. Savage of Swanton**, the rules were suspended and Senate bill, entitled

An act relating to concussions and school athletic activities

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

## Sec. 1. FINDINGS

## The General Assembly finds:

- (1) According to the Centers for Disease Control and Prevention:
- (A) Each year, emergency departments (EDs) in the United States treat an estimated 173,285 persons 19 years of age and younger for sports and recreation-related traumatic brain injuries (TBI), including concussions, 70 percent of which were suffered by young people 10–19 years of age.
- (B) From 2001 to 2009, the number of annual sports- and recreation-related ED visits for TBI among persons 19 years of age and younger increased 62 percent, from 153,375 per year to 248,418 per year.

- (C) For males 10–19 years of age, TBIs most commonly occur while playing football. For females 10–19 years of age, TBIs most commonly occur while playing soccer or bicycling.
- (2) According to a study in the American Journal of Sports Medicine, many high school athletes do not report when they suffer concussions despite the increased awareness of and focus on the seriousness of such injuries and the potential for catastrophic outcomes, particularly from multiple concussions.
- (3) Without a clear action plan describing the steps a youth athlete must take in order to return to play after suffering a concussion, the youth is more likely to hide the concussion and continue to play without receiving the necessary treatment.
- Sec. 2. 16 V.S.A. § 1431 is amended to read:
- § 1431. CONCUSSIONS AND OTHER HEAD INJURIES
  - (a) Definitions. For purposes of As used in this subchapter:
- (1) "School athletic team" means an interscholastic athletic team or club sponsored by a public or approved independent school for elementary or secondary students.
- (2) "Coach" means a person who instructs or trains students on a school athletic team.
  - (2) "Collision sport" means football, hockey, lacrosse, or wrestling.
- (3) "Contact sport" means a sport, other than football, hockey, lacrosse, or wrestling, defined as a contact sport by the American Academy of Pediatrics.
- (4) "Health care provider" means an athletic trainer, or other health care provider, licensed pursuant to Title 26, who has within the preceding five years been specifically trained in the evaluation and management of concussions and other head injuries. Training pursuant to this subdivision shall include training materials and guidelines for practicing physicians provided by the Centers for Disease Control and Prevention, if available.
- (5) "School athletic team" means an interscholastic athletic team or club sponsored by a public or approved independent school for elementary or secondary students.
- (6) "Youth athlete" means an elementary or secondary student who is a member of a school athletic team.

- (b) Guidelines and other information. The commissioner of education Secretary of Education or designee, assisted by members of the Vermont Principals' Association selected by that association, members of the Vermont School Boards Insurance Trust, and others as the Secretary deems appropriate, shall develop statewide guidelines, forms, and other materials, and update them when necessary, that are designed to educate coaches, youth athletes, and the parents and guardians of youth athletes regarding:
  - (1) the nature and risks of concussions and other head injuries;
- (2) the risks of premature participation in athletic activities after receiving a concussion or other head injury; and
- (3) the importance of obtaining a medical evaluation of a suspected concussion or other head injury and receiving treatment when necessary;
- (4) effective methods to reduce the risk of concussions occurring during athletic activities; and
- (5) protocols and standards for clearing a youth athlete to return to play following a concussion or other head injury, including treatment plans for such athletes.
- (c) Notice and training. The principal or headmaster of each public and approved independent school in the state State, or a designee, shall ensure that:
- (1) the information developed pursuant to subsection (b) of this section is provided annually to each youth athlete and the athlete's parents or guardians;
- (2) each youth athlete and a parent or guardian of the athlete annually sign a form acknowledging receipt of the information provided pursuant to subdivision (1) of this subsection and return it to the school prior to the athlete's participation in training or competition associated with a school athletic team;
- (3)(A) each coach of a school athletic team receive training no less frequently than every two years on how to recognize the symptoms of a concussion or other head injury, how to reduce the risk of concussions during athletic activities, and how to teach athletes the proper techniques for avoiding concussions; and
- (B) each coach who is new to coaching at the school receive training prior to beginning his or her first coaching assignment for the school; and

- (4) each referee of a contest involving a high school athletic team participating in a collision sport receive training not less than every two years on how to recognize concussions when they occur during athletic activities.
  - (d) Participation in athletic activity.
- (1) A <u>Neither a coach nor a health care provider</u> shall <del>not</del> permit a youth athlete to continue to participate in any training session or competition associated with a school athletic team if the coach <del>has reason to believe</del> <u>or health care provider knows or should know</u> that the athlete has sustained a concussion or other head injury during the training session or competition.
- (2) A Neither a coach nor health care provider shall not permit a youth athlete who has been prohibited from training or competing pursuant to subdivision (1) of this subsection to train or compete with a school athletic team until the athlete has been examined by and received written permission to participate in athletic activities from a health care provider licensed pursuant to Title 26 and trained in the evaluation and management of concussions and other head injuries.

## (e) Action plan.

- (1) The principal or headmaster of each public and approved independent school in the State or a designee shall ensure that each school has a concussion management action plan that describes the procedures the school shall take when a student athlete suffers a concussion. The action plan shall include policies on:
- (A) who makes the initial decision to remove a student athlete from play when it is suspected that the athlete has suffered a concussion;
- (B) what steps the student athlete must take in order to return to any athletic or learning activity;
- (C) who makes the final decision that a student athlete may return to athletic activity; and
- (D) who has the responsibility to inform a parent or guardian when a student on that school's athletic team suffers a concussion.
- (2) The action plan required by subdivision (1) of this subsection shall be provided annually to each youth athlete and the athlete's parents or guardians.
- (3) Each youth athlete and a parent or guardian of the athlete shall annually sign a form acknowledging receipt of the information provided pursuant to subdivision (2) of this subsection and return it to the school prior to

the athlete's participation in training or competition associated with a school athletic team.

- (f) Health care providers; presence at athletic events.
- (1) The home team shall ensure that a health care provider is present at any athletic event in which a high school athletic team participates in a collision sport. If an athlete on the visiting team suffers a concussion during the athletic event, the health care provider shall notify the visiting team's athletic director within 48 hours after the injury occurs.
- (2) Home teams are strongly encouraged to ensure that a health care provider is present at any athletic event in which a high school athletic team participates in a contact sport.
- (3) A school shall notify a parent or guardian within 24 hours of when a student participating on that school's athletic team suffers a concussion.

## Sec. 3. REPORT

To the extent permitted by applicable state and federal law, the Vermont Traumatic Brain Injury Advisory Board (the Board) shall obtain information necessary to create an annual report on the incidences of concussions sustained by student athletes in Vermont in the previous school year. To the extent such information is available, the report shall include the number of concussions sustained by student athletes in Vermont, the sport the student athlete was playing when he or she sustained the concussion, the number of Vermont student athletes treated in emergency rooms for concussions received while participating in school athletics, and who made the decision that a student athlete was able to return to play. For purposes of the report, the Board shall consult with the Vermont Principals' Association and the Vermont Association of Athletic Trainers. If the Board obtains information sufficient to create the report, it shall report on or before December 15 of each year starting in 2014 to the Senate and House Committees on Judiciary and on Education.

## Sec. 4. 16 V.S.A. § 1388 is added to read:

# § 1388. STOCK SUPPLY AND EMERGENCY ADMINISTRATION OF EPINEPHRINE AUTO-INJECTORS

#### (a) As used in this section:

(1) "Designated personnel" means a school employee, agent, or volunteer who has been authorized by the school administrator to provide and administer epinephrine auto-injectors under this section and who has completed the training required by State Board policy.

- (2) "Epinephrine auto-injector" means a single-use device that delivers a premeasured dose of epinephrine.
- (3) "Health care professional" means a physician licensed pursuant to 26 V.S.A. chapter 23 or 33, an advanced practice registered nurse licensed to prescribe drugs and medical devices pursuant to 26 V.S.A. chapter 28, or a physician assistant licensed to prescribe drugs and medical devices pursuant to 26 V.S.A. chapter 31.
- (4) "School" means a public or approved independent school and extends to school grounds, school-sponsored activities, school-provided transportation, and school-related programs.
  - (5) "School administrator" means a school's principal or headmaster.
- (b)(1) A health care professional may prescribe an epinephrine auto-injector in a school's name, which may be maintained by the school for use as described in subsection (d) of this section. The health care professional shall issue to the school a standing order for the use of an epinephrine auto-injector prescribed under this section, including protocols for:
- (A) assessing whether an individual is experiencing a potentially life-threatening allergic reaction;
- (B) administering an epinephrine auto-injector to an individual experiencing a potentially life-threatening allergic reaction;
- (C) caring for an individual after administering an epinephrine auto-injector to him or her, including contacting emergency services personnel and documenting the incident; and
  - (D) disposing of used or expired epinephrine auto-injectors.
- (2) A pharmacist licensed pursuant to 26 V.S.A. chapter 36 or a health care professional may dispense epinephrine auto-injectors prescribed to a school.
- (c) A school may maintain a stock supply of epinephrine auto-injectors. A school may enter into arrangements with epinephrine auto-injector manufacturers or suppliers to acquire epinephrine auto-injectors for free or at reduced or fair market prices.
- (d) The school administrator may authorize a school nurse or designated personnel, or both, to:
- (1) provide an epinephrine auto-injector to a student for self-administration according to a plan of action for managing the student's

<u>life-threatening allergy maintained in the student's school health records</u> pursuant to section 1387 of this title;

- (2) administer a prescribed epinephrine auto-injector to a student according to a plan of action maintained in the student's school health records; and
- (3) administer an epinephrine auto-injector, in accordance with the protocol issued under subsection (b) of this section, to a student or other individual at a school if the nurse or designated personnel believe in good faith that the student or individual is experiencing anaphylaxis, regardless of whether the student or individual has a prescription for an epinephrine auto-injector.
- (e) Designated personnel, a school, and a health care professional prescribing an epinephrine auto-injector to a school shall be immune from any civil or criminal liability arising from the administration or self-administration of an epinephrine auto-injector under this section unless the person's conduct constituted intentional misconduct. Providing or administering an epinephrine auto-injector under this section does not constitute the practice of medicine.
- (f) On or before January 1, 2014, the State Board, in consultation with the Department of Health, shall adopt policies for managing students with life-threatening allergies and other individuals with life-threatening allergies who may be present at a school. The policies shall:
  - (1) establish protocols to prevent exposure to allergens in schools;
- (2) establish procedures for responding to life-threatening allergic reactions in schools, including postemergency procedures;
- (3) implement a process for schools and the parents or guardians of students with a life-threatening allergy to jointly develop a written individualized allergy management plan of action that:
- (A) incorporates instructions from a student's physician regarding the student's life-threatening allergy and prescribed treatment;
- (B) includes the requirements of section 1387 of this title, if a student is authorized to possess and self-administer emergency medication at school;
- (C) becomes part of the student's health records maintained by the school; and
  - (D) is updated each school year;
- (4) require education and training for school nurses and designated personnel, including training related to storing and administering an

epinephrine auto-injector and recognizing and responding to a life-threatening allergic reaction; and

- (5) require each school to make publicly available protocols and procedures developed in accordance with the policies adopted by the State Board under this section.
- Sec. 5. SCHOOL-BASED MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES
- (a) It is estimated that 10 percent of children need mental health or substance abuse services nationally, but that only 20 percent of this 10 percent receive treatment.
- (b) Children who need mental health or substance abuse services are at a higher risk of dropping out of school than those who do not have mental health or substance abuse needs.
- (c) Untreated mental health and substance abuse conditions have been linked to higher rates of juvenile incarceration, drug abuse, and unemployment.
- (d) Early intervention decreases subsequent expenditures for special education and increases the likelihood of academic success.
- (e) School-based mental health and substance abuse services increase access to and use of mental health and substance abuse services and improve coordination of services.
- (f) School-based mental health services increase student and parental awareness of available services.
- Sec. 6. SCHOOL-BASED MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES; STUDY
- (a) The Secretaries of Education and of Human Services, in consultation with the Green Mountain Care Board, the Department of State's Attorneys, the Juvenile Division of the Office of the Defender General, and other interested parties, shall:
- (1) catalogue the type and scope of mental health and substance abuse services provided in or through collaboration with Vermont public schools;
- (2) determine the number of students who are currently receiving mental health or substance abuse services through Vermont public schools and identify the sources of payment for these services;

- (3) estimate the number of students enrolled in Vermont public schools who are not receiving the mental health or substance abuse services they need and, in particular, the number of students who were referred for services but are not receiving them, identifying whenever possible the barriers to the receipt of services;
- (4) identify successful programs and practices related to providing mental health and substance abuse services through Vermont public schools and nationally, and determine which, if any, could be replicated in other areas of the State;
- (5) determine how the provision of health insurance in Vermont may affect the availability of mental health or substance abuse services to Vermont students;
- (6) detail the costs and sources of funding for mental health and substance abuse services provided by or through Vermont public schools during the two most recent fiscal years for which data is available; and
- (7) develop a proposal based on the information collected pursuant to this subsection to ensure that clinically appropriate and sufficient school based mental health and substance abuse services are available to students through Vermont public schools.
- (b) On or before January 15, 2014, the Secretaries shall present their research, findings, and proposals to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare.

#### Sec. 7. CONCUSSION TASK FORCE

- (a) Creation. There is created a Concussion Task Force to study concussions resulting from school athletic activities and to provide recommendations for further action.
- (b) Membership. The Concussion Task Force shall be composed of the following members:
  - (1) the Secretary of Education or designee;
  - (2) the Commissioner of Health or designee;
  - (3) a representative of the Vermont Principals' Association;
  - (4) a representative of the Vermont Athletic Trainers' Association;
- (5) a representative of the Vermont Traumatic Brain Injury Advisory Board;

- (6) a representative of the School Nurses Division of the Department of Health;
- (7) a student athlete appointed by the Vermont Athletic Trainers' Association;
  - (8) a representative of the Vermont School Boards Insurance Trust; and
- (9) a coach of a high school athletic team appointed by the Vermont Principals' Association.
- (c) Powers and duties. The Concussion Task Force shall study issues related to concussions resulting from school athletic activities and make recommendations, including:
- (1) what sports necessitate on-site trained medical personnel at athletic events based on data from public high schools and independent schools participating in interscholastic sports;
- (2) the availability of trained medical personnel and whether school athletic events could be adequately covered; and
- (3) the financial impact on schools of requiring medical personnel to be present at some athletic activities.
- (d) Assistance. The Concussion Task Force shall have the administrative and technical assistance of the Agency of Education.
- (e) Report. On or before December 15, the Concussion Task Force shall report to the House and Senate Committees on Education, the House Committee on Health Care, the Senate Committee on Health and Welfare, and the House and Senate Committees on Judiciary its findings and any recommendations for legislative action.

#### (f) Meetings.

- (1) The Secretary of Education or designee shall call the first meeting of the Concussion Task Force to occur on or before July 15, 2013.
  - (2) The Secretary of Education or designee shall be the chair.
- (3) A majority of the members of the Concussion Task Force shall be physically present at the same location to constitute a quorum.
- (4) Action shall be taken only if there is both a quorum and a majority vote of all members of the Concussion Task Force.
- (5) The Concussion task Force shall cease to exist on December 31, 2013.

#### Sec. 8. EFFECTIVE DATES

This act shall take effect on July 1, 2013, except that in Sec. 2, subsection 16 V.S.A. § 1431(f) (presence of health care provider at school sports activities) shall take effect on July 1, 2015.V.S.A.

and that after passage the title of the bill be amended to read: "An act relating to health and schools"

THE SENATE	THE HOUSE
SEN. RICHARD W. SEARS	REP. JOHANNAH L. DONOVAN
SEN. JOSEPH C. BENNING SEN. RICHARD J. MCCORMACK	REP. KEVIN B. CHRISTIE REP. BARBARA RACHELSON

Which was considered and adopted on the part of the House.

# Message from the Senate No. 73

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 considered bills originating in the House of the following titles:

- **H. 537.** An act relating to approval of amendments to the charter of the Town of Brattleboro.
- **H. 541.** An act relating to approval of amendments to the charter of the Village of Essex Junction.

And has passed the same in concurrence.

The Senate has considered House proposal of amendment to Senate bill of the following title:

**S. 18.** An act relating to automated license plate recognition systems.

And has concurred therein.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon Senate bill of the following title: **S. 61.** An act relating to alcoholic beverages.

And has accepted and adopted the same on its part.

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

**H. 295.** An act relating to technical tax changes.

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Ashe

Senator MacDonald

Senator Mullin.

# Rules Suspended; Report of Committee of Conference Adopted H. 169

On motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to relieving employers' experience-rating records

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the House amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 1325 is amended to read:

- § 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS; DISCLOSURE TO SUCCESSOR ENTITY; EMPLOYEE PAID \$1,000.00 OR LESS DURING BASE PERIOD
- (a)(1) The commissioner Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

- (1)(A) The individual's employment with that employer was terminated under disqualifying circumstances.
- (2)(B) The individual's employment or right to reemployment with that employer was terminated by retirement of the individual pursuant to a retirement or lump-sum retirement pay plan under which the age of mandatory retirement was agreed upon by the employer and its employees or by the bargaining agent representing those employees.
- (3)(C) As of the date on which the individual filed an initial claim for benefits, the individual's employment with that employer had not been terminated or reduced in hours.
- (4)(D) The individual was employed by that employer as a result of another employee taking leave under subchapter 4A of chapter 5 of this title, and the individual's employment was terminated as a result of the reinstatement of the other employee under subchapter 4A of chapter 5 of this title.

# (5)(E) [Repealed.]

(2) If an individual's unemployment is directly caused by a major natural disaster declared by the President of the United States pursuant to 42 U.S.C. § 5122 and the individual would have been eligible for federal disaster unemployment assistance benefits but for the receipt of regular benefits, an employer shall be relieved of charges for benefits paid to the individual with respect to any week of unemployment occurring due to the natural disaster up to a maximum amount of four weeks.

\* \* \*

# Sec. 2. UNEMPLOYMENT COMPENSATION; EMPLOYERS AFFECTED BY NATURAL DISASTERS OCCURRING IN 2011

- (a) The Department of Labor shall establish a system to provide unemployment compensation tax relief to employers paying a higher rate of contributions due to layoffs directly caused by federally declared natural disasters occurring in 2011.
- (b) Unemployment compensation tax relief shall be available to an employer provided that the employer's employees were separated from employment as a direct result of the disaster. Benefits paid beyond eight weeks shall remain chargeable to the employer.

- (c) The relief described in subsection (b) of this section shall not be available to employers electing to make payments in lieu of contributions pursuant to 21 V.S.A. § 1321.
- (d) Benefit charge relief provided under subsections (a) and (b) of this section shall not result in the recalculation of previously assigned rate classes for nondisaster-impacted employers.
- (e) The Department shall notify employers in the counties covered by the federal disaster relief declaration of the provisions of this section. An employer seeking relief shall apply to the Department within 20 days of notification by the Department. The application shall be made in a manner prescribed and approved by the Commissioner and shall be accompanied by a certified statement of the employer that the employees were separated from employment as a direct result of the disaster and would have not been otherwise. False statements made in connection with the certification shall subject the employer to the provisions of 21 V.S.A. § 1369. The employer shall provide the Department with the name, address, last known phone number, and social security number of each employee alleged to have been separated from employment as a result of the disaster.
- (f) If an employer's application for relief is denied, the employer may appeal the decision pursuant to 21 V.S.A. §§ 1348 and 1349.

#### Sec. 3. APPROPRIATION

Of the appropriations made to the Department of Labor in Sec. B.400 of House Bill 530 (An act relating to making appropriations for the support of government), the amount of \$60,000.00 is appropriated for the costs of postage and for hiring temporary positions necessary to implement the unemployment compensation tax relief program described in Sec. 2 of this act.

# Sec. 4. DEPARTMENT OF LABOR; ENFORCEMENT OF UNEMPLOYMENT INSURANCE COVERAGE RULE

The Department of Labor shall not implement proposed rule 12P044, unemployment insurance coverage for direct sellers and newspaper carriers, and shall not propose or adopt any rule, issue any bulletin, or take any other action regarding unemployment compensation and newspaper carriers prior to July 1, 2014.

#### Sec. 5. STUDY COMMITTEE; UNEMPLOYMENT COMPENSATION

(a) The Office of Legislative Council shall study the issue of unemployment compensation, its application to newspaper carriers, and the

relationship between state and federal exemptions to the unemployment compensation statutes.

- (b) The Office of Legislative Council shall examine:
- (1) the history of how newspaper carriers have been treated for purposes of unemployment compensation in Vermont and the newspaper industry practice of utilizing independent contractors to distribute newspapers or shopping news and the history and rationale behind the 2006 Department of Labor bulletin treating newspaper carriers as direct sellers;
- (2) the potential economic impacts the proposed rule would have on newspaper publishers, newspaper carriers, and the unemployment compensation trust fund;
- (3) the approaches taken by other states regarding unemployment compensation for newspaper carriers;
- (4) an analysis of both state and federal exemptions to the unemployment compensation statutes; and
- (5) how the unemployment compensation statutes should apply to individuals who do not earn enough wages to qualify for unemployment benefits.
- (c) The Office of Legislative Council shall report its findings to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on or before January 15, 2014.

#### Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

KEVIN J. MULLIN CHRISTOPHER A. BRAY PETER W. GALBRAITH

Committee on the part of the Senate

WILLIAM G. F. BOTZOW MICHAEL J. MARCOTTE WARREN F. KITZMILLER

Committee on the part of the House

Which was considered and adopted on the part of the House.

# Rules Suspended; Report of Committee of Conference Adopted S. 148

On motion of **Rep. Turner of Milton**, the rules were suspended and Senatebill, entitled

An act relating to criminal investigation records and the Vermont Public Records Act.

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

- Sec. 1. 1 V.S.A. § 317 is amended to read:
- § 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS

\* \* \*

(c) The following public records are exempt from public inspection and copying:

\* \* \*

- (5)(A) records dealing with the detection and investigation of crime, including those maintained on any individual or compiled in the course of a criminal or disciplinary investigation by any police or professional licensing agency; provided, however, that but only to the extent that the production of such records:
- (i) could reasonably be expected to interfere with enforcement proceedings;
- (ii) would deprive a person of a right to a fair trial or an impartial adjudication;
- (iii) could reasonably be expected to constitute an unwarranted invasion of personal privacy;
- (iv) could reasonably be expected to disclose the identity of a confidential source, including a state, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of a record or information compiled by criminal law enforcement authority in the course of a criminal investigation or by an agency

conducting a lawful national security intelligence investigation, information furnished by a confidential source;

- (v) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecution if such disclosure could reasonably be expected to risk circumvention of the law;
- (vi) could reasonably be expected to endanger the life or physical safety of any individual;
- (B) Notwithstanding subdivision (A) of this subdivision (5), records relating to management and direction of a law enforcement agency; records reflecting the initial arrest of a person, including any ticket, citation, or complaint issued for a traffic violation, as that term is defined in 23 V.S.A. § 2302; and records reflecting the charge of a person shall be public;
- (C) It is the intent of the General Assembly that in construing subdivision (A) of this subdivision (5), the courts of this State will be guided by the construction of similar terms contained in 5 U.S.C. § 552(b)(7) (Freedom of Information Act) by the courts of the United States;
- (D) It is the intent of the General Assembly that, consistent with the manner in which courts have interpreted subdivision (A) of this subdivision (5), a public agency shall not reveal information that could be used to facilitate the commission of a crime or the identity of a private individual who is a witness to or victim of a crime, unless withholding the identity or information would conceal government wrongdoing. A record shall not be withheld in its entirety because it contains identities or information that have been redacted pursuant to this subdivision;

\* \* \*

#### Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2013.

JEANETTE K. WHITE JOSEPH C. BENNING RICHARD W. SEARS

Committee on the part of the Senate

WILLIAM J. LIPPERT MAXINE JO GRAD THOMAS F. KOCH

Committee on the part of the House

Which was considered and adopted on the part of the House.

# Rules Suspended; Report of Committee of Conference Adopted S. 155

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

. An act relating to creating a strategic workforce development needs assessment and strategic plan.

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the House recede from its proposals of amendment and that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

### Sec. 1. WORKFORCE DEVELOPMENT WORK GROUP

- (a) There is created a Workforce Development Work Group composed of the following members:
- (1) two members of the Senate appointed by the President Pro Tempore of the Senate;
- (2) two members of the House of Representatives appointed by the Speaker of the House;
- (3) the Secretary of Commerce and Community Development or designee; and
  - (4) the Commissioner of Labor or designee.
  - (b) The Work Group shall:
- (1) coordinate with, and complement the work of, the Workforce Development Council, the Department of Labor, and other entities that are gathering the data and information specified in this section;
- (2) research, compile, and inventory all workforce education and training programs and activities taking place in Vermont;
- (3) identify the number of individuals served by each of the programs and activities, and estimate the number of individuals in the State who could benefit from these programs and activities;

- (4) identify the amount and source of financial support for these programs and activities, including financial support that goes directly to the individuals, and, to the extent practicable, the allocation of resources to the direct benefits, management, and overhead costs of each program and activity;
- (5) identify the mechanics by which these programs and activities are evaluated for effectiveness and outcomes;
- (6) provide a summary for each program or activity of its delivery model, including how the program or activity aligns with employment opportunities located in Vermont;
- (7) identify current statutory provisions concerning coordination, integration, and improvement of workforce education and training programs, including identification of the entities responsible for performing those duties;
- (8) identify overlaps in existing workforce development programs and activities;
- (9)(A) research and inventory all programs and activities taking place in the State, both public and private, that identify and evaluate employers' needs for employees, including the skills, education, and experience required for available and projected jobs;
- (B) indicate who is responsible for these activities and how they are funded:
  - (C) specify the data collection activities that are taking place;
- (D) identify overlaps in programs, activities, and data collection that identify and evaluate employers' needs for employees; and
- (10) undertake any other research and gather other data and information as the Work Group deems necessary and appropriate to complete its work consistent with this act.
- (c) The Work Group shall convene its first meeting no later than June 15, 2013 and shall meet not more than eight times. The Work Group shall have the administrative, legal, and fiscal support of the Office of Legislative Council and the Joint Fiscal Office.
- (d) In order to perform its duties pursuant to this act, the Work Group shall have the authority to request and gather data and information as it determines is necessary from entities that conduct workforce education and training programs and activities, including agencies, departments, and programs within the Executive Branch and from nongovernmental entities that receive state-controlled funding. Unless otherwise exempt from public disclosure

pursuant to state or federal law, a workforce education and training provider shall provide the data and information requested by the Work Group within a reasonable time period.

- (e) On or before January 15, 2014, the Work Group shall submit its findings and work product to the House Committees on Commerce and Economic Development and on Education, and to the Senate Committees on Economic Development, Housing and General Affairs and on Education.
- (f) Members of the Work Group shall be eligible for per diem compensation, mileage reimbursement, and other necessary expenses as provided in 2 V.S.A. § 406.
- Sec. 2. 2007 Acts and Revolves No 46, Sec. 6, as amended by 2009 Acts and Resolves No. 54, Sec. 8, is amended to read:

#### Sec. 6. WORKFORCE DEVELOPMENT LEADER

- (a) The commissioner of labor Commissioner of Labor shall be the leader of workforce development strategy and accountability. The commissioner of labor Commissioner of Labor shall consult with the workforce development council executive Committee Workforce Development Council Executive Committee in developing the strategy, goals, and accountability measures. The workforce development council Workforce Development Council shall provide administrative support. The executive committee Executive Committee shall assist the leader. The duties of the leader include all the following:
- (1) developing a limited number of overarching goals and challenging measurable criteria for the workforce development system that supports the creation of good jobs to build and retain a strong, appropriate, and sustainable economic environment in Vermont:
- (2) reviewing reports submitted by each entity that receives funding from the Next Generation fund Fund. The reports shall be submitted on a schedule determined by the executive committee Executive Committee and shall include all the following information:
- (A) a description of the mission and programs relating to preparing individuals for employment and meeting the needs of employers for skilled workers;
- (B) the measurable accomplishments that have contributed to achieving the overarching goals;
- (C) identification of any innovations made to improve delivery of services;

- (D) future plans that will contribute to the achievement of the goals;
- (E) the successes of programs to establish working partnerships and collaborations with other organizations that reduce duplication or enhance the delivery of services, or both; and
- (F) any other information that the committee Committee may deem necessary and relevant.
- (3) reviewing information pursuant to subdivision (2) of this section that is voluntarily provided by education and training organizations that are not required to report this information but want recognition for their contributions;
- (4) issuing an annual report to the governor Governor and the general assembly General Assembly on or before December 1, which shall include a systematic evaluation of the accomplishments of the system and the participating agencies and institutions and all the following:
- (A) a compilation of the systemwide accomplishments made toward achieving the overarching goals, specific notable accomplishments, innovations, collaborations, grants received, or new funding sources developed by participating agencies, institutions, and other education and training organizations;
- (B) identification of each provider's contributions toward achieving the overarching goals;
- (C) identification of areas needing improvement, including time frames, expected annual participation, and contributions, and the overarching goals; and
- (D) recommendations for the allocating of <u>next generation Next</u> <u>Generation</u> funds and other public resources.
- (5) developing an integrated workforce strategy that incorporates economic development, workforce development, and education to provide all Vermonters with the best education and training available in order to create a strong, appropriate, and sustainable economic environment that supports a healthy state economy; and
  - (6) developing strategies for both the following:
- (A) coordination of public and private workforce programs to assure that information is easily accessible to students, employees, and employers, and that all information and necessary counseling is available through one contact; and

- (B) more effective communications between the business community and educational institutions, both public and private; and
  - (7) preparing a strategic plan for workforce development in Vermont:
- (A) in preparing the strategic plan pursuant to this subdivision, the Commissioner shall consider the Farm to Plate Initiative, as set forth in 10 V.S.A. § 330, as a model for the design and implementation of a planning process that is:
  - (i) strategic, comprehensive, and systems-based;
  - (ii) forward-looking, with a ten-year planning horizon;
  - (iii) informed and driven by performance metrics;
  - (iv) built on a foundation of broad stakeholder engagement that is:
- (I) primarily constituent-driven, whereby those who use the services administered by the various workforce development education and training programs shall be consulted in order to define and understand their workforce and training needs;
- (II) secondarily administrator-driven, whereby those who administer the various workforce development education and training programs are responsible for identifying, developing, and implementing the forward-looking, long-term initiatives required to meet Vermont's workforce development needs;
  - (B) the strategic plan adopted by the Commissioner shall:
- (i) identify the components of Vermont's labor market and workforce trends based upon existing data, studies, and analysis;
  - (ii) identify current and future workforce skill requirements; and
- (iii) identify and determine the effectiveness of existing state workforce development and training resources;
- <u>(iv)</u> identify gaps between the public, nonprofit, and private workforce development programs and Vermont's workforce development needs and propose measures to bridge these gaps;

#### (C) the Commissioner shall:

(i) use the information gathered from the strategic plan on an ongoing basis to identify methods and funding necessary to strengthen the link among the Vermont workforce and public, nonprofit, and private workforce development programs; and

(ii) coordinate with the State Auditor of Accounts to develop measurable benchmarks to assess the performance of the State's workforce development programs.

\* \* \*

#### Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

COMMITTEE ON THE PART OF THE SENATE	COMMITTEE ON THE PART OF THE HOUSE
SEN. CHRISTOPHER A. BRAY	REP. MICHELE KUPERSMITH
SEN. WILLIAM T. DOYLE	REP. MICHAEL J. MARCOTTE
SEN DONALD "DON" COLLINS	REP. SAMUEL R. YOUNG

Which was considered and adopted on the part of the House.

# Rules Suspended; Action Ordered Messaged to Senate Forthwith and Bill Delivered to the Governor Forthwith

H. 169

House bill, entitled

An act relating to relieving employers' experience-rating records;

On motion of **Rep. Turner of Milton**, the rules were suspended and action on the bill was ordered messaged to the Senate forthwith and the bill delivered to the Governor forthwith.

#### Rules Suspended; Bills Messaged to Senate Forthwith

On motion of **Rep. Turner of Milton**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith:

S. 4

Senate bill, entitled

An act relating to concussions and school athletic activities

S. 148

Senate bill, entitled

An act relating to criminal investigation records and the Vermont Public Records Act

S. 155

Senate bill, entitled

An act relating to creating a strategic workforce development needs assessment and strategic plan

#### H. 521

House bill, entitled

An act relating to making miscellaneous amendments to education law **Committee of Conference Appointed** 

#### S. 20

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to increasing the statute of limitations for certain sex offenses against children

The Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Grad of Moretown

Rep. Wizowaty of Burlington

**Rep.** Waite-Simpson of Essex

#### Recess

At eleven o'clock and thirty minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

At four o'clock in the afternoon, the Speaker called the House to order.

### Rules Suspended; Senate Proposal of Amendment Concurred in

#### H. 107

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to health insurance, Medicaid, the Vermont Health Benefit Exchange, and the Green Mountain Care Board

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Senate proposed to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Health Insurance \* \* \*

Sec. 1. 8 V.S.A. § 4079 is amended to read:

# § 4079. GROUP INSURANCE POLICIES; DEFINITIONS

Group health insurance is hereby declared to be that form of health insurance covering one or more persons, with or without their dependents, and issued upon the following basis:

- (1)(A) Under a policy issued to an employer, who shall be deemed the policyholder, insuring at least one employee of such employer, for the benefit of persons other than the employer. The term "employees," as used herein, shall be deemed to include the officers, managers, and employees of the employer, the partners, if the employer is a partnership, the officers, managers, and employees of subsidiary or affiliated corporations of a corporation employer, and the individual proprietors, partners, and employees of individuals and firms, the business of which is controlled by the insured employer through stock ownership, contract, or otherwise. The term "employer," as used herein, may be deemed to include any municipal or governmental corporation, unit, agency, or department thereof and the proper officers as such, of any unincorporated municipality or department thereof, as well as private individuals, partnerships, and corporations.
- (B) In accordance with section 3368 of this title, an employer domiciled in another jurisdiction that has more than 25 certificate-holder employees whose principal worksite and domicile is in Vermont and that is defined as a large group in its own jurisdiction and under the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, § 1304, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, may purchase insurance in the large group health insurance market for its Vermont-domiciled certificate-holder employees.

\* \* \*

Sec. 2. 8 V.S.A. § 4089a is amended to read:

#### § 4089a. MENTAL HEALTH CARE SERVICES REVIEW

\* \* \*

(b) Definitions. As used in this section:

\* \* \*

(4) "Review agent" means a person or entity performing service review activities within one year of the date of a fully compliant application for licensure who is either affiliated with, under contract with, or acting on behalf of a business entity in this state; or a third party State and who provides or administers mental health care benefits to citizens of Vermont members of

health benefit plans subject to the Department's jurisdiction, including a health insurer, nonprofit health service plan, health insurance service organization, health maintenance organization or preferred provider organization, including organizations that rely upon primary care physicians to coordinate delivery of services, authorized to offer health insurance policies or contracts in Vermont.

\* \* \*

(g) Members of the independent panel of mental health care providers shall be compensated as provided in 32 V.S.A. § 1010(b) and (c). [Deleted.]

\* \* \*

Sec. 3. 8 V.S.A. § 4089i is amended to read:

\* \* \*

- (d) For prescription drug benefits offered in conjunction with a high-deductible health plan (HDHP), the plan may not provide prescription drug benefits until the expenditures applicable to the deductible under the HDHP have met the amount of the minimum annual deductibles in effect for self-only and family coverage under Section 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 for self-only and family coverage, respectively, except that a plan may offer first-dollar prescription drug benefits to the extent permitted under federal law. Once the foregoing expenditure amount has been met under the HDHP, coverage for prescription drug benefits shall begin, and the limit on out-of-pocket expenditures for prescription drug benefits shall be as specified in subsection (c) of this section.
- (e)(1) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs and uses step-therapy protocols shall not require failure on the same medication on more than one occasion for continuously enrolled members or subscribers.
- (2) Nothing in this subsection shall be construed to prohibit the use of tiered co-payments for members or subscribers not subject to a step-therapy protocol.
- (f)(1) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs shall not require, as a condition of coverage, use of drugs not indicated by the federal Food and Drug Administration for the condition diagnosed and being treated under supervision of a health care professional.

- (2) Nothing in this subsection shall be construed to prevent a health care professional from prescribing a medication for off-label use.
  - (g) As used in this section:
- (1) <u>"Health care professional" means an individual licensed to practice medicine under 26 V.S.A. chapter 23 or 33, 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.</u>
- (2) "Health insurer" shall have the same meaning as in 18 V.S.A. § 9402.
- (2)(3) "Out-of-pocket expenditure" means a co-payment, coinsurance, deductible, or other cost-sharing mechanism.
- (3)(4) "Pharmacy benefit manager" shall have the same meaning as in section 4089j of this title.
- (5) "Step therapy" means protocols that establish the specific sequence in which prescription drugs for a specific medical condition are to be prescribed.
- (f)(h) The department of financial regulation Department of Financial Regulation shall enforce this section and may adopt rules as necessary to carry out the purposes of this section.
- Sec. 4. 8 V.S.A. § 4092(b) is amended to read:
- (b) Coverage for a newly born child shall be provided without notice or additional premium for no less than 31 60 days after the date of birth. If payment of a specific premium or subscription fee is required in order to have the coverage continue beyond such 31 day 60-day period, the policy may require that notification of birth of newly born child and payment of the required premium or fees be furnished to the insurer or nonprofit service or indemnity corporation within a period of not less than 31 60 days after the date of birth.
- Sec. 5. 18 V.S.A. § 9418 is amended to read:

#### § 9418. PAYMENT FOR HEALTH CARE SERVICES

(a) Except as otherwise specified, as used in this subchapter:

\* \* \*

(17) "Product" means, to the extent permitted by state and federal law, one of the following types of categories of coverage for which a participating

provider may be obligated to provide health care services pursuant to a health care contract:

- (A) Health health maintenance organization;
- (B) Preferred preferred provider organization;
- (C) Fee-for-service fee-for-service or indemnity plan;
- (D) Medicare Advantage HMO plan;
- (E) Medicare Advantage private fee-for-service plan;
- (F) Medicare Advantage special needs plan;
- (G) Medicare Advantage PPO;
- (H) Medicare supplement plan;
- (I) Workers workers compensation plan; or
- (J) Catamount Health; or
- (K) Any any other commercial health coverage plan or product.
- (b) No later than 30 days following receipt of a claim, a health plan, contracting entity, or payer shall do one of the following:
  - (1) Pay or reimburse the claim.
- (2) Notify the claimant in writing that the claim is contested or denied. The notice shall include specific reasons supporting the contest or denial and a description of any additional information required for the health plan, contracting entity, or payer to determine liability for the claim.
- (3) Pend a claim for services rendered to an enrollee during the second and third months of the consecutive three-month grace period required for recipients of advance payments of premium tax credits pursuant to 26 U.S.C. § 36B. In the event the enrollee pays all outstanding premiums prior to the exhaustion of the grace period, the health plan, contracting entity, or payer shall have 30 days following receipt of the outstanding premiums to proceed as provided in subdivision (1) or (2) of this subsection, as applicable.

\* \* \*

#### Sec. 5a. 18 V.S.A. § 9418b(g)(4) is amended to read:

(4) A health plan shall respond to a completed prior authorization request from a prescribing health care provider within 48 hours for urgent requests and within 120 hours two business days of receipt for non-urgent requests. The health plan shall notify a health care provider of or make available to a health care

provider a receipt of the request for prior authorization and any needed missing information within 24 hours of receipt. If a health plan does not, within the time limits set forth in this section, respond to a completed prior authorization request, acknowledge receipt of the request for prior authorization, or request missing information, the prior authorization request shall be deemed to have been granted.

\* \* \* Standardized Claims and Edits \* \* \*

# Sec. 5b. STANDARDIZED HEALTH INSURANCE CLAIMS AND EDITS

- (a)(1) As part of moving away from fee-for-service and toward other models of payment for health care services in Vermont, the Green Mountain Care Board, in consultation with the Department of Vermont Health Access, health care providers, health insurers, and other interested stakeholders, shall develop a complete set of standardized edits and payment rules based on Medicare or on another set of standardized edits and payment rules appropriate for use in Vermont. The Board and the Department shall adopt by rule the standards and payment rules that health care providers, health insurers, and other payers shall use beginning on January 1, 2015 and that Medicaid shall use beginning on January 1, 2017.
- (2) The Green Mountain Care Board and the Department of Vermont Health Access shall report to the General Assembly on or before February 15, 2014 on the progress toward a complete set of standardized edits and payment rules.
- (b) The Department of Vermont Health Access's request for proposals for the Medicaid Management Information System (MMIS) claims payment system shall ensure that the MMIS will:
- (1) have the capability to include uniform edit standards and payment rules developed pursuant to this section; and
- (2) include full transparency of edit standards, payment rules, prior authorization guidelines, and other utilization review provisions, including the source or basis in evidence for the standards and guidelines.
- (c)(1) The Department of Vermont Health Access shall ensure that contracts for benefit management and claims management systems in effect on January 1, 2017 include full transparency of edit standards, payment rules, prior authorization guidelines, and other utilization review provisions, including the source or basis in evidence for the standards and guidelines.
- (2) The Department of Financial Regulation shall ensure that beginning on January 1, 2015, health insurers and their subcontractors for benefit management and claim management systems include full transparency of edit standards,

payment rules, prior authorization guidelines, and other utilization review provisions, including the source or basis in evidence for the standards and guidelines. In addition to any other remedy available to the Commissioner under Title 8 or Title 18, a health insurer, subcontractor, or other person who violates the requirements of this section may be assessed an administrative penalty of not more than \$2,000.00 for each day of noncompliance.

### (d) As used in this section:

- (1) "Health care provider" means a person, partnership, corporation, facility, or institution licensed or certified or authorized by law to administer health care in this State.
- (2) "Health insurer" means a health insurance company, a nonprofit hospital or medical service corporation, a managed care organization, and, to the extent permitted under federal law, any administrator of an insured, self-insured, or publicly funded health care benefit plan offered by a public or private entity.
  - \* \* \* Health Insurance Rate Review \* \* \*

Sec. 5c. 8 V.S.A. § 4062 is amended to read:

### § 4062. FILING AND APPROVAL OF POLICY FORMS AND PREMIUMS

- (a)(1) No policy of health insurance or certificate under a policy filed by an insurer offering health insurance as defined in subdivision 3301(a)(2) of this title, a nonprofit hospital or medical service corporation, health maintenance organization, or a managed care organization and not exempted by subdivision 3368(a)(4) of this title shall be delivered or issued for delivery in this state State, nor shall any endorsement, rider, or application which becomes a part of any such policy be used, until:
- (A) a copy of the form, and of the rules for the classification of risks has been filed with the Department of Financial Regulation and a copy of the premium rates, and rules for the classification of risks pertaining thereto have has been filed with the commissioner of financial regulation Green Mountain Care Board; and
- (B) a decision by the Green Mountain Care board Board has been applied by the commissioner as provided in subdivision (2) of this subsection issued a decision approving, modifying, or disapproving the proposed rate.
- (2)(A) Prior to approving a rate pursuant to this subsection, the commissioner shall seek approval for such rate from the Green Mountain Care board established in 18 V.S.A. chapter 220. The commissioner shall make a recommendation to the Green Mountain Care board about whether to approve,

modify, or disapprove the rate within 30 days of receipt of a completed application from an insurer. In the event that the commissioner does not make a recommendation to the board within the 30 day period, the commissioner shall be deemed to have recommended approval of the rate, and the Green Mountain Care board shall review the rate request pursuant to subdivision (B) of this subdivision (2).

- (B) The Green Mountain Care board Board shall review rate requests forwarded by the commissioner pursuant to subdivision (A) of this subdivision (2) and shall approve, modify, or disapprove a rate request within 30 90 calendar days of receipt of the commissioner's recommendation or, in the absence of a recommendation from the commissioner, the expiration of the 30-day period following the department's receipt of the completed application. In the event that the board does not approve or disapprove a rate within 30 days, the board shall be deemed to have approved the rate request after receipt of an initial rate filing from an insurer. If an insurer fails to provide necessary materials or other information to the Board in a timely manner, the Board may extend its review for a reasonable additional period of time, not to exceed 30 calendar days.
- (C) The commissioner shall apply the decision of the Green Mountain Care board as to rates referred to the board within five business days of the board's decision.
- (B) Prior to the Board's decision on a rate request, the Department of Financial Regulation shall provide the Board with an analysis and opinion on the impact of the proposed rate on the insurer's solvency and reserves.
- (3) The commissioner Board shall review policies and rates to determine whether a policy or rate is affordable, promotes quality care, promotes access to health care, protects insurer solvency, and is not unjust, unfair, inequitable, misleading, or contrary to the laws of this state State. The commissioner shall notify in writing the insurer which has filed any such form, premium rate, or rule if it contains any provision which does not meet the standards expressed in this section. In such notice, the commissioner shall state that a hearing will be granted within 20 days upon written request of the insurer. In making this determination, the Board shall consider the analysis and opinion provided by the Department of Financial Regulation pursuant to subdivision (2)(B) of this subsection.
- (b) The commissioner may, after a hearing of which at least 20 days' written notice has been given to the insurer using such form, premium rate, or rule, withdraw approval on any of the grounds stated in this section. For premium rates, such withdrawal may occur at any time after applying the

decision of the Green Mountain Care board pursuant to subdivision (a)(2)(C) of this section. Disapproval pursuant to this subsection shall be effected by written order of the commissioner which shall state the ground for disapproval and the date, not less than 30 days after such hearing when the withdrawal of approval shall become effective.

- (e) In conjunction with a rate filing required by subsection (a) of this section, an insurer shall file a plain language summary of any requested rate increase of five percent or greater. If, during the plan year, the insurer files for rate increases that are cumulatively five percent or greater, the insurer shall file a summary applicable to the cumulative rate increase the proposed rate. All summaries shall include a brief justification of any rate increase requested, the information that the Secretary of the U.S. Department of Health and Human Services (HHS) requires for rate increases over 10 percent, and any other information required by the commissioner Board. The plain language summary shall be in the format required by the Secretary of HHS pursuant to the Patient Protection and Affordable Care Act of 2010, Public Law 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Public Law 111-152, and shall include notification of the public comment period established in subsection (d)(c) of this section. In addition, the insurer shall post the summaries on its website.
- (d)(c)(1) The commissioner <u>Board</u> shall provide information to the public on the <u>department's Board's</u> website about the public availability of the filings and summaries required under this section.
- (2)(A) Beginning no later than January 1, 2012 2014, the commissioner Board shall post the rate filings pursuant to subsection (a) of this section and summaries pursuant to subsection (e)(b) of this section on the department's Board's website within five calendar days of filing. The Board shall also establish a mechanism by which members of the public may request to be notified automatically each time a proposed rate is filed with the Board.
- (B) The department Board shall provide an electronic mechanism for the public to comment on proposed rate increases over five percent all rate filings. The public shall have 21 days from the posting of the summaries and filings to provide Board shall accept public comment on each rate filing from the date on which the Board posts the rate filing on its website pursuant to subdivision (A) of this subdivision (2) until 15 calendar days after the Board posts on its website the analyses and opinions of the Department of Financial Regulation and of the Board's consulting actuary, if any, as required by subsection (d) of this section. The department Board shall review and consider the public comments prior to submitting the policy or rate for the Green

Mountain Care board's approval pursuant to subsection (a) of this section. The department shall provide the Green Mountain Care board with the public comments for its consideration in approving any rates issuing its decision.

- (3)(A) In addition to the public comment provisions set forth in this subsection, the Office of the Health Care Advocate established in 18 V.S.A. chapter 229, acting on behalf of health insurance consumers in this State, may, within 30 calendar days after the Board receives an insurer's rate request pursuant to this section, submit to the Board, in writing, suggested questions regarding the filing for the Board to provide to its contracting actuary, if any.
- (B) The Office of the Health Care Advocate may also submit to the Board written comments on an insurer's rate request. The Board shall post the comments on its website and shall consider the comments prior to issuing its decision.
- (e)(d)(1) No later than 60 calendar days after receiving an insurer's rate request pursuant to this section, the Green Mountain Care Board shall make available to the public the insurer's rate filing, the Department's analysis and opinion of the effect of the proposed rate on the insurer's solvency, and the analysis and opinion of the rate filing by the Board's contracting actuary, if any.
- (2) The Board shall post on its website, after redacting any confidential or proprietary information relating to the insurer or to the insurer's rate filing:
- (A) all questions the Board poses to its contracting actuary, if any, and the actuary's responses to the Board's questions; and
- (B) all questions the Board, the Board's contracting actuary, if any, or the Department poses to the insurer and the insurer's responses to those questions.
- (e) Within 30 calendar days after making the rate filing and analysis available to the public pursuant to subsection (d) of this section, the Board shall:
  - (1) conduct a public hearing, at which the Board shall:
- (A) call as witnesses the Commissioner of Financial Regulation or designee and the Board's contracting actuary, if any, unless all parties agree to waive such testimony; and
- (B) provide an opportunity for testimony from the insurer; the Office of the Health Care Advocate; and members of the public;

- (2) at a public hearing, announce the Board's decision of whether to approve, modify, or disapprove the proposed rate; and
  - (3) issue its decision in writing.
- (f)(1) The insurer shall notify its policyholders of the Board's decision in a timely manner, as defined by the Board by rule.
- (2) Rates shall take effect on the date specified in the insurer's rate filing.
- (3) If the Board has not issued its decision by the effective date specified in the insurer's rate filing, the insurer shall notify its policyholders of its pending rate request and of the effective date proposed by the insurer in its rate filing.
- (g) An insurer, the Office of the Health Care Advocate, and any member of the public with party status, as defined by the Board by rule, may appeal a decision of the Board approving, modifying, or disapproving the insurer's proposed rate to the Vermont Supreme Court.
- (h)(1) The following provisions of this This section shall apply only to policies for major medical insurance coverage and shall not apply to policies for specific disease, accident, injury, hospital indemnity, dental care, vision care, disability income, long-term care, or other limited benefit coverage; to Medicare supplemental insurance; or
- (A) the requirement in subdivisions (a)(1) and (2) of this section for the Green Mountain Care board's approval on rate requests;
- (B) the review standards in subdivision (a)(3) of this section as to whether a policy or rate is affordable, promotes quality care, and promotes access to health care; and
  - (C) subsections (c) and (d) of this section.
- (2) The exemptions from the provisions described in subdivisions (1)(A) through (C) of this subsection shall also apply to benefit plans that are paid directly to an individual insured or to his or her assigns and for which the amount of the benefit is not based on potential medical costs or actual costs incurred.
- (3) Medicare supplemental insurance policies shall be exempt only from the requirement in subdivisions (a)(1) and (2) of this section for the Green Mountain Care board's approval on rate requests and shall be subject to the remaining provisions of this section.

(i) Notwithstanding the procedures and timelines set forth in subsections (a) through (e) of this section, the Board may establish, by rule, a streamlined rate review process for certain rate decisions, including proposed rates affecting fewer than a minimum number of covered lives and proposed rates for which a de minimis increase, as defined by the Board by rule, is sought.

Sec. 5d. 8 V.S.A. § 4062a is amended to read:

### § 4062a. FILING FEES

Each filing of a policy, contract, or document form or premium rates or rules, submitted pursuant to section 4062 of this title, shall be accompanied by payment to the commissioner Commissioner or the Green Mountain Care Board, as appropriate, of a nonrefundable fee of \$50.00 \$150.00.

Sec. 5e. 8 V.S.A. § 4089b(d)(1)(A) is amended to read:

(d)(1)(A) A health insurance plan that does not otherwise provide for management of care under the plan, or that does not provide for the same degree of management of care for all health conditions, may provide coverage for treatment of mental health conditions through a managed care organization provided that the managed care organization is in compliance with the rules adopted by the commissioner Commissioner that assure that the system for delivery of treatment for mental health conditions does not diminish or negate the purpose of this section. In reviewing rates and forms pursuant to section 4062 of this title, the commissioner Commissioner or the Green Mountain Care Board established in 18 V.S.A. chapter 220, as appropriate, shall consider the compliance of the policy with the provisions of this section.

# Sec. 5f. 8 V.S.A. § 4512(b) is amended to read:

(b) Subject to the approval of the eommissioner Commissioner or the Green Mountain Care Board established in 18 V.S.A. chapter 220, as appropriate, a hospital service corporation may establish, maintain, and operate a medical service plan as defined in section 4583 of this title. The eommissioner Commissioner or the Board may refuse approval if the eommissioner Commissioner or the Board finds that the rates submitted are excessive, inadequate, or unfairly discriminatory, fail to protect the hospital service corporation's solvency, or fail to meet the standards of affordability, promotion of quality care, and promotion of access pursuant to section 4062 of this title. The contracts of a hospital service corporation which operates a medical service plan under this subsection shall be governed by chapter 125 of this title to the extent that they provide for medical service benefits, and by this chapter to the extent that the contracts provide for hospital service benefits.

Sec. 5g. 8 V.S.A. § 4513(c) is amended to read:

(c) In connection with a rate decision, the commissioner Green Mountain Care Board may also make reasonable supplemental orders to the corporation and may attach reasonable conditions and limitations to such orders as he the Board finds, on the basis of competent and substantial evidence, necessary to insure ensure that benefits and services are provided at minimum cost under efficient and economical management of the corporation. The commissioner Commissioner and, except as otherwise provided by 18 V.S.A. §§ 9375 and 9376, the Green Mountain Care Board, shall not set the rate of payment or reimbursement made by the corporation to any physician, hospital, or other health care provider.

Sec. 5h. 8 V.S.A. § 4515a is amended to read:

#### § 4515a. FORM AND RATE FILING; FILING FEES

Every contract or certificate form, or amendment thereof, including the rates charged therefor by the corporation shall be filed with the commissioner Commissioner or the Green Mountain Care Board established in 18 V.S.A. chapter 220, as appropriate, for his or her the Commissioner's or the Board's approval prior to issuance or use. Prior to approval, there shall be a public comment period pursuant to section 4062 of this title. In addition, each such filing shall be accompanied by payment to the commissioner Commissioner or the Board, as appropriate, of a nonrefundable fee of \$50.00 \$150.00 and the plain language summary of rate increases pursuant to section 4062 of this title.

Sec. 5i. 8 V.S.A. § 4584(c) is amended to read:

(c) In connection with a rate decision, the commissioner Green Mountain Care Board may also make reasonable supplemental orders to the corporation and may attach reasonable conditions and limitations to such orders as he or she the Board finds, on the basis of competent and substantial evidence, necessary to insure ensure that benefits and services are provided at minimum cost under efficient and economical management of the corporation. The commissioner Commissioner and, except as otherwise provided by 18 V.S.A. §§ 9375 and 9376, the Green Mountain Care Board, shall not set the rate of payment or reimbursement made by the corporation to any physician, hospital, or other health care provider.

Sec. 5j. 8 V.S.A. § 4587 is amended to read:

# § 4587. FILING AND APPROVAL OF CONTRACTS

A medical service corporation which has received a permit from the commissioner of financial regulation Commissioner of Financial Regulation

under section 4584 of this title shall not thereafter issue a contract to a subscriber or charge a rate therefor which is different from copies of contracts and rates originally filed with such commissioner Commissioner and approved by him or her at the time of the issuance to such medical service corporation of its permit, until it has filed copies of such contracts which it proposes to issue and the rates it proposes to charge therefor and the same have been approved by such commissioner the Commissioner or the Green Mountain Care Board established in 18 V.S.A. chapter 220, as appropriate. Prior to approval, there shall be a public comment period pursuant to section 4062 of this title. Each such filing of a contract or the rate therefor shall be accompanied by payment to the commissioner Commissioner or the Board, as appropriate, of a nonrefundable fee of \$50.00 \$150.00. A medical service corporation shall file a plain language summary of rate increases pursuant to section 4062 of this title.

Sec. 5k. 8 V.S.A. § 5104 is amended to read:

# § 5104. FILING AND APPROVAL OF RATES AND FORMS; SUPPLEMENTAL ORDERS

- (a)(1) A health maintenance organization which has received a certificate of authority under section 5102 of this title shall file and obtain approval of all policy forms and rates as provided in sections 4062 and 4062a of this title. This requirement shall include the filing of administrative retentions for any business in which the organization acts as a third party administrator or in any other administrative processing capacity. The commissioner or the Green Mountain Care Board, as appropriate, may request and shall receive any information that the commissioner Commissioner or the Board deems necessary to evaluate the filing. In addition to any other information requested, the commissioner Commissioner or the Board shall require the filing of information on costs for providing services to the organization's Vermont members affected by the policy form or rate, including Vermont claims experience, and administrative and overhead costs allocated to the service of Vermont members. Prior to approval, there shall be a public comment period pursuant to section 4062 of this title. A health maintenance organization shall file a summary of rate filings pursuant to section 4062 of this title.
- (2) The eommissioner Commissioner or the Board shall refuse to approve, or to seek the Green Mountain Care board's approval of, the form of evidence of coverage, filing, or rate if it contains any provision which is unjust, unfair, inequitable, misleading, or contrary to the law of the state State or plan of operation, or if the rates are excessive, inadequate or unfairly

discriminatory, <u>fail to protect the organization's solvency</u>, or fail to meet the standards of affordability, promotion of quality care, and promotion of access pursuant to section 4062 of this title. No evidence of coverage shall be offered to any potential member unless the person making the offer has first been licensed as an insurance agent in accordance with chapter 131 of this title.

(b) In connection with a rate decision, the eommissioner Board may also, with the prior approval of the Green Mountain Care board established in 18 V.S.A. chapter 220, make reasonable supplemental orders and may attach reasonable conditions and limitations to such orders as the commissioner Board finds, on the basis of competent and substantial evidence, necessary to insure ensure that benefits and services are provided at reasonable cost under efficient and economical management of the organization. The commissioner Commissioner and, except as otherwise provided by 18 V.S.A. §§ 9375 and 9376, the Green Mountain Care Board, shall not set the rate of payment or reimbursement made by the organization to any physician, hospital, or health care provider.

Sec. 5l. 18 V.S.A. § 9375(b) is amended to read:

(b) The board Board shall have the following duties:

\* \* \*

(6) Approve, modify, or disapprove requests for health insurance rates pursuant to 8 V.S.A. § 4062 within 30 days of receipt of a request for approval from the commissioner of financial regulation, taking into consideration the requirements in the underlying statutes, changes in health care delivery, changes in payment methods and amounts, protecting insurer solvency, and other issues at the discretion of the board Board;

\* \* \*

Sec. 5m. 18 V.S.A. § 9381 is amended to read:

#### § 9381. APPEALS

- (a)(1) The Green Mountain Care board Board shall adopt procedures for administrative appeals of its actions, orders, or other determinations. Such procedures shall provide for the issuance of a final order and the creation of a record sufficient to serve as the basis for judicial review pursuant to subsection (b) of this section.
- (2) Only decisions by the board shall be appealable under this subsection. Recommendations to the board by the commissioner of financial regulation pursuant to 8 V.S.A. § 4062(a) shall not be subject to appeal.

- (b) Any person aggrieved by a final action, order, or other determination of the Green Mountain Care <u>board</u> <u>Board</u> may, upon exhaustion of all administrative appeals available pursuant to subsection (a) of this section, appeal to the <u>supreme court</u> <u>Supreme Court</u> pursuant to the Vermont Rules of Appellate Procedure.
- (c) If an appeal or other petition for judicial review of a final order is not filed in connection with an order of the Green Mountain Care board Board pursuant to subsection (b) of this section, the chair Chair may file a certified copy of the final order with the clerk of a court of competent jurisdiction. The order so filed has the same effect as a judgment of the court and may be recorded, enforced, or satisfied in the same manner as a judgment of the court.
- (d) A decision of the Board approving, modifying, or disapproving a health insurer's proposed rate pursuant to 8 V.S.A. § 4062 shall be considered a final action of the Board and may be appealed to the Supreme Court pursuant to subsection (b) of this section.

Sec. 5n. 33 V.S.A. § 1811(j) is amended to read:

(j) The commissioner Commissioner or the Green Mountain Care Board established in 18 V.S.A. chapter 220, as appropriate, shall disapprove any rates filed by any registered carrier, whether initial or revised, for insurance policies unless the anticipated medical loss ratios for the entire period for which rates are computed are at least 80 percent, as required by the Patient Protection and Affordable Care Act (Public Law 111-148).

\* \* \* Catamount Health and VHAP \* \* \*

Sec. 6. 8 V.S.A. § 4080d is amended to read:

# § 4080d. COORDINATION OF INSURANCE COVERAGE WITH MEDICAID

Any insurer as defined in section 4100b of this title is prohibited from considering the availability or eligibility for medical assistance in this or any other state under 42 U.S.C. § 1396a (Section 1902 of the Social Security Act), herein referred to as Medicaid, when considering eligibility for coverage or making payments under its plan for eligible enrollees, subscribers, policyholders, or certificate holders. This section shall not apply to Catamount Health, as established by section 4080f of this title.

- Sec. 7. 8 V.S.A. § 4080g(b) is amended to read:
  - (b) Small group plans.

- (11)(A) A registered small group carrier may require that 75 percent or less of the employees or members of a small group with more than 10 employees participate in the carrier's plan. A registered small group carrier may require that 50 percent or less of the employees or members of a small group with 10 or fewer employees or members participate in the carrier's plan. A small group carrier's rules established pursuant to this subdivision shall be applied to all small groups participating in the carrier's plans in a consistent and nondiscriminatory manner.
- (B) For purposes of the requirements set forth in subdivision (A) of this subdivision (11), a registered small group carrier shall not include in its calculation an employee or member who is already covered by another group health benefit plan as a spouse or dependent or who is enrolled in Catamount Health, Medicaid, the Vermont health access plan, or Medicare. Employees or members of a small group who are enrolled in the employer's plan and receiving premium assistance under 33 V.S.A. chapter 19 the Health Insurance Premium Payment program established pursuant to Section 1906 of the Social Security Act, 42 U.S.C. § 1396e, shall be considered to be participating in the plan for purposes of this subsection. If the small group is an association, trust, or other substantially similar group, the participation requirements shall be calculated on an employer-by-employer basis.

\* \* \*

#### Sec. 8. 8 V.S.A. § 4088i is amended to read:

# § 4088i. COVERAGE FOR DIAGNOSIS AND TREATMENT OF EARLY CHILDHOOD DEVELOPMENTAL DISORDERS

- (a)(1) A health insurance plan shall provide coverage for the evidence-based diagnosis and treatment of early childhood developmental disorders, including applied behavior analysis supervised by a nationally board-certified behavior analyst, for children, beginning at birth and continuing until the child reaches age 21.
- (2) Coverage provided pursuant to this section by Medicaid, the Vermont health access plan, or any other public health care assistance program shall comply with all federal requirements imposed by the Centers for Medicare and Medicaid Services.

\* \* \*

(f) As used in this section:

\* \* \*

(7) "Health insurance plan" means Medicaid, the Vermont health access plan, and any other public health care assistance program, any individual or group health insurance policy, any hospital or medical service corporation or health maintenance organization subscriber contract, or any other health benefit plan offered, issued, or renewed for any person in this state State by a health insurer, as defined in 18 V.S.A. § 9402. The term does not include benefit plans providing coverage for specific diseases or other limited benefit coverage.

\* \* \*

Sec. 9. 8 V.S.A. § 4089j is amended to read:

§ 4089j. RETAIL PHARMACIES; FILLING OF PRESCRIPTIONS

\* \* \*

(c) This section shall apply to Medicaid, the Vermont health access plan, the VScript pharmaceutical assistance program, and any other public health care assistance program.

Sec. 10. 8 V.S.A. § 4089w is amended to read:

§ 4089w. OFFICE OF HEALTH CARE OMBUDSMAN

\* \* \*

(h) As used in this section, "health insurance plan" means a policy, service contract or other health benefit plan offered or issued by a health insurer, as defined by 18 V.S.A. § 9402, and includes the Vermont health access plan and beneficiaries covered by the Medicaid program unless such beneficiaries are otherwise provided ombudsman services.

Sec. 11. 8 V.S.A. § 4099d is amended to read:

§ 4099d. MIDWIFERY COVERAGE; HOME BIRTHS

\* \* \*

(d) As used in this section, "health insurance plan" means any health insurance policy or health benefit plan offered by a health insurer, as defined in 18 V.S.A. § 9402, as well as Medicaid, the Vermont health access plan, and any other public health care assistance program offered or administered by the state State or by any subdivision or instrumentality of the state State. The term shall not include policies or plans providing coverage for specific disease or other limited benefit coverage.

Sec. 12. 8 V.S.A. § 4100b is amended to read:

# § 4100b. COVERAGE OF CHILDREN

- (a) As used in this subchapter:
- (1) "Health plan" shall include, but not be limited to, a group health plan as defined under Section 607(1) of the Employee Retirement Income Security Act of 1974, and a nongroup plan as defined in section 4080b of this title, and a Catamount Health plan as defined in section 4080f of this title.

\* \* \*

Sec. 13. 8 V.S.A. § 4100e is amended to read:

### § 4100e. REQUIRED COVERAGE FOR OFF-LABEL USE

\* \* \*

- (b) As used in this section, the following terms have the following meanings:
- (1) "Health insurance plan" means a health benefit plan offered, administered, or issued by a health insurer doing business in Vermont.
- (2) "Health insurer" is defined by section 18 V.S.A. § 9402 of Title 18. As used in this subchapter, the term includes the state State of Vermont and any agent or instrumentality of the state State that offers, administers, or provides financial support to state government, including Medicaid, the Vermont health access plan, the VScript pharmaceutical assistance program, or any other public health care assistance program.

\* \* \*

Sec. 14. 8 V.S.A. § 4100j is amended to read:

#### § 4100j. COVERAGE FOR TOBACCO CESSATION PROGRAMS

\* \* \*

- (b) As used in this subchapter:
- (1) "Health insurance plan" means any health insurance policy or health benefit plan offered by a health insurer, as defined in 18 V.S.A. § 9402, as well as Medicaid, the Vermont health access plan, and any other public health care assistance program offered or administered by the state State or by any subdivision or instrumentality of the state State. The term does not include policies or plans providing coverage for specified disease or other limited benefit coverage.

\* \* \*

Sec. 15. 8 V.S.A. § 4100k is amended to read:

#### § 4100k. COVERAGE FOR TELEMEDICINE SERVICES

\* \* \*

# (g) As used in this subchapter:

(1) "Health insurance plan" means any health insurance policy or health benefit plan offered by a health insurer, as defined in 18 V.S.A. § 9402, as well as Medicaid, the Vermont health access plan, and any other public health care assistance program offered or administered by the state State or by any subdivision or instrumentality of the state State. The term does not include policies or plans providing coverage for specified disease or other limited benefit coverage.

\* \* \*

#### Sec. 16. 13 V.S.A. § 5574(b) is amended to read:

- (b) A claimant awarded judgment in an action under this subchapter shall be entitled to damages in an amount to be determined by the trier of fact for each year the claimant was incarcerated, provided that the amount of damages shall not be less than \$30,000.00 nor greater than \$60,000.00 for each year the claimant was incarcerated, adjusted proportionally for partial years served. The damage award may also include:
- (1) Economic damages, including lost wages and costs incurred by the claimant for his or her criminal defense and for efforts to prove his or her innocence.
- (2) Notwithstanding the income eligibility requirements of the Vermont Health Access Plan in section 1973 of Title 33, and notwithstanding the requirement that the individual be uninsured, up Up to 10 years of eligibility for the Vermont Health Access Plan using state-only funds state-funded health coverage equivalent to Medicaid services.

\* \* \*

### Sec. 17. 18 V.S.A. § 1130 is amended to read:

# § 1130. IMMUNIZATION PILOT PROGRAM

(a) As used in this section:

\* \* \*

(5) "State health care programs" shall include Medicaid, the Vermont health access plan, Dr. Dynasaur, and any other health care program providing

immunizations with funds through the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

\* \* \*

Sec. 18. 18 V.S.A. § 3801 is amended to read:

#### § 3801. DEFINITIONS

As used in this subchapter:

- (1)(A) "Health insurer" shall have the same meaning as in section 9402 of this title and shall include:
- (i) a health insurance company, a nonprofit hospital and medical service corporation, and health maintenance organizations;
- (ii) an employer, a labor union, or another group of persons organized in Vermont that provides a health plan to beneficiaries who are employed or reside in Vermont; and
- (iii) except as otherwise provided in section 3805 of this title, the state <u>State</u> of Vermont and any agent or instrumentality of the <u>state State</u> that offers, administers, or provides financial support to state government.
- (B) The term "health insurer" shall not include Medicaid, the Vermont health access plan, Vermont Rx, or any other Vermont public health care assistance program.

\* \* \*

Sec. 19. 18 V.S.A. § 4474c(b) is amended to read:

- (b) This chapter shall not be construed to require that coverage or reimbursement for the use of marijuana for symptom relief be provided by:
- (1) a health insurer as defined by section 9402 of this title, or any insurance company regulated under Title 8;
- (2) Medicaid, Vermont health access plan, and or any other public health care assistance program;
  - (3) an employer; or
- (4) for purposes of workers' compensation, an employer as defined in 21 V.S.A. § 601(3).

Sec. 20. 18 V.S.A. § 9373 is amended to read:

§ 9373. DEFINITIONS

As used in this chapter:

\* \* \*

(8) "Health insurer" means any health insurance company, nonprofit hospital and medical service corporation, managed care organization, and, to the extent permitted under federal law, any administrator of a health benefit plan offered by a public or a private entity. The term does not include Medicaid, the Vermont health access plan, or any other state health care assistance program financed in whole or in part through a federal program.

\* \* \*

Sec. 21. 18 V.S.A. § 9471 is amended to read:

#### § 9471. DEFINITIONS

As used in this subchapter:

\* \* \*

- (2) "Health insurer" is defined by section 9402 of this title and shall include:
- (A) a health insurance company, a nonprofit hospital and medical service corporation, and health maintenance organizations;
- (B) an employer, labor union, or other group of persons organized in Vermont that provides a health plan to beneficiaries who are employed or reside in Vermont:
- (C) the <u>state</u> of Vermont and any agent or instrumentality of the <u>state</u> that offers, administers, or provides financial support to state government; and
- (D) Medicaid, the Vermont health access plan, Vermont Rx, and any other public health care assistance program.

\* \* \*

# Sec. 22. 33 V.S.A. § 1807(b) is amended to read:

(b) Navigators shall have the following duties:

\* \* \*

(3) Facilitate facilitate enrollment in qualified health benefit plans, Medicaid, Dr. Dynasaur, VPharm, VermontRx, and other public health benefit programs;

\* \* \*

- (5) <u>Provide provide</u> information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the Vermont health benefit exchange; and
- (6) Distribute distribute information to health care professionals, community organizations, and others to facilitate the enrollment of individuals who are eligible for Medicaid, Dr. Dynasaur, VPharm, VermontRx, other public health benefit programs, or the Vermont health benefit exchange in order to ensure that all eligible individuals are enrolled.; and
- (7) Provide provide information about and facilitate employers' establishment of cafeteria or premium-only plans under Section 125 of the Internal Revenue Code that allow employees to pay for health insurance premiums with pretax dollars.
- Sec. 23. 33 V.S.A. § 1901(b) is amended to read:
- (b) The secretary may charge a monthly premium, in amounts set by the general assembly, to each individual 18 years or older who is eligible for enrollment in the health access program, as authorized by section 1973 of this title and as implemented by rules. All premiums collected by the agency of human services or designee for enrollment in the health access program shall be deposited in the state health care resources fund established in section 1901d of this title. Any co payments, coinsurance, or other cost sharing to be charged shall also be authorized and set by the general assembly. [Deleted.]

Sec. 24. 33 V.S.A. § 1903a is amended to read:

#### § 1903a. CARE MANAGEMENT PROGRAM

(a) The commissioner Commissioner of Vermont health access Health Access shall coordinate with the director Director of the Blueprint for Health to provide chronic care management through the Blueprint and, as appropriate, create an additional level of care coordination for individuals with one or more chronic conditions who are enrolled in Medicaid, the Vermont health access plan (VHAP), or Dr. Dynasaur. The program shall not include individuals who are in an institute for mental disease as defined in 42 C.F.R. § 435.1009.

\* \* \*

Sec. 25. 33 V.S.A. § 1997 is amended to read:

# § 1997. DEFINITIONS

As used in this subchapter:

\* \* \*

(7) "State public assistance program", includes, but is not limited to, the Medicaid program, the Vermont health access plan, VPharm, VermontRx, the state children's health insurance program State Children's Health Insurance Program, the state State of Vermont AIDS medication assistance program Medication Assistance Program, the General Assistance program, the pharmacy discount plan program Pharmacy Discount Plan Program, and the out-of-state counterparts to such programs.

Sec. 26. 33 V.S.A. § 1998(c)(1) is amended to read:

(c)(1) The commissioner Commissioner may implement the pharmacy best practices and cost control program Pharmacy Best Practices and Cost Control Program for any other health benefit plan within or outside this state State that agrees to participate in the program. For entities in Vermont, the commissioner Commissioner shall directly or by contract implement the program through a joint pharmaceuticals purchasing consortium. The joint pharmaceuticals purchasing consortium shall be offered on a voluntary basis no later than January 1, 2008, with mandatory participation by state or publicly funded, administered, or subsidized purchasers to the extent practicable and consistent with the purposes of this chapter, by January 1, 2010. If necessary, the department of Vermont health access Department of Vermont Health Access shall seek authorization from the Centers for Medicare and Medicaid to include purchases funded by Medicaid. "State or publicly funded purchasers" shall include the department of corrections Department of Corrections, the department of mental health Department of Mental Health, Medicaid, the Vermont Health Access Program (VHAP), Dr. Dynasaur, VermontRx, VPharm, Healthy Vermonters, workers' compensation, and any other state or publicly funded purchaser of prescription drugs.

Sec. 27. 33 V.S.A. § 2004(a) is amended to read:

(a) Annually, each pharmaceutical manufacturer or labeler of prescription drugs that are paid for by the department of Vermont health access Department of Vermont Health Access for individuals participating in Medicaid, the Vermont Health Access Program, Dr. Dynasaur, or VPharm, or VermontRx shall pay a fee to the agency of human services Agency of Human Services. The fee shall be 0.5 percent of the previous calendar year's prescription drug spending by the department Department and shall be assessed based on manufacturer labeler codes as used in the Medicaid rebate program.

\* \* \* Vermont Health Benefit Exchange \* \* \*

Sec. 28. 33 V.S.A. § 1804 is amended to read:

## § 1804. QUALIFIED EMPLOYERS

(a)(1) Until January 1, 2016, a qualified employer shall be an employer entity which, on at least 50 percent of its employed an average of not more than 50 employees on working days during the preceding calendar year, employed at least one and no more than 50 employees, and the term "qualified employer" includes self-employed persons to the extent permitted under the Affordable Care Act. Calculation of the number of employees of a qualified employer shall not include a part-time employee who works fewer than 30 hours per week or a seasonal worker as defined in 26 U.S.C. § 4980H(c)(2)(B).

\* \* \*

(b)(1) From January 1, 2016 until January 1, 2017, a qualified employer shall be an employer entity which, on at least 50 percent of its employed an average of not more than 100 employees on working days during the preceding calendar year, employed at least one and no more than 100 employees, and the term "qualified employer" includes self-employed persons to the extent permitted under the Affordable Care Act. Calculation of the number of employees of a qualified employer shall not include a part time employee who works fewer than 30 hours per week The number of employees shall be calculated using the method set forth in 26 U.S.C. § 4980H(c)(2).

\* \* \*

Sec. 29. 33 V.S.A. § 1805 is amended to read:

## § 1805. DUTIES AND RESPONSIBILITIES

The Vermont health benefit exchange Health Benefit Exchange shall have the following duties and responsibilities consistent with the Affordable Care Act:

\* \* \*

(2) Determining eligibility for and enrolling individuals in Medicaid, Dr. Dynasaur, <u>and VPharm, and VermontRx</u> pursuant to chapter 19 of this title, as well as any other public health benefit program.

\* \* \*

(12) Consistent with federal law, crediting the amount of any free choice voucher provided pursuant to Section 10108 of the Affordable Care Act to the

monthly premium of the plan in which a qualified employee is enrolled and collecting the amount credited from the offering employer. [Deleted.]

\* \* \*

Sec. 30. 33 V.S.A. § 1811(a) is amended to read:

(a) As used in this section:

\* \* \*

- (3)(A) Until January 1, 2016, "small employer" means an employer entity which, on at least 50 percent of its employed an average of not more than 50 employees on working days during the preceding calendar year, employs at least one and no more than 50 employees. The term includes self-employed persons to the extent permitted under the Affordable Care Act. Calculation of the number of employees of a small employer shall not include a part-time employee who works fewer than 30 hours per week or a seasonal worker as defined in 26 U.S.C. § 4980H(c)(2)(B). An employer may continue to participate in the exchange Exchange even if the employer's size grows beyond 50 employees as long as the employer continuously makes qualified health benefit plans in the Vermont health benefit exchange Health Benefit Exchange available to its employees.
- (B) Beginning on January 1, 2016, "small employer" means an employer entity which, on at least 50 percent of its employed an average of not more than 100 employees on working days during the preceding calendar year, employs at least one and no more than 100 employees. The term includes self-employed persons to the extent permitted under the Affordable Care Act. Calculation of the number of employees of a small employer shall not include a part time employee who works fewer than 30 hours per week The number of employees shall be calculated using the method set forth in 26 U.S.C. § 4980H(c)(2). An employer may continue to participate in the exchange Exchange even if the employer's size grows beyond 100 employees as long as the employer continuously makes qualified health benefit plans in the Vermont health benefit exchange Health Benefit Exchange available to its employees.

\* \* \* Medicaid and CHIP \* \* \*

Sec. 31. 33 V.S.A. § 2003(c) is amended to read:

- (c) As used in this section:
- (1) "Beneficiary" means any individual enrolled in the Healthy Vermonters program.

- (2) "Healthy Vermonters beneficiary" means any individual Vermont resident without adequate coverage:
- (A) who is at least 65 years of age, or is disabled and is eligible for Medicare or Social Security disability benefits, with household income equal to or less than 400 percent of the federal poverty level, as calculated under the rules of the Vermont health access plan, as amended using modified adjusted gross income as defined in 26 U.S.C. § 36B(d)(2)(B); or
- (B) whose household income is equal to or less than 350 percent of the federal poverty level, as calculated under the rules of the Vermont Health access plan, as amended using modified adjusted gross income as defined in 26 U.S.C. § 36B(d)(2)(B).

\* \* \*

## Sec. 32. 33 V.S.A. § 2072(a) is amended to read:

- (a) An individual shall be eligible for assistance under this subchapter if the individual:
  - (1) is a resident of Vermont at the time of application for benefits;
- (2) is at least 65 years of age or is an individual with disabilities as defined in subdivision 2071(1) of this title; and
- (3) has a household income, when calculated in accordance with the rules adopted for the Vermont health access plan under No. 14 of the Acts of 1995, as amended using modified adjusted gross income as defined in 26 U.S.C. § 36B(d)(2)(B), no greater than 225 percent of the federal poverty level.

# Sec. 32a. MODIFIED ADJUSTED GROSS INCOME; LEGISLATIVE INTENT

It is the intent of the General Assembly that individuals receiving benefits under the Healthy Vermonters and VPharm programs on the date that the method of income calculation changes from VHAP rules to modified adjusted gross income as described in Secs. 31 and 32 of this act should not lose eligibility for the applicable program solely as a result of the change in the income calculation method.

\* \* \* Health Information Exchange \* \* \*

# Sec. 33. 18 V.S.A. § 707(a) is amended to read:

(a) No later than July 1, 2011, hospitals shall participate in the Blueprint for Health by creating or maintaining connectivity to the state's State's health

information exchange network as provided for in this section and in section 9456 of this title. The director of health care reform or designee and the director of the Blueprint shall establish criteria by rule for this requirement consistent with the state health information technology plan required under section 9351 of this title. The criteria shall not require a hospital to create a level of connectivity that the state's exchange is not able to support.

Sec. 34. 18 V.S.A. § 9456 is amended to read:

### § 9456. BUDGET REVIEW

- (a) The <u>board Board</u> shall conduct reviews of each hospital's proposed budget based on the information provided pursuant to this subchapter, and in accordance with a schedule established by the <u>board Board</u>. The <u>board shall require</u> the <u>submission of documentation certifying that the hospital is participating in the Blueprint for Health if required by section 708 of this title.</u>
  - (b) In conjunction with budget reviews, the board Board shall:

\* \* \*

- (10) require each hospital to provide information on administrative costs, as defined by the board Board, including specific information on the amounts spent on marketing and advertising costs; and
- (11) require each hospital to create or maintain connectivity to the State's health information exchange network in accordance with the criteria established by the Vermont Information Technology Leaders, Inc., pursuant to subsection 9352(i) of this title, provided that the Board shall not require a hospital to create a level of connectivity that the State's exchange is unable to support.

\* \* \*

## Sec. 34a. 18 V.S.A. § 9352(i) is amended to read:

- (i) Certification of meaningful use and connectivity.
- (1) To the extent necessary to support Vermont's health care reform goals or as required by federal law, VITL shall be authorized to certify the meaningful use of health information technology and electronic health records by health care providers licensed in Vermont.
- (2) VITL, in consultation with health care providers and health care facilities, shall establish criteria for creating or maintaining connectivity to the State's health information exchange network. VITL shall provide the criteria annually by March 1 to the Green Mountain Care Board established pursuant to chapter 220 of this title.

\* \* \* Special Funds \* \* \*

\* \* \* Hospital Energy Efficiency \* \* \*

# Sec. 35. HOSPITALS; ENERGY EFFICIENCY

- (a) In this section, "hospital" shall have the same meaning as in 18 V.S.A. § 1902.
- (b) On or before July 1, 2014, each hospital shall present an energy efficiency action plan to the Green Mountain Care Board. The action plan shall include specific measures to be undertaken which may include energy audits, periodic benchmarking to track performance over time, and energy savings goals. The action plan shall be consistent with the hospital's strategic goals, capital plans, and previous energy efficiency initiatives, if any.
- (c) When conducting an energy assessment or audit, the hospital shall use assessment and audit methodologies approved by the energy efficiency entity or entities appointed under 30 V.S.A. § 209(d)(2) to serve the area in which the building or structure is located. These methodologies shall meet standards that are consistent with those contained in 30 V.S.A. § 218c.
- (d) The energy efficiency entities appointed under 30 V.S.A. § 209(d)(2) to serve the area in which the building or structure is located shall provide assistance to hospitals in the development of their action plans and presentation to the Green Mountain Care Board. This assistance shall be provided pursuant to the entities' obligations under 30 V.S.A. § 209(d) and (e) and implementing Public Service Board orders.

\* \* \* Office of the Health Care Advocate \* \* \*

Sec. 35a. 18 V.S.A. chapter 229 is added to read:

# CHAPTER 229. OFFICE OF THE HEALTH CARE ADVOCATE

## § 9601. DEFINITIONS

As used in this chapter:

- (1) "Green Mountain Care Board" or "Board" means the Board established in chapter 220 of this title.
- (2) "Health insurance plan" means a policy, service contract, or other health benefit plan offered or issued by a health insurer and includes beneficiaries covered by the Medicaid program unless they are otherwise provided with similar services.
- (3) "Health insurer" shall have the same meaning as in section 9402 of this title.

## § 9602. OFFICE OF THE HEALTH CARE ADVOCATE; COMPOSITION

- (a) The Agency of Administration shall establish the Office of the Health Care Advocate by contract with any nonprofit organization.
- (b) The Office shall be administered by the Chief Health Care Advocate, who shall be an individual with expertise and experience in the fields of health care and advocacy. The Advocate may employ legal counsel, administrative staff, and other employees and contractors as needed to carry out the duties of the Office.

# § 9603. DUTIES AND AUTHORITY

- (a) The Office of the Health Care Advocate shall:
- (1) Assist health insurance consumers with health insurance plan selection by providing information, referrals, and assistance to individuals about means of obtaining health insurance coverage and services. The Office shall accept referrals from the Vermont Health Benefit Exchange and Exchange navigators created pursuant to 33 V.S.A. chapter 18, subchapter 1, to assist consumers experiencing problems related to the Exchange.
- (2) Assist health insurance consumers to understand their rights and responsibilities under health insurance plans.
- (3) Provide information to the public, agencies, members of the General Assembly, and others regarding problems and concerns of health insurance consumers as well as recommendations for resolving those problems and concerns.
- (4) Identify, investigate, and resolve complaints on behalf of individual health insurance consumers, and assist those consumers with filing and pursuit of complaints and appeals.
- (5) Provide information to individuals regarding their obligations and responsibilities under the Patient Protection and Affordable Care Act (Public Law 111-148).
- (6) Analyze and monitor the development and implementation of federal, state, and local laws, rules, and policies relating to patients and health insurance consumers.
- (7) Facilitate public comment on laws, rules, and policies, including policies and actions of health insurers.
- (8) Suggest policies, procedures, or rules to the Green Mountain Care Board in order to protect patients' and consumers' interests.

- (9) Promote the development of citizen and consumer organizations.
- (10) Ensure that patients and health insurance consumers have timely access to the services provided by the Office.
- (11) Submit to the General Assembly and the Governor on or before January 1 of each year a report on the activities, performance, and fiscal accounts of the Office during the preceding calendar year.
  - (b) The Office of the Health Care Advocate may:
- (1) Review the health insurance records of a consumer who has provided written consent. Based on the written consent of the consumer or his or her guardian or legal representative, a health insurer shall provide the Office with access to records relating to that consumer.
- (2) Pursue administrative, judicial, and other remedies on behalf of any individual health insurance consumer or group of consumers.
- (3) Represent the interests of the people of the State in cases requiring a hearing before the Green Mountain Care Board established in chapter 220 of this title.
- (4) Adopt policies and procedures necessary to carry out the provisions of this chapter.
- (5) Take any other action necessary to fulfill the purposes of this chapter.
- (c) The Office of the Health Care Advocate shall be able to speak on behalf of the interests of health care and health insurance consumers and to carry out all duties prescribed in this chapter without being subject to any retaliatory action; provided, however, that nothing in this subsection shall limit the authority of the Agency of Administration to enforce the terms of the contract.

## § 9604. DUTIES OF STATE AGENCIES

All state agencies shall comply with reasonable requests from the Office of the Health Care Advocate for information and assistance. The Agency of Administration may adopt rules necessary to ensure the cooperation of state agencies under this section.

#### § 9605. CONFIDENTIALITY

In the absence of written consent by a complainant or an individual using the services of the Office or by his or her guardian or legal representative or the absence of a court order, the Office of the Health Care Advocate, its

employees, and its contractors shall not disclose the identity of the complainant or individual.

## § 9606. CONFLICTS OF INTEREST

The Office of the Health Care Advocate, its employees, and its contractors shall not have any conflict of interest relating to the performance of their responsibilities under this chapter. For the purposes of this chapter, a conflict of interest exists whenever the Office of the Health Care Advocate, its employees, or its contractors or a person affiliated with the Office, its employees, or its contractors:

- (1) have a direct involvement in the licensing, certification, or accreditation of a health care facility, health insurer, or health care provider;
- (2) have a direct ownership interest or investment interest in a health care facility, health insurer, or health care provider;
- (3) are employed by or participating in the management of a health care facility, health insurer, or health care provider; or
- (4) receive or have the right to receive, directly or indirectly, remuneration under a compensation arrangement with a health care facility, health insurer, or health care provider.

## § 9607. FUNDING; INTENT

- (a) The Office of the Health Care Advocate shall specify in its annual report filed pursuant to this chapter the sums expended by the Office in carrying out its duties, including identifying the specific amount expended for actuarial services.
- (b) It is the intent of the General Assembly that the Office of the Health Care Advocate shall maximize the amount of federal and grant funds available to support the activities of the Office.

# Sec. 35b. 18 V.S.A. § 9374(f) is amended to read:

(f) In carrying out its duties pursuant to this chapter, the board Board shall seek the advice of the state health care ombudsman established in 8 V.S.A. § 4089w from the Office of the Health Care Advocate. The state health care ombudsman Office shall advise the board Board regarding the policies, procedures, and rules established pursuant to this chapter. The ombudsman Office shall represent the interests of Vermont patients and Vermont consumers of health insurance and may suggest policies, procedures, or rules to the board Board in order to protect patients' and consumers' interests.

Sec. 35c. 18 V.S.A. § 9377(e) is amended to read:

(e) The board Board or designee shall convene a broad-based group of stakeholders, including health care professionals who provide health services, health insurers, professional organizations, community and nonprofit groups, consumers, businesses, school districts, the state health care ombudsman Office of the Health Care Advocate, and state and local governments, to advise the board Board in developing and implementing the pilot projects and to advise the Green Mountain Care board Board in setting overall policy goals.

Sec. 35d. 18 V.S.A. § 9410(a)(2) is amended to read:

- (2)(A) The program authorized by this section shall include a consumer health care price and quality information system designed to make available to consumers transparent health care price information, quality information, and such other information as the commissioner Commissioner determines is necessary to empower individuals, including uninsured individuals, to make economically sound and medically appropriate decisions.
- (B) The eommissioner Commissioner shall convene a working group composed of the eommissioner of mental health, the commissioner of Vermont health access Commissioner of Mental Health, the Commissioner of Vermont Health Access, health care consumers, the office of the health care ombudsman Office of the Health Care Advocate, employers and other payers, health care providers and facilities, the Vermont program for quality in health care Program for Quality in Health Care, health insurers, and any other individual or group appointed by the eommissioner Commissioner to advise the eommissioner Commissioner on the development and implementation of the consumer health care price and quality information system.

\* \* \*

Sec. 35e. 18 V.S.A. § 9440(c) is amended to read:

(c) The application process shall be as follows:

\* \* \*

(9) The health care ombudsman's office Office of the Health Care Advocate established under 8 V.S.A. chapter 107, subchapter 1A chapter 229 of this title or, in the case of nursing homes, the long-term care ombudsman's office Long-Term Care Ombudsman's Office established under 33 V.S.A. § 7502, is authorized but not required to participate in any administrative or judicial review of an application under this subchapter and shall be considered an interested party in such proceedings upon filing a notice of intervention with the board Board.

Sec. 35f. 18 V.S.A. § 9445(b) is amended to read:

(b) In addition to all other sanctions, if any person offers or develops any new health care project without first having been issued a certificate of need or certificate of exemption therefore for the project, or violates any other provision of this subchapter or any lawful rule or regulation promulgated thereunder adopted pursuant to this subchapter, the board Board, the commissioner Commissioner, the state health care ombudsman Office of the Health Care Advocate, the state long term care ombudsman State Long-Term Care Ombudsman, and health care providers and consumers located in the state State shall have standing to maintain a civil action in the superior court Superior Court of the county wherein in which such alleged violation has occurred, or wherein in which such person may be found, to enjoin, restrain, or prevent such violation. Upon written request by the board Board, it shall be the duty of the attorney general of the state Vermont Attorney General to furnish appropriate legal services and to prosecute an action for injunctive relief to an appropriate conclusion, which shall not be reimbursed under subdivision (a)(2) of this subsection section.

Sec. 35g. 33 V.S.A. § 1805 is amended to read:

# § 1805. DUTIES AND RESPONSIBILITIES

The Vermont health benefit exchange Health Benefit Exchange shall have the following duties and responsibilities consistent with the Affordable Care Act:

\* \* \*

(16) Referring consumers to the office of health care ombudsman Office of the Health Care Advocate for assistance with grievances, appeals, and other issues involving the Vermont health benefit exchange Health Benefit Exchange.

\* \* \*

Sec. 35h. 33 V.S.A. § 1807(b) is amended to read:

(b) Navigators shall have the following duties:

\* \* \*

(4) Provide referrals to the office of health care ombudsman Office of the Health Care Advocate and any other appropriate agency for any enrollee with a grievance, complaint, or question regarding his or her health benefit plan, coverage, or a determination under that plan or coverage;

\* \* \*

Sec. 36. 18 V.S.A. § 9404 is amended to read:

#### § 9404. ADMINISTRATION OF THE DIVISION

- (a) The commissioner Commissioner shall supervise and direct the execution of all laws vested in the division Department by virtue of this chapter, and shall formulate and carry out all policies relating to this chapter.
- (b) The commissioner may delegate the powers and assign the duties required by this chapter as the commissioner may deem appropriate and necessary for the proper execution of the provisions of this chapter, including the review and analysis of certificate of need applications and hospital budgets; however, the commissioner shall not delegate the commissioner's quasi-judicial and rulemaking powers or authority, unless the commissioner has a personal or financial interest in the subject matter of the proceeding.
- (c) The commissioner may employ professional and support staff necessary to carry out the functions of the commissioner, and may employ consultants and contract with individuals and entities for the provision of services.
  - (d) The commissioner Commissioner may:
- (1) Apply apply for and accept gifts, grants, or contributions from any person for purposes consistent with this chapter—;
- (2) Adopt adopt rules necessary to implement the provisions of this chapter-; and
- (3) Enter enter into contracts and perform such acts as are necessary to accomplish the purposes of this chapter.
- (e)(c) There is hereby created a fund to be known as the division of health care administration regulatory and supervision fund Health Care Administration Regulatory and Supervision Fund for the purpose of providing the financial means for the commissioner of financial regulation Commissioner of Financial Regulation to administer this chapter and 33 V.S.A. § 6706. All fees and assessments received by the department Department pursuant to such administration shall be credited to this fund Fund. All fines and administrative penalties, however, shall be deposited directly into the general fund General Fund.
- (1) All payments from the division of health care administration regulatory and supervision fund Health Care Administration Regulatory and Supervision Fund for the maintenance of staff and associated expenses, including contractual services as necessary, shall be disbursed from the state treasury State Treasury only upon warrants issued by the commissioner of

finance and management Commissioner of Finance and Management, after receipt of proper documentation regarding services rendered and expenses incurred.

- (2) The commissioner of finance and management Commissioner of Finance and Management may anticipate receipts to the division of health care administration regulatory and supervision fund Health Care Administration Regulatory and Supervision Fund and issue warrants based thereon.
  - \* \* \* Health Resource Allocation Plan \* \* \*
- Sec. 37. 18 V.S.A. § 9405 is amended to read:
- § 9405. STATE HEALTH PLAN; HEALTH RESOURCE ALLOCATION PLAN
- (a) No later than January 1, 2005, the secretary of human services Secretary of Human Services or designee, in consultation with the commissioner Chair of the Green Mountain Care Board and health care professionals and after receipt of public comment, shall adopt a state health plan State Health Plan that sets forth the health goals and values for the state State. The secretary Secretary may amend the plan Plan as the secretary Secretary deems necessary The plan shall include health promotion, health and appropriate. protection, nutrition, and disease prevention priorities for the state State, identify available human resources as well as human resources needed for achieving the state's State's health goals and the planning required to meet those needs, and identify geographic parts of the state State needing investments of additional resources in order to improve the health of the population. The plan Plan shall contain sufficient detail to guide development of the state health resource allocation plan State Health Resource Allocation Plan. Copies of the plan Plan shall be submitted to members of the senate and house committees on health and welfare Senate and House Committees on Health and Welfare no later than January 15, 2005.
- (b) On or before July 1, 2005, the commissioner Green Mountain Care Board, in consultation with the secretary of human services Secretary of Human Services, shall submit to the governor Governor a four-year health resource allocation plan Health Resource Allocation Plan. The plan Plan shall identify Vermont needs in health care services, programs, and facilities; the resources available to meet those needs; and the priorities for addressing those needs on a statewide basis.
  - (1) The plan Plan shall include:

- (A) A statement of principles reflecting the policies enumerated in sections 9401 and 9431 of this chapter to be used in allocating resources and in establishing priorities for health services.
- (B) Identification of the current supply and distribution of hospital, nursing home, and other inpatient services; home health and mental health services; treatment and prevention services for alcohol and other drug abuse; emergency care; ambulatory care services, including primary care resources, federally qualified health centers, and free clinics; major medical equipment; and health screening and early intervention services.
- (C) Consistent with the principles set forth in subdivision (A) of this subdivision (1), recommendations for the appropriate supply and distribution of resources, programs, and services identified in subdivision (B) of this subdivision (1), options for implementing such recommendations and mechanisms which will encourage the appropriate integration of these services on a local or regional basis. To arrive at such recommendations, the commissioner Green Mountain Care Board shall consider at least the following factors:
- (i) the values and goals reflected in the state health plan State Health Plan;
  - (ii) the needs of the population on a statewide basis;
- (iii) the needs of particular geographic areas of the state State, as identified in the state health plan State Health Plan;
  - (iv) the needs of uninsured and underinsured populations;
  - (v) the use of Vermont facilities by out-of-state residents;
  - (vi) the use of out-of-state facilities by Vermont residents;
  - (vii) the needs of populations with special health care needs;
- (viii) the desirability of providing high quality services in an economical and efficient manner, including the appropriate use of midlevel practitioners:
- (ix) the cost impact of these resource requirements on health care expenditures; the services appropriate for the four categories of hospitals described in subdivision 9402(12) of this title;
- (x) the overall quality and use of health care services as reported by the Vermont program for quality in health care Program for Quality in Health Care and the Vermont ethics network Ethics Network;

- (xi) the overall quality and cost of services as reported in the annual hospital community reports;
  - (xii) individual hospital four-year capital budget projections; and
- (xiii) the four-year projection of health care expenditures prepared by the division Board.
- (2) In the preparation of the plan Plan, the commissioner shall assemble an advisory committee of no fewer than nine nor more than 13 members who shall reflect a broad distribution of diverse perspectives on the health care system, including health care professionals, payers, third party payers, and consumer representatives Green Mountain Care Board shall convene the Green Mountain Care Board General Advisory Committee established pursuant to subdivision 9374(e)(1) of this title. The advisory committee Green Mountain Care Board General Advisory Committee shall review drafts and provide recommendations to the commissioner Board during the development of the plan Plan. Upon adoption of the plan, the advisory committee shall be dissolved.
- (3) The commissioner Board, with the advisory committee Green Mountain Care Board General Advisory Committee, shall conduct at least five public hearings, in different regions of the state, on the plan Plan as proposed and shall give interested persons an opportunity to submit their views orally and in writing. To the extent possible, the commissioner Board shall arrange for hearings to be broadcast on interactive television. Not less than 30 days prior to any such hearing, the commissioner Board shall publish in the manner prescribed in 1 V.S.A. § 174 the time and place of the hearing and the place and period during which to direct written comments to the commissioner Board. In addition, the commissioner Board may create and maintain a website to allow members of the public to submit comments electronically and review comments submitted by others.
- (4) The <del>commissioner</del> <u>Board</u> shall develop a mechanism for receiving ongoing public comment regarding the <u>plan</u> and for revising it every four years or as needed.
- (5) The eommissioner <u>Board</u> in consultation with appropriate health care organizations and state entities shall inventory and assess existing state health care data and expertise, and shall seek grants to assist with the preparation of any revisions to the <u>health resource allocation plan Health Resource Allocation Plan.</u>
- (6) The <u>plan</u> or any revised <u>plan</u> proposed by the <del>commissioner</del> Board shall be the <del>health resource allocation plan</del> Health

Resource Allocation Plan for the state State after it is approved by the governor Governor or upon passage of three months from the date the governor Governor receives the plan proposed Plan, whichever occurs first, unless the governor Governor disapproves the plan proposed Plan, in whole or in part. If the governor Governor disapproves, he or she shall specify the sections of the plan proposed Plan which are objectionable and the changes necessary to meet the objections. The sections of the plan proposed Plan not disapproved shall become part of the health resource allocation plan Health Resource Allocation Plan.

\* \* \* Allocation of Expenses \* \* \*

Sec. 37a. 18 V.S.A. § 9374(h) is amended to read:

- (h)(1) Expenses Except as otherwise provided in subdivision (2) of this subsection, expenses incurred to obtain information, analyze expenditures, review hospital budgets, and for any other contracts authorized by the board Board shall be borne as follows:
  - (A) 40 percent by the state State from state monies;
  - (B) 15 percent by the hospitals;
- (C) 15 percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125;
- (D) 15 percent by health insurance companies licensed under 8 V.S.A. chapter 101; and
- (E) 15 percent by health maintenance organizations licensed under 8 V.S.A. chapter 139.
- (2) The Board may determine the scope of the incurred expenses to be allocated pursuant to the formula set forth in subdivision (1) of this subsection if, in the Board's discretion, the expenses to be allocated are in the best interests of the regulated entities and of the State.
- (3) Expenses under subdivision (1) of this subsection shall be billed to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this section shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care or limited benefits, disability, credit or stop loss, or excess loss insurance coverage.

Sec. 37b. 18 V.S.A. § 9415 is amended to read:

§ 9415. ALLOCATION OF EXPENSES

- (a) Expenses Except as otherwise provided in subsection (b) of this section, expenses incurred to obtain information and to analyze expenditures, review hospital budgets, and for any other related contracts authorized by the commissioner Commissioner shall be borne as follows:
  - (1) 40 percent by the state State from state monies;
  - (2) 15 percent by the hospitals;
- (3) 15 percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125;
- (4) 15 percent by health insurance companies licensed under 8 V.S.A. chapter 101; and
- (5) 15 percent by health maintenance organizations licensed under 8 V.S.A. chapter 139.
- (b) The Commissioner may determine the scope of the incurred expenses to be allocated pursuant to the formula set forth in subsection (a) of this section if, in the Commissioner's discretion, the expenses to be allocated are in the best interests of the regulated entities and of the State.
- (c) Expenses under subsection (a) of this section shall be billed to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this section include major medical, comprehensive medical, hospital or surgical coverage, and any comprehensive health care services plan, but does shall not include long-term care, limited benefits, disability, credit or stop loss or excess loss insurance coverage

#### Sec. 37c. BILL-BACK REPORT

- (a) Annually on or before September 15, the Green Mountain Care Board and the Department of Financial Regulation shall report to the House Committee on Health Care, the Senate Committees on Health and Welfare and on Finance, and the House and Senate Committees on Appropriations the total amount of all expenses eligible for allocation pursuant to 18 V.S.A. §§ 9374(h) and 9415 during the preceding state fiscal year and the total amount actually billed back to the regulated entities during the same period.
- (b) The Board and the Department shall also present the information required by subsection (a) of this section to the Joint Fiscal Committee annually at its September meeting.

## Sec. 37d. HEALTH CARE ADVOCATE; BILL BACK

(a) Through June 30, 2016, financial support for the Office of the Health Care Advocate established pursuant to 18 V.S.A. chapter 229 for services

related to the Green Mountain Care Board's and Department of Financial Regulation's regulatory and supervisory duties shall be considered expenses incurred by the Board or the Department under 18 V.S.A. §§ 9374(h) and 9415 and shall be an acceptable use of the funds realized pursuant to those sections.

- (b) For fiscal year 2014, the Green Mountain Care Board and the Department of Financial Regulation may allocate up to \$300,000.00 of expenses pursuant to the authority granted by subsection (a) of this section.
- (c) On or before February 1, 2014, the Director of Health Care Reform in the Agency of Administration shall present to the House Committees on Health Care, on Ways and Means, and on Appropriations and the Senate Committees on Health and Welfare, on Finance, and on Appropriations sustainable funding options for the Office of the Health Care Advocate, including sustainable options based on sources other than the allocation of expenses described in subsection (a) of this section.

\* \* \* Hospital Community Reports \* \* \*

Sec. 38. 18 V.S.A. § 9405b is amended to read:

# § 9405b. HOSPITAL COMMUNITY REPORTS

(a) The commissioner Commissioner of Health, in consultation with representatives from hospitals, other groups of health care professionals, and members of the public representing patient interests, shall adopt rules establishing a standard format for community reports, as well as the contents, which shall include:

\* \* \*

- (b) On or before January 1, 2005, and annually thereafter beginning on June 1, 2006, the board of directors or other governing body of each hospital licensed under chapter 43 of this title shall publish on its website, making paper copies available upon request, its community report in a uniform format approved by the commissioner, Commissioner of Health and in accordance with the standards and procedures adopted by rule under this section, and shall hold one or more public hearings to permit community members to comment on the report. Notice of meetings shall be by publication, consistent with 1 V.S.A. § 174. Hospitals located outside this state State which serve a significant number of Vermont residents, as determined by the commissioner Commissioner of Health, shall be invited to participate in the community report process established by this subsection.
- (c) The community reports shall be provided to the commissioner Commissioner of Health. The commissioner Commissioner of Health shall

publish the reports on a public website and shall develop and include a format for comparisons of hospitals within the same categories of quality and financial indicators.

# Sec. 39. <u>EXTENSION FOR PUBLICATION OF 2013 HOSPITAL</u> COMMUNITY REPORTS

Notwithstanding the June 1 publication date specified in 18 V.S.A. § 9405b(b), hospitals shall publish their 2013 hospital community reports on or before October 1, 2013. Following publication of the hospital reports, the Department of Financial Regulation shall publish hospital comparison information as required under 18 V.S.A. § 9405b(c).

# \* \* \* VHCURES \* \* \*

Sec. 40. 18 V.S.A. § 9410 is amended to read:

# § 9410. HEALTH CARE DATABASE

- (a)(1) The commissioner Board shall establish and maintain a unified health care database to enable the commissioner and the Green Mountain Care board Commissioner and the Board to carry out their duties under this chapter, chapter 220 of this title, and Title 8, including:
- (A) Determining determining the capacity and distribution of existing resources-;
- (B) <u>Identifying identifying</u> health care needs and informing health care policy:
- (C) Evaluating evaluating the effectiveness of intervention programs on improving patient outcomes:
- (D) Comparing comparing costs between various treatment settings and approaches-;
- (E) <u>Providing providing</u> information to consumers and purchasers of health care: and
- (F) <u>Improving</u> improving the quality and affordability of patient health care and health care coverage.
- (2)(A) The program authorized by this section shall include a consumer health care price and quality information system designed to make available to consumers transparent health care price information, quality information, and such other information as the commissioner Board determines is necessary to empower individuals, including uninsured individuals, to make economically sound and medically appropriate decisions.

- (B) The commissioner shall convene a working group composed of the commissioner of mental health, the commissioner of Vermont health access, health care consumers, the office of the health care ombudsman, employers and other payers, health care providers and facilities, the Vermont program for quality in health care, health insurers, and any other individual or group appointed by the commissioner to advise the commissioner on the development and implementation of the consumer health care price and quality information system.
- (C) The commissioner Commissioner may require a health insurer covering at least five percent of the lives covered in the insured market in this state to file with the commissioner Commissioner a consumer health care price and quality information plan in accordance with rules adopted by the commissioner Commissioner.
- <del>(D)</del>(C) The commissioner Board shall adopt such rules as are necessary to carry out the purposes of this subdivision. The commissioner's Board's rules may permit the gradual implementation of the consumer health care price and quality information system over time, beginning with health care price and quality information that the commissioner Board determines is most needed by consumers or that can be most practically provided to the consumer in an understandable manner. The rules shall permit health insurers to use security measures designed to allow subscribers access to price and other information without disclosing trade secrets to individuals and entities who are not subscribers. The regulations rules shall avoid unnecessary duplication of efforts relating to price and quality reporting by health insurers, health care providers, health care facilities, and others, including activities undertaken by hospitals pursuant to their community report obligations under section 9405b of this title.
- (b) The database shall contain unique patient and provider identifiers and a uniform coding system, and shall reflect all health care utilization, costs, and resources in this state State, and health care utilization and costs for services provided to Vermont residents in another state State.
- (c) Health insurers, health care providers, health care facilities, and governmental agencies shall file reports, data, schedules, statistics, or other information determined by the commissioner Board to be necessary to carry out the purposes of this section. Such information may include:
- (1) health insurance claims and enrollment information used by health insurers;

- (2) information relating to hospitals filed under subchapter 7 of this chapter (hospital budget reviews); and
- (3) any other information relating to health care costs, prices, quality, utilization, or resources required by the Board to be filed by the commissioner.
- (d) The <u>commissioner Board</u> may by rule establish the types of information to be filed under this section, and the time and place and the manner in which such information shall be filed.
- (e) Records or information protected by the provisions of the physician-patient privilege under 12 V.S.A. § 1612(a), or otherwise required by law to be held confidential, shall be filed in a manner that does not disclose the identity of the protected person.
- (f) The commissioner <u>Board</u> shall adopt a confidentiality code to ensure that information obtained under this section is handled in an ethical manner.
- (g) Any person who knowingly fails to comply with the requirements of this section or rules adopted pursuant to this section shall be subject to an administrative penalty of not more than \$1,000.00 per violation. The commissioner Board may impose an administrative penalty of not more than \$10,000.00 each for those violations the commissioner Board finds were willful. In addition, any person who knowingly fails to comply with the confidentiality requirements of this section or confidentiality rules adopted pursuant to this section and uses, sells, or transfers the data or information for commercial advantage, pecuniary gain, personal gain, or malicious harm shall be subject to an administrative penalty of not more than \$50,000.00 per violation. The powers vested in the commissioner Board by this subsection shall be in addition to any other powers to enforce any penalties, fines, or forfeitures authorized by law.
- (h)(1) All health insurers shall electronically provide to the <del>commissioner</del> Board in accordance with standards and procedures adopted by the <del>commissioner</del> Board by rule:
- (A) their health insurance claims data, provided that the <del>commissioner</del> <u>Board</u> may exempt from all or a portion of the filing requirements of this subsection data reflecting utilization and costs for services provided in this <u>state</u> <u>State</u> to residents of other states;
- (B) cross-matched claims data on requested members, subscribers, or policyholders; and
- (C) member, subscriber, or policyholder information necessary to determine third party liability for benefits provided.

- (2) The collection, storage, and release of health care data and statistical information that is subject to the federal requirements of the Health Insurance Portability and Accountability Act ("HIPAA") shall be governed exclusively by the <u>rules regulations</u> adopted thereunder in 45 CFR C.F.R. Parts 160 and 164.
- (A) All health insurers that collect the Health Employer Data and Information Set (HEDIS) shall annually submit the HEDIS information to the commissioner Board in a form and in a manner prescribed by the commissioner Board.
- (B) All health insurers shall accept electronic claims submitted in Centers for Medicare and Medicaid Services format for UB-92 or HCFA-1500 records, or as amended by the Centers for Medicare and Medicaid Services.
- (3)(A) The eommissioner Board shall collaborate with the agency of human services Agency of Human Services and participants in agency of human services the Agency's initiatives in the development of a comprehensive health care information system. The collaboration is intended to address the formulation of a description of the data sets that will be included in the comprehensive health care information system, the criteria and procedures for the development of limited use limited use data sets, the criteria and procedures to ensure that HIPAA compliant limited use limited-use data sets are accessible, and a proposed time frame for the creation of a comprehensive health care information system.
- (B) To the extent allowed by HIPAA, the data shall be available as a resource for insurers, employers, providers, purchasers of health care, and state agencies to continuously review health care utilization, expenditures, and performance in Vermont. In presenting data for public access, comparative considerations shall be made regarding geography, demographics, general economic factors, and institutional size.
- (C) Consistent with the dictates of HIPAA, and subject to such terms and conditions as the commissioner Board may prescribe by regulation rule, the Vermont program for quality in health care Program for Quality in Health Care shall have access to the unified health care database for use in improving the quality of health care services in Vermont. In using the database, the Vermont program for quality in health care Program for Quality in Health Care shall agree to abide by the rules and procedures established by the commissioner Board for access to the data. The commissioner's Board's rules may limit access to the database to limited-use sets of data as necessary to carry out the purposes of this section.

- (D) Notwithstanding HIPAA or any other provision of law, the comprehensive health care information system shall not publicly disclose any data that contains direct personal identifiers. For the purposes of this section, "direct personal identifiers" include information relating to an individual that contains primary or obvious identifiers, such as the individual's name, street address, e-mail address, telephone number, and Social Security number.
- (i) On or before January 15, 2008 and every three years thereafter, the <del>commissioner</del> <u>Commissioner</u> shall submit a recommendation to the <del>general assembly</del> <u>General Assembly</u> for conducting a survey of the health insurance status of Vermont residents.
- (j)(1) As used in this section, and without limiting the meaning of subdivision 9402(8) of this title, the term "health insurer" includes:
  - (A) any entity defined in subdivision 9402(8) of this title;
- (B) any third party administrator, any pharmacy benefit manager, any entity conducting administrative services for business, and any other similar entity with claims data, eligibility data, provider files, and other information relating to health care provided to a Vermont resident, and health care provided by Vermont health care providers and facilities required to be filed by a health insurer under this section;
- (C) any health benefit plan offered or administered by or on behalf of the state State of Vermont or an agency or instrumentality of the state State; and
- (D) any health benefit plan offered or administered by or on behalf of the federal government with the agreement of the federal government.
- (2) The commissioner Board may adopt rules to carry out the provisions of this subsection, including standards and procedures requiring the registration of persons or entities not otherwise licensed or registered by the commissioner and criteria for the required filing of such claims data, eligibility data, provider files, and other information as the commissioner Board determines to be necessary to carry out the purposes of this section and this chapter.

\* \* \* Prior Authorizations \* \* \*

Sec. 40a. 18 V.S.A. § 9377a is added to read:

## § 9377a. PRIOR AUTHORIZATION PILOT PROGRAM

(a) The Green Mountain Care Board shall develop and implement a pilot program or programs for the purpose of measuring the change in system costs

- within primary care associated with eliminating prior authorization requirements for imaging, medical procedures, prescription drugs, and home care. The program shall be designed to measure the effects of eliminating prior authorizations on provider satisfaction and on the number of requests for and expenditures on imaging, medical procedures, prescription drugs, and home care. In developing the pilot program proposal, the Board shall collaborate with health care professionals and health insurers throughout the State or regionally.
- (b) The Board shall submit an update regarding implementation of prior authorization pilot programs as part of its annual report under subsection 9375(d) of this title.
- Sec. 40b. 18 V.S.A. § 9414a(a)(5) is amended to read:
- (5) <u>data regarding the number of denials of service by the health insurer</u> at the preauthorization level, including:
- (A) the total number of denials of service by the health insurer at the preauthorization level, including:
- (A)(B) the total number of denials of service at the preauthorization level appealed to the health insurer at the first-level grievance and, of those, the total number overturned; and
- (B)(C) the total number of denials of service at the preauthorization level appealed to the health insurer at any second-level grievance and, of those, the total number overturned;
- (C)(D) the total number of denials of service at the preauthorization level for which external review was sought and, of those, the total number overturned:
- Sec. 40c. DENIED CLAIMS; DEPARTMENT OF VERMONT HEALTH ACCESS

On or before February 1, 2014, the Department of Vermont Health Access shall present data to the House Committee on Health Care and the Senate Committee on Health and Welfare on claims denied by the Department. To the extent practicable, the Department shall base its presentation on the data required by the standardized form created by the Department of Financial Regulation for use by health insurers under 18 V.S.A. § 9414a(c).

\* \* \* Cost-Shift Reporting \* \* \*

Sec. 41. 18 V.S.A. § 9375(d) is amended to read:

- (d) Annually on or before January 15, the <u>board Board shall</u> submit a report of its activities for the preceding <u>state fiscal calendar</u> year to the <u>house committee on health care and the senate committee on health and welfare House Committee on Health Care and the Senate Committee on Health and Welfare.</u>
  - (1) The report shall include:
- (A) any changes to the payment rates for health care professionals pursuant to section 9376 of this title;
- (B) any new developments with respect to health information technology;
- $\underline{(C)}$  the evaluation criteria adopted pursuant to subdivision (b)(8) of this section and any related modifications;
- (D) the results of the systemwide performance and quality evaluations required by subdivision (b)(8) of this section and any resulting recommendations;
  - (E) the process and outcome measures used in the evaluation;
- (F) any recommendations on mechanisms to ensure that appropriations intended to address the Medicaid cost shift will have the intended result of reducing the premiums imposed on commercial insurance premium payers below the amount they otherwise would have been charged;
  - (G) any recommendations for modifications to Vermont statutes; and
- (H) any actual or anticipated impacts on the work of the board Board as a result of modifications to federal laws, regulations, or programs.
- (2) The report shall identify how the work of the board Board comports with the principles expressed in section 9371 of this title.
- Sec. 42. 2000 Acts and Resolves No. 152, Sec. 117b is amended to read:

#### Sec. 117b. MEDICAID COST SHIFT REPORTING

(a) It is the intent of this section to measure the elimination of the Medicaid cost shift. For hospitals, this measurement shall be based on a comparison of the difference between Medicaid and Medicare reimbursement rates. For other health care providers, an appropriate measurement shall be developed that includes an examination of the Medicare rates for providers. In order to achieve the intent of this section, it is necessary to establish a reporting and tracking mechanism to obtain the facts and information necessary to quantify the Medicaid cost shift, to evaluate solutions for reducing the effect of the

Medicaid cost shift in the commercial insurance market, to ensure that any reduction in the cost shift is passed on to the commercial insurance market, to assess the impact of such reductions on the financial health of the health care delivery system, and to do so within a sustainable utilization growth rate in the Medicaid program.

- (b) By Notwithstanding 2 V.S.A. § 20(d), annually on or before December 15, 2000, and annually thereafter, the commissioner of banking, insurance, securities, and health care administration, the secretary of human services the chair of the Green Mountain Care Board, the Commissioner of Vermont Health Access, and each acute care hospital shall file with the joint fiscal committee Joint Fiscal Committee, the House Committee on Health Care, and the Senate Committee on Health and Welfare, in the manner required by the committee Joint Fiscal Committee, such information as is necessary to carry out the purposes of this section. Such information shall pertain to the provider delivery system to the extent it is available.
- (c) By December 15, 2000, and annually thereafter, the <u>The</u> report of hospitals to the <u>joint fiscal committee</u> <u>Joint Fiscal Committee</u> and the standing <u>committees</u> under subsection (b) of this section shall include information on how they will manage utilization in order to assist the <u>agency of human services</u> <u>Department of Vermont Health Access</u> in developing sustainable utilization growth in the Medicaid program.
- (d) By December 15, 2000, the commissioner of banking, insurance, securities, and health care administration shall report to the joint fiscal committee with recommendations on mechanisms to assure that appropriations intended to address the Medicaid cost shift will result in benefits to commercial insurance premium payers in the form of lower premiums than they otherwise would be charged.
- (e) The first \$250,000.00 resulting from declines in caseload and utilization related to hospital costs, as determined by the commissioner of social welfare, from the funds allocated within the Medicaid program appropriation for hospital costs in fiscal year 2001 shall be reserved for cost shift reduction for hospitals.

# Sec. 42a. EXCHANGE IMPACT REPORT

On or before March 15, 2015 and every three years thereafter, the Agency of Administration shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance regarding the impact of the Vermont Health Benefit Exchange and the federal individual responsibility requirement on:

- (1) the number of uninsured and underinsured Vermonters;
- (2) the amount of uncompensated care and bad debt in Vermont; and
- (3) the cost shift.
  - \* \* \* Workforce Planning Data \* \* \*
- Sec. 43. 26 V.S.A. § 1353 is amended to read:

# § 1353. POWERS AND DUTIES OF THE BOARD

The board Board shall have the following powers and duties to:

\* \* \*

- (10) As part of the license application or renewal process, collect data necessary to allow for workforce strategic planning required under 18 V.S.A. chapter 222.
- Sec. 44. WORKFORCE PLANNING; DATA COLLECTION
- (a) The Board of Medical Practice shall collaborate with the Director of Health Care Reform in the Agency of Administration, the Vermont Medical Society, and other interested stakeholders to develop data elements for the Board to collect pursuant to 26 V.S.A. § 1353(10) to allow for the workforce strategic planning required under 18 V.S.A. chapter 222. The data elements shall be consistent with any nationally developed or required data in order to simplify collection and minimize the burden on applicants.
- (b) The Office of Professional Regulation, the Board of Nursing, and other relevant professional boards shall collaborate with the Director of Health Care Reform in the Agency of Administration in the collection of data necessary to allow for workforce strategic planning required under 18 V.S.A. chapter 222. The boards shall develop the data elements in consultation with the Director and with interested stakeholders. The data elements shall be consistent with any nationally developed or required data elements in order to simplify collection and minimize the burden on applicants. Data shall be collected as part of the licensure process to minimize administrative burden on applicants and the State.
  - \* \* \* Administration \* \* \*
- Sec. 45. 8 V.S.A. § 11(a) is amended to read:
- (a) General. The department of financial regulation Department of Financial Regulation created by 3 V.S.A. section 212, § 212 shall have jurisdiction over and shall supervise:

- (1) Financial institutions, credit unions, licensed lenders, mortgage brokers, insurance companies, insurance agents, broker-dealers, investment advisors, and other similar persons subject to the provisions of this title and 9 V.S.A. chapters 59, 61, and 150.
- (2) The administration of health care, including oversight of the quality and cost containment of health care provided in this state, by conducting and supervising the process of health facility certificates of need, hospital budget reviews, health care data system development and maintenance, and funding and cost containment of health care as provided in 18 V.S.A. chapter 221.

\* \* \* Miscellaneous Provisions \* \* \*

Sec. 46. 33 V.S.A. § 1901(h) is added to read:

(h) To the extent required to avoid federal antitrust violations, the Department of Vermont Health Access shall facilitate and supervise the participation of health care professionals and health care facilities in the planning and implementation of payment reform in the Medicaid and SCHIP programs. The Department shall ensure that the process and implementation include sufficient state supervision over these entities to comply with federal antitrust provisions and shall refer to the Attorney General for appropriate action the activities of any individual or entity that the Department determines, after notice and an opportunity to be heard, violate state or federal antitrust laws without a countervailing benefit of improving patient care, improving access to health care, increasing efficiency, or reducing costs by modifying payment methods.

# Sec. 46a. STUDY OF FEES FOR COPIES OF ELECTRONIC MEDICAL RECORDS

The Green Mountain Care Board shall study the costs and fees associated with providing copies, pursuant to 18 V.S.A. § 9419, of medical records maintained and provided to patients in a paperless format. The Department shall consult with interested stakeholders, including the Vermont Association of Hospitals and Health Systems and the Vermont Association for Justice, and shall review related laws and policies in other states. On or before January 15, 2014 the Board shall report the results of its study to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare.

Sec. 47. 33 V.S.A. § 1901b is amended to read:

# § 1901b. PHARMACY PROGRAM ENROLLMENT

- (a) The department of Vermont health access Department of Vermont Health Access and the department for children and families Department for Children and Families shall monitor actual caseloads, revenue, and expenditures; anticipated caseloads, revenue, and expenditures; and actual and anticipated savings from implementation of the preferred drug list, supplemental rebates, and other cost containment activities in each state pharmaceutical assistance program, including VPharm and VermontRx. The departments When applicable, the Departments shall allocate supplemental rebate savings to each program proportionate to expenditures in each program. During the second week of each month, the department of Vermont health access shall report such actual and anticipated caseload, revenue, expenditure, and savings information to the joint fiscal committee and to the health care oversight committee.
- (b)(1) If at any time expenditures for VPharm and VermontRx are anticipated to exceed the aggregate amount of state funds expressly appropriated for such state pharmaceutical assistance programs during any fiscal year, the department of Vermont health access shall recommend to the joint fiscal committee and notify the health care oversight committee of a plan to cease new enrollments in VermontRx for individuals with incomes over 225 percent of the federal poverty level.
- (2) If at any time expenditures for VPharm and VermontRx are anticipated to exceed the aggregate amount of state funds expressly appropriated for such state pharmaceutical assistance programs during any fiscal year, even with the cessation of new enrollments as provided for in subdivision (1) of this subsection, the department of Vermont health access shall recommend to the joint fiscal committee and notify the health health care oversight committee of a plan to cease new enrollments in the VermontRx for individuals with incomes more than 175 percent and less than 225 percent of the federal poverty level.
- (3) The determinations of the department of Vermont health access under subdivisions (1) and (2) of this subsection shall be based on the information and projections reported monthly under subsection (a) of this section, and on the official revenue estimates under 32 V.S.A. § 305a. An enrollment cessation plan shall be deemed approved unless the joint fiscal committee disapproves the plan after 21 days notice of the recommendation and financial analysis of the department of Vermont health access.

- (4) Upon the approval of or failure to disapprove an enrollment cessation plan by the joint fiscal committee, the department of Vermont health access shall cease new enrollment in VermontRx for the individuals with incomes at the appropriate level in accordance with the plan.
- (c)(1) If at any time after enrollment ceases under subsection (b) of this section expenditures for VermontRx, including expenditures attributable to renewed enrollment, are anticipated, by reason of increased federal financial participation or any other reason, to be equal to or less than the aggregate amount of state funds expressly appropriated for such state pharmaceutical assistance programs during any fiscal year, the department of Vermont health access shall recommend to the joint fiscal committee and notify the health care oversight committee of a plan to renew enrollment in VermontRx, with priority given to individuals with incomes more than 175 percent and less than 225 percent, if adequate funds are anticipated to be available for each program for the remainder of the fiscal year.
- (2) The determination of the department of Vermont health access under subdivision (1) of this subsection shall be based on the information and projections reported monthly under subsection (a) of this section, and on the official revenue estimates under 32 V.S.A. § 305a. An enrollment renewal plan shall be deemed approved unless the joint fiscal committee disapproves the plan after 21 days notice of the recommendation and financial analysis of the department of Vermont health access.
- (3) Upon the approval of, or failure to disapprove an enrollment renewal plan by the joint fiscal committee, the department of Vermont health access shall renew enrollment in VermontRx in accordance with the plan.

# (d) As used in this section:,

- (1) "State 'state pharmaceutical assistance program' means any health assistance programs administered by the agency of human services Agency of Human Services providing prescription drug coverage, including the Medicaid program, the Vermont health access plan, VPharm, VermontRx, the state children's health insurance program State Children's Health Insurance Program, the state State of Vermont AIDS medication assistance program Medication Assistance Program, the General Assistance program, the pharmacy discount plan program Pharmacy Discount Plan Program, and any other health assistance programs administered by the agency providing prescription drug coverage.
- (2) "VHAP" or "Vermont health access plan" means the programs of health care assistance authorized by federal waivers under Section 1115 of the

Social Security Act, by No. 14 of the Acts of 1995, and by further acts of the General Assembly.

- (3) "VHAP Pharmacy" or "VHAP Rx" means the VHAP program of state pharmaceutical assistance for elderly and disabled Vermonters with income up to and including 150 percent of the federal poverty level (hereinafter "FPL").
- (4) "VScript" means the Section 1115 waiver program of state pharmaceutical assistance for elderly and disabled Vermonters with income over 150 and less than or equal to 175 percent of FPL, and administered under subchapter 4 of chapter 19 of this title.
- (5) "VScript-Expanded" means the state-funded program of pharmaceutical assistance for elderly and disabled Vermonters with income over 175 and less than or equal to 225 percent of FPL, and administered under subchapter 4 of chapter 19 of this title.

Sec. 48. 2012 Acts and Resolves No. 171, Sec. 2c, is amended to read:

#### Sec. 2c. EXCHANGE OPTIONS

In approving benefit packages for the Vermont health benefit exchange pursuant to 18 V.S.A. § 9375(b)(7) § 9375(b)(9), the Green Mountain Care board Board shall approve a full range of cost-sharing structures for each level of actuarial value. To the extent permitted under federal law, the board Board shall also allow health insurers to establish rewards, premium discounts, split benefit designs, rebates, or otherwise waive or modify applicable co-payments, deductibles, or other cost-sharing amounts in return for adherence by an insured to programs of health promotion and disease prevention pursuant to 33 V.S.A. § 1811(f)(2)(B).

Sec. 49. 2012 Acts and Resolves No. 171, Sec. 41(e), is amended to read:

(e) 33 18 V.S.A. chapter 13, subchapter 2 (payment reform pilots) is repealed on passage.

Sec. 49a. 16 V.S.A. § 3851 is amended to read:

§ 3851. DEFINITIONS

\* \* \*

(c) "Eligible institution" means any:

\* \* \*

(5) any:

\* \* \*

(D) nonprofit assisted living facility, nonprofit continuing care retirement facility, nonprofit residential care facility or similar nonprofit facility for the continuing care of the elderly or the infirm, provided that such facility is owned by or under common ownership with an otherwise eligible institution, and in the case of facilities to be financed for an eligible institution provided by this subdivision (5) of this subsection, for which the department of financial regulation Green Mountain Care Board, if required, has issued a certificate of need.

\* \* \*

### Sec. 49b. 18 V.S.A. § 9351(d) is amended to read:

(d) The health information technology plan shall serve as the framework within which the commissioner of financial regulation Green Mountain Care Board reviews certificate of need applications for information technology under section 9440b of this title. In addition, the commissioner of information and innovation Commissioner of Information and Innovation shall use the health information technology plan as the basis for independent review of state information technology procurements.

# Sec. 49c. 33 V.S.A. § 6304(c) is amended to read:

(c) Designations for new home health agencies shall be established pursuant to certificates of need approved by the commissioner of financial regulation Green Mountain Care Board. Thereafter, designations shall be subject to the provisions of this subchapter.

\* \* \* Transfer of Positions \* \* \*

## Sec. 50. TRANSFER OF POSITIONS

- (a) On or before July 1, 2013, the Department of Financial Regulation shall transfer positions numbered 290071, 290106, and 290074 and associated funding to the Green Mountain Care Board for the administration of the health care database.
- (b) On or before July 1, 2013, the Department of Financial Regulation shall transfer position number 297013 and associated funding to the Agency of Administration.
- (c) On or after July 1, 2013, the Department of Financial Regulation shall transfer one position and associated funding to the Department of Health for the purpose of administering the hospital community reports in 18 V.S.A. § 9405b. The Department of Financial Regulation shall continue to collect

funds for the publication of the reports pursuant to 18 V.S.A. § 9415 and shall transfer the necessary funds annually to the Department of Health.

\* \* \* Emergency Rulemaking \* \* \*

# Sec. 51. EMERGENCY RULEMAKING

The Agency of Human Services shall adopt rules pursuant to 3 V.S.A. chapter 25 prior to April 1, 2014 to conform Vermont's rules regarding operation of the Vermont Health Benefit Exchange to federal guidance and regulations implementing the provisions of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152. The Agency shall also adopt rules in order to implement the provisions of 2011 Acts and Resolves No. 48 and 2012 Acts and Resolves No. 171 regarding changes to eligibility, enrollment, renewals, grievances and appeals, public availability of program information, and coordination across health benefit programs, as well as to revise and coordinate existing agency health benefit program rules into a single integrated and updated code. The rules shall be adopted to achieve timely compliance with state and federal laws and guidance and to coordinate and consolidate the Agency's current health benefit program eligibility rules for the effective launch and operation of the Vermont Health Benefit Exchange and shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

\* \* \* Repeals \* \* \*

#### Sec. 52. REPEALS

- (a) 8 V.S.A. § 4080f (Catamount Health) is repealed on January 1, 2014, except that current enrollees may continue to receive transitional coverage from the Department of Vermont Health Access as authorized by the Centers on Medicare and Medicaid Services.
- (b) 18 V.S.A. § 708 (health information technology certification process) is repealed on passage.
- (c) 33 V.S.A. § chapter 19, subchapter 3a (Catamount Health Assistance) is repealed January 1, 2014, except that current enrollees may continue to receive transitional coverage from the Department of Vermont Health Access as authorized by the Centers for Medicare and Medicaid Services.
  - (d) 33 V.S.A. § 2074 (VermontRx) is repealed on January 1, 2014.
- (e) 18 V.S.A. § 9403 (Division of Health Care Administration) is repealed on July 1, 2013.

(f) 8 V.S.A. § 4089w (Health Care Ombudsman) is repealed on January 1, 2014.

\* \* \* Effective Dates \* \* \*

#### Sec. 53. EFFECTIVE DATES

- (a) Secs. 2 (mental health care services review), 3(d) (8 V.S.A. § 4089i(d)(prescription drug deductibles), 5a (prior authorization), 5b (standardized claims and edits), 33–34a (health information exchange), 35 (hospital energy efficiency), 39 (publication extension for 2013 hospital reports), 40 (VHCURES), 43 and 44 (workforce planning), 46 (DVHA antitrust provision), 48 (Exchange options), 49 (correction to payment reform pilot repeal), 50 (transfer of positions), 51 (emergency rules), and 52 (repeals) of this act and this section shall take effect on passage.
- (b) Sec. 1 (interstate employers) and Secs. 28–30 (employer definitions) shall take effect on October 1, 2013 for the purchase of insurance plans effective for coverage beginning January 1, 2014.
- (c) Secs. 4 (newborn coverage), 5 (grace period for premium payment), 6–27 (Catamount and VHAP), 35a–35h (Office of the Health Care Advocate), and 47 (pharmacy program enrollment) shall take effect on January 1, 2014.
- (d) Secs. 31 (Healthy Vermonters) and 32 (VPharm) shall take effect on January 1, 2014, except that the Department of Vermont Health Access may continue to calculate household income under the rules of the Vermont Health Access Plan after that date if the system for calculating modified adjusted gross income for the Healthy Vermonters and VPharm programs is not operational by that date, but no later than December 31, 2014.
- (e) Secs. 5c–5n (rate review) of this act shall take effect on January 1, 2014 and shall apply to all insurers filing rates and forms for major medical insurance plans on and after January 1, 2014, except that the Green Mountain Care Board and the Department of Financial Regulation may amend their rules and take such other actions before that date as are necessary to ensure that the revised rate review process will be operational on January 1, 2014.
  - (f) Sec. 42a (Exchange impact report) shall take effect on July 1, 2014.
- (g) Sec. 3(e)–(g) (8 V.S.A. § 4089i(e)–(g); step therapy) shall take effect on September 1, 2013 and shall apply to all health insurers on and after September 1, 2013 on such date as a health insurer offers, issues, or renews a health insurance policy, but in no event later than September 1, 2014.
  - (h) All remaining sections of this act shall take effect on July 1, 2013.

Which proposal of amendment was considered and concurred in.

# Rules Suspended; Senate Proposal of Amendment to House Proposal of Amendment Concurred in with a Further Amendment Thereto; Rules Suspended and Bill Messaged to Senate Forthwith

#### S. 152

On motion of **Rep. Turner of Milton**, the rules were suspended and Senatebill, entitled

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

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Senate concured with the House proposal of amendment with a further amendment thereto as follows:

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

Sec. 1. 21 V.S.A. § 2002 is amended to read:

## § 2002. DEFINITIONS

For the purposes of As used in this chapter:

- (5) "Uncovered employee" means:
- (A) an employee of an employer who does not offer to pay any part of the cost of health care coverage for its employees;
- (B) an employee who is not eligible for health care coverage offered by an employer to any other employees; or
- (C) an employee who is offered and is eligible for coverage by the employer but elects not to accept the coverage and <u>either:</u>
- (i) has no other health care coverage under either a private or public plan; or
- (ii) has purchased health insurance coverage as an individual through the Vermont Health Benefit Exchange.

Sec. 2. 21 V.S.A. § 2003 is amended to read:

#### § 2003. HEALTH CARE FUND CONTRIBUTION ASSESSMENT

\* \* \*

(b) For any quarter in fiscal years 2007 and 2008, the amount of the health care fund Health Care Fund contribution shall be \$ 91.25 for each full-time equivalent employee in excess of eight. For each fiscal year after fiscal year 2008, the number of excluded full-time equivalent employees shall be adjusted in accordance with subsection (a) of this section, and the amount of the health care fund Health Care Fund contribution shall be adjusted by a percentage equal to any percentage change in premiums for Catamount Health for that fiscal year; provided, however, that to the extent that Catamount Health premiums decrease due to changes in benefit design or deductible amounts, the health care fund contribution shall not be decreased by the percentage change attributable to such benefit design or deductible changes the second lowest cost silver-level plan in the Vermont Health Benefit Exchange.

- (d) Revenues from the health care fund Health Care Fund contributions collected shall be deposited into the state health care resources fund Health Care Resources Fund established under 33 V.S.A. § 1901d.
- Sec. 3. 33 V.S.A. § 1811(1) is added to read:
- (l)(1) A registered carrier shall include in its rates filed pursuant to 8 V.S.A. § 4062 an administrative charge of one percent of projected premium costs on plans sold in the Exchange to fund the operation of the Exchange. The Green Mountain Care Board shall finalize the amount of the administrative charge and include the amount in the approved rate.
- (2)(A) The Department of Vermont Health Access shall retain the amount of the administrative charge from premiums collected through the Exchange and shall deposit the funds collected pursuant to this section in the State Health Care Resources Fund established by section 1901d of this title. Funds collected pursuant to this section shall be used only for purposes related to the operation of the Exchange.
- (B) The Department shall, in collaboration with registered carriers, develop a mechanism for collecting any premiums paid by individuals directly to a registered carrier.

(3) The Exchange website shall clearly indicate the amount of the administrative charge included in the premium for each health benefit plan offered through the Exchange.

### Sec. 4. EXCHANGE ADMINISTRATIVE CHARGE REPORTING

- (a) The Governor's budget submitted to the General Assembly in accordance with 32 V.S.A. § 306 for fiscal year 2016 shall include the estimated budget for the Exchange for that fiscal year and the estimated amount of the administrative charge to be imposed pursuant to 33 V.S.A. § 1811(1) beginning on January 1, 2016, based on premium rates approved by the Green Mountain Care Board.
- (b) On or before February 1, 2017, the Department of Vermont Health Access shall report to the House Committees on Health Care and on Ways and Means, the Senate Committees on Health and Welfare and on Finance, and the House and Senate Committees on Appropriations regarding the revenues collected pursuant to 33 V.S.A. § 1811(1), including recommendations for any needed modifications to the amount of the administrative charge.

#### Sec. 5. EFFECTIVE DATES

- (a) Secs. 1 (employer assessment definition), 2 (employer assessment fund), and 4 (exchange surcharge reporting) of this act and this section shall take effect on January 1, 2014.
- (b) Sec. 3 (exchange surcharge) of this act shall take effect on January 1, 2015 to incorporate into rate review for insurance plans with coverage beginning January 1, 2016.

And that after passage the title of the bill be amended to read:

An act relating to health care financing.

Pending the question, Shall the House concur in the Senate proposal of amendment to the House proposal of Amendment? **Rep, Ancel of Calais** moved to concur in the Senate proposal of amendment to the House proposal of amendment as follows:

By striking Secs. 3–5 in their entirety and inserting in lieu thereof the following:

#### Sec. 3. EFFECTIVE DATE

This act shall take effect on January 1, 2014.

Which was agreed to.

On motion of **Rep. Turner of Milton**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

#### Message from the Senate No. 74

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 considered House proposal of amendment to Senate proposal of amendment to House bill of the following title:

**H. 521.** An act relating to making miscellaneous amendments to education law.

And has concurred therein.

The Senate has considered the reports of the Committees of Conference upon the disagreeing votes of the two Houses upon Senate bills of the following titles:

- **S. 4.** An act relating to concussions and school athletic activities.
- **S. 148.** An act relating to criminal investigation records and the Vermont Public Records Act.
- **S. 155.** An act relating to creating a strategic workforce development needs assessment and strategic plan.

And has accepted and adopted the same on its part.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

**H. 377.** An act relating to neighborhood planning and development for municipalities with designated centers.

And has accepted and adopted the same on its part.

The Senate has considered joint resolution originating in the House of the following title:

**J.R.H. 12.** Joint resolution expressing concern regarding the public policy implications of the proposed Trans-Pacific Partnership Agreement.

And has adopted the same in concurrence.

The Senate has considered House proposal of amendment to Senate bill entitled:

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

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Ayer Senator French Senator Benning.

## Rules Suspended; Report of Committee of Conference Adopted

#### H. 377

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to neighborhood planning and development for municipalities with designated centers

Was taken up for immediate consideration.

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the Senate accede to the House's first proposal of amendment to the Senate's proposal of amendment, that the bill be further amended in Sec. 8, 24 V.S.A. § 2793e, in subsection (h), in the third sentence, after the word "prior", by inserting written and that the House recede from its second proposal of amendment to the Senate's proposal of amendment

COMMITTEE ON THE PART OF COMMITTEE ON THE PART OF THE SENATE

THE HOUSE

SEN. KEVIN J. MULLIN
SEN. ANN E. CUMMINGS
SEN. DONALD COLLINS
REP. WILLAM G.F. BOTZOW
REP. EILEEN DICKINSON
REP. DAVID D. SHARPE

## Rules Suspended; Report of Committee of Conference Adopted

#### S. 150

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and Senate bill, entitled

An act relating to miscellaneous amendments to laws related to motor vehicles

Was taken up for immediate consideration.

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the House accede to the Senate's first and third further proposals of amendment, that the Senate recede from its second further proposal of amendment, and that the House proposal of amendment be further amended as follows:

<u>First</u>: In Sec. 28, 23 V.S.A. § 1110, by striking subdivisions (a)(2)(H) and (a)(2)(I) in their entirety and inserting in lieu thereof the following:

- (H) a motor vehicle idles as necessary for maintenance, service, repair, or diagnostic purposes or as part of a state or federal inspection;
- (I) a school bus idles on school grounds in compliance with rules adopted pursuant to the provisions of subsection 1282(f) of this title;
- (J) the idling of vehicles at the place of business of a registered motor vehicle dealer is necessary to maintain the premises of the place of business; or
- (K) a motor vehicle with a gross vehicle weight rating of 10,000 pounds or less idles on a driveway or parking area on private property.

<u>Second</u>: By inserting internal captions and four new sections after Sec. 31 to read:

\* \* \* Waiver of Points \* \* \*

Sec. 31a. 23 V.S.A. § 2501 is amended to read:

## § 2501. MOTOR VEHICLE POINT SYSTEM

(a) For the purpose of identifying habitually reckless or negligent drivers and frequent violators of traffic regulations governing the movement of vehicles, a uniform system is established assigning demerit points for convictions of violations of this title or of ordinances adopted by local authorities regulating the operation of motor vehicles. Notice of each assessment of points may be given. No points shall be assessed for violating a provision of a statute or municipal ordinance regulating standing, parking, equipment, size, or weight, or if a superior judge or Judicial Bureau hearing officer has waived the assessment of points in the interest of justice and in accordance with subsection (b) of this section. The conviction report from the court shall be prima facie evidence of the points assessed unless points are specifically waived in the conviction report. The department is Department also is authorized to suspend the license of a driver when the driver's driving

record identifies the driver as an habitual offender under section 673a of this title.

- (b) A superior judge or Judicial Bureau hearing officer may waive the assessment of points against a person's driving record for a moving violation if the waiver of points is in the interests of justice, and if all of the following conditions are satisfied:
- (1) the person has not had points assessed against his or her driving record within five years of the date of the moving violation;
- (2) the person has had no more than three points assessed against his or her driving record within 10 years of the date of the moving violation;
- (3) the moving violation is an offense for which no more than three points is specified under section 2502 of this title;
- (4) the person was not operating a commercial motor vehicle as defined at section 4103 of this title at the time of the moving violation; and
- (5) the moving violation did not result in bodily injury to another person or damage to property of another person.

Sec. 31b. 23 V.S.A. § 2502 is amended to read:

# § 2502. POINT ASSESSMENT; SCHEDULE

(a) Any Unless the assessment of points is waived by a superior judge or a Judicial Bureau hearing officer in the interests of justice and in accordance with subsection 2501(b) of this title, a person operating a motor vehicle shall have points assessed against his or her driving record for convictions for moving violations of the indicated motor vehicle statutes in accord with the following schedule: (All references are to Title 23 of the Vermont Statutes Annotated.)

\* \* \*

\* \* \* Transportation Infrastructure Bond Assessment \* \* \*

Sec. 31c. 23 V.S.A. § 3106(a)(2) is amended to read:

(2) For the purposes of subdivision (1)(B) of this subsection, the <u>tax-adjusted</u> retail price applicable for a quarter shall be the average of the <u>monthly</u> retail <u>prices price</u> for regular gasoline determined and published by the Department of Public Service for <u>each of</u> the three months of the preceding quarter. The tax-adjusted retail price applicable for a quarter shall be the retail <u>price exclusive of all after all</u> federal and state taxes and assessments, and the petroleum distributor licensing fee established by 10 V.S.A. § 1942, at the

rates applicable in the preceding quarter each month have been subtracted from that month's retail price.

Sec. 31d. 2013 Acts and Resolves No. 12, Sec. 24 is amended to read:

Sec. 24. MOTOR FUEL ASSESSMENTS TAX ASSESSMENT: MAY 1, 2013–SEPTEMBER 30, 2013

Notwithstanding the provisions of 23 V.S.A. § 3106(a)(1)(B) 3106(a)(1)(B)(ii) and 3106(a)(2), from May 1, 2013 through September 30, 2013, the motor fuel transportation infrastructure assessment required under 23 V.S.A. § 3106(a)(1)(B)(i) shall be \$0.0656 per gallon, and the fuel tax assessment required under 23 V.S.A. § 3106(a)(1)(B)(ii) shall be \$0.067 per gallon.

<u>Third</u>: In Sec. 32, by striking subsection (a) in its entirety and inserting in lieu thereof:

(a) This section and Secs. 22, 31c, and 31d of this act shall take effect on passage.

<u>Fourth</u>: In Sec. 32, by striking subsection (d) in its entirety and inserting in lieu thereof:

- (d) Sec. 28 of this act shall take effect on May 1, 2014.
- (e) All other sections of this act shall take effect on July 1, 2013.

COMMITTEE ON THE PART OF THE SENATE	COMMITTEE ON THE PART OF THE HOUSE
SEN. RICHARD T. MAZZA	REP. PATRICK M. BRENNAN
SEN. MARGARET K. FLORY	REP. DAVID E. POTTER
SEN. JOHN F. CAMPBELL	REP. THOMAS F. KOCH

Which was considered and adopted on the part of the House.

## **Committee of Conference Appointed**

#### S. 41

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to water and sewer service

The Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Hubert of Milton

Rep. Martin of Wolcott

Rep. Mook of Bennington

## Rules Suspended; Bill Messaged to Senate Forthwith

On motion of **Rep. Turner of Milton**, the rules were suspended and the following bill was ordered messaged to the Senate forthwith:

#### S. 150

Senate bill, entitled

An act relating to miscellaneous amendments to laws related to motor vehicles

# Rules Suspended; Action Ordered Messaged to Senate Forthwith and Bills Delivered to the Governor Forthwith

On motion of **Rep. Turner of Milton**, the rules were suspended and action on the bills were ordered messaged to the Senate forthwith and the bills delivered to the Governor forthwith.

#### H. 107

House bill, entitled

An act relating to health insurance, Medicaid, the Vermont Health Benefit Exchange, and the Green Mountain Care Board

#### H. 377

House bill, entitled

An act relating to neighborhood planning and development for municipalities with designated centers

#### **House Resolution Adopted**

#### H.R. 12

House resolution, entitled

House resolution requesting Congress to restore fiscal year 2013 Head Start funding and to not reduce funding further in fiscal year 2014

Offered by: Representatives Sharpe of Bristol, Campion of Bennington, Christie of Hartford, Donovan of Burlington, Miller of Shaftsbury, Peltz of Woodbury, and Stuart of Brattleboro

Whereas, Head Start is a federal program established in 1965 as part of President Lyndon B. Johnson's War on Poverty, and this program promotes

the school readiness of children from birth to five years of age from low-income families by enhancing their cognitive, social, and emotional development, and

Whereas, Head Start provides comprehensive services to enrolled children and their families, including health, nutrition, and social services, and

Whereas, since 1965, nationally, nearly 30 million children and their families have been the recipients of comprehensive Head Start services, and

Whereas, in Vermont, Northeast Kingdom Community Action, Inc.; Champlain Valley Office of Economic Opportunity; Central Vermont Community Action Agency; United Children's Services of Bennington County, Inc.; Southeastern Vermont Community Action, Inc.; Brattleboro Town School District; and Rutland Community Programs, Inc. receive grants to administer Head Start programs, and

Whereas, the implementation as of March 1, 2013 of the federal budgetary reductions, in accordance with Section 302 of Pub.L. No. 112-25, known as the federal sequestration process, has affected nearly all federal programs, including Head Start, and

<u>Whereas</u>, prior to the implementation of federal sequestration, Vermont's Head Start recipient organizations were scheduled to receive a total of \$15,084,203.00 in federal fiscal year 2013, and the sequestration resulted in a reduction of \$794,937.00, and

Whereas, the Agency of Human Services is anticipating a potential additional sequestration-required reduction of 7.3 percent in Vermont's Head Start funding in federal fiscal year 2014, and

Whereas, these sequestration reductions are limiting the funds available for an extremely important program that has long-term benefits for the children enrolled in Head Start, their families, and society at large, now therefore be it

### Resolved by the House of Representatives:

That this legislative body requests that Congress restore the federal funding for Head Start to its original federal fiscal year 2013 level, and that no further reductions be made to the Head Start budget for federal fiscal year 2014, and be it further

Resolved: That the Clerk of the House be directed to send a copy of this resolution to President Barack Obama, House Speaker John Boehner, House Majority Leader Eric Cantor, House Minority Leader Nancy Pelosi, Senate

Majority Leader Harry Reid, Senate Minority Leader Mitch McConnell, and the Vermont Congressional Delegation.

Which was read and adopted.

#### Recess

At five o'clock and thirty minutes in the afternoon, the Speaker declared a recess until six o'clock and fifteen minutes in the evening.

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

## Message from the Senate No. 75

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 considered a bill originating in the House of the following title:

**H. 524.** An act relating to making technical amendments to education laws.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

The Senate has considered House proposal of amendment to Senate proposal of amendment to House proposal of amendment on Senate bill of the following title:

**S. 152.** An act relating to the Green Mountain Care Board's rate review authority.

And has concurred therein.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon Senate bill of the following title:

**S. 150.** An act relating to miscellaneous amendments to laws related to motor vehicles.

And has accepted and adopted the same on its part.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

**H. 240.** An act relating to Executive Branch fees.

And has accepted and adopted the same on its part.

# Rules Suspended; Senate Proposal of Amendment Concurred in with a Further Amendment Thereto; Rules Suspended and Bill Messaged to Senate Forthwith

#### H. 523

On motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to jury questionnaires, the filing of foreign child custody determinations, court fees, and judicial record keeping

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Senate proposed to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 4 V.S.A. § 955 is amended to read:

## § 955. QUESTIONNAIRE

The clerk shall send a jury questionnaire prepared by the court administrator Court Administrator to each person selected. When returned, it shall be retained in the superior court clerk's office Office of the Superior Court Clerk. The questionnaire shall at all times during business hours be open to inspection by the court and attorneys of record of the state of Vermont. Pursuant to section 952 of this title, the Court Administrator shall promulgate rules governing the inspection and availability of the juror questionnaires and the information contained in them.

Sec. 2. 15 V.S.A. § 1085 is amended to read:

## § 1085. REGISTRATION OF CHILD CUSTODY DETERMINATION

\* \* \*

(b) On receipt of the documents required by subsection (a) of this section, the <del>court administrator</del> Family Division shall:

(1) cause the determination to be filed send the certified copy of the determination to the Court Administrator who shall file it as a foreign judgment, together with one copy of any accompanying documents and information, regardless of their form; and

\* \* \*

Sec. 3. 32 V.S.A. § 1431 is amended to read:

#### § 1431. FEES IN SUPREME AND SUPERIOR COURTS

- (2) Prior to the entry of any divorce or annulment proceeding in the superior court Superior Court, there shall be paid to the clerk of the court Clerk of the Court for the benefit of the state a fee of \$250.00 in lieu of all other fees not otherwise set forth in this section. If the divorce or annulment complaint is filed with a stipulation for a final order acceptable to the court, the fee shall be \$75.00 if one or both of the parties are residents, and \$150.00 if neither party is a resident, except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order.
- (3) Prior to the entry of any parentage or desertion and support proceeding brought under 15 V.S.A. chapter 5 of Title 15 in the superior court Superior Court, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state State a fee of \$100.00 in lieu of all other fees not otherwise set forth in this section; however, if. If the parentage or desertion and support complaint is filed with a stipulation for a final order acceptable to the court Court, the fee shall be \$25.00 except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order.
- (4) Prior to the entry of any motion or petition to enforce an a final order for parental rights and responsibilities, parent-child contact, property division, or maintenance in the superior court Superior Court, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state State a fee of \$75.00 in lieu of all other fees not otherwise set forth in this section. Prior to the entry of any motion or petition to vacate or modify an a final order for parental rights and responsibilities, parent-child contact, or maintenance in the superior court Superior Court, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state State a fee of \$100.00 in lieu of all other fees not otherwise set forth in this section. However, if the motion or petition

is filed with a stipulation for an order acceptable to the court, the fee shall be \$25.00. All motions or petitions filed by one party at one time shall be assessed one fee except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order. All motions or petitions filed by one party under this subsection at one time shall be assessed one fee equal to the highest of the filing fees associated with the motions or petitions involved. There are no filing fees for prejudgment motions or petitions filed before a final divorce, legal separation, dissolution of civil union, parentage, desertion, or nonsupport judgment issued.

- (5) Prior to the entry of any motion or petition to vacate or modify an order for child support in the superior court, there shall be paid to the <del>clerk of the court</del> Clerk of the Court for the benefit of the <del>state</del> State a fee of \$35.00 in lieu of all other fees not otherwise set forth in this section; however, if. If the motion or petition is filed with a stipulation for an order acceptable to the court, there shall be no fee except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order. A motion or petition to enforce an order for child support shall require no fee. All motions or petitions filed by one party at one time shall be assessed one fee; if a simultaneous motion is filed by a party under subdivision (4) of this subsection, the fee under subdivision (4) shall be the only fee assessed. There are no filing fees for prejudgment motions or petitions filed before a final divorce, legal separation, dissolution of civil union, parentage, desertion, or nonsupport judgment has issued.
- (6) Prior to the registration in Vermont of a child custody determination issued by a court of another state, there shall be paid to the Clerk of the Court for the benefit of the State a fee of \$75.00 unless the request for registration is filed with a simultaneous motion for enforcement, in which event the fee for registration shall be \$30.00 in addition to the fee for the motion as provided in subdivision (4) of this subsection.

\* \* \*

(d) Prior to the entry of any subsequent pleading which sets forth a claim for relief in the supreme court or the superior court, there shall be paid to the clerk of the court for the benefit of the state a fee of \$100.00 for every appeal, cross-claim, or third-party claim and a fee of \$75.00 for every counterclaim in the superior court in lieu of all other fees not otherwise set forth in this section. The fee for an appeal of a magistrate's decision in the superior court shall be

- \$100.00. The filing fee for civil suspension proceedings filed pursuant to 23 V.S.A § 1205 shall be \$75.00, which shall be taxed in the bill of costs in accordance with sections 1433 and 1471 of this title. This subsection does not apply to filing fees in the Family Division, except with respect to the fee for an appeal of a magistrate's decision.
- (e) Prior to the filing of any postjudgment motion in the superior court Civil, Criminal, or Environmental Division of the Superior Court, including motions to reopen civil suspensions and motions for sealing or expungement in the criminal division pursuant to 13 V.S.A. § 7602, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state State a fee of \$75.00 except for small claims actions.

\* \* \*

- (h) Pursuant to Vermont Rules of Civil Procedure 3.1 or Vermont Rules of Appellate Procedure 24(a), part or all of the filing fee may be waived if the court Court finds that the applicant is unable to pay it. The clerk of the court Clerk of the Court or the clerk's designee shall establish the in forma pauperis fee in accordance with procedures and guidelines established by administrative order of the supreme court Supreme Court. If, during the course of the proceeding and prior to a final judgment, the Court determines that the applicant has the ability to pay all or a part of the waived fee, the Court shall require that payment be made prior to issuing a final judgment. If the applicant fails to pay the fee within a reasonable time, the Court may dismiss the proceeding.
- Sec. 4. 32 V.S.A. § 1434 is amended to read:
- § 1434. PROBATE CASES

\* \* \*

(b) For economic cause, the probate judge may waive this fee. Pursuant to Rule 3.1 of the Vermont Rules of Civil Procedure, part of the filing fee may be waived if the Court finds the applicant is unable to pay it. The Court shall use procedures established in subsection 1431(h) of this title to determine the fee. No fee shall be charged for necessary documents pertaining to the opening of estates, trusts, and guardianships, including the issuance of two certificates of appointment and respective letters. No fee shall be charged for the issuance of two certified copies of adoption decree and two certified copies of instrument changing name.

Sec. 5. 4 V.S.A. § 657 is amended to read:

#### § 657. TRANSCRIBING DAMAGED RECORDS

When records in the court clerk's office Office of the Superior Court Clerk become faded, defaced, torn, or otherwise injured, so as to endanger the permanent legibility or proper preservation of the same, by an order in writing recorded in the court clerk's office, the court administrator shall the Court Administrator may direct the court clerk Court Clerk to provide suitable books and transcribe such records therein. At the end of a transcript of record so made, the clerk Clerk shall certify under official signature and the seal of the court Court that the same is a true transcript of the original record. Such transcript or a duly certified copy thereof shall be entitled to the same faith and credit and have the same force as the original record. The expense of making such transcript shall be paid by the state State.

Sec. 6. 4 V.S.A. § 659 is amended to read:

#### § 659. PRESERVATION OF COURT RECORDS

- (a) The supreme court Supreme Court by administrative order may provide for permanent preservation of all court records by any photographic or electronic or comparable process which will provide compact records in reduced size, in accordance with standards established by the secretary of state which that shall be no less protective of the records than the standards established by the state archives and records administration programs that take into account the quality and security of the records, and ready access to the record of any cause so recorded.
- (b) After preservation in accordance with subsection (a) of this section, the supreme court Supreme Court by administrative order may provide for the disposition of original court records by destruction or in cases where the original court record may have historical or intrinsic value by transfer to the archives of the secretary of state, the Vermont historical society, or the University of Vermont Secretary of State.
- Sec. 7. 4 V.S.A. § 732 is amended to read:

# § 732. LOST WRIT OR COMPLAINT-FILING OF NEW PAPERS DOCUMENT OR RECORD

When the writ or complaint a court document, record, or file in an action pending in court is lost, mislaid, or destroyed, the court, on written motion for that purpose, may order a writ or a complaint for the same cause of action duplicate document, record, or file to be filed under such regulations conditions as the court prescribes, and the same proceedings shall be had

thereon as though it were the original writ or complaint. If the plaintiff refuses to file such writ or complaint, the court shall direct a nonsuit in the action, and tax costs for the defendant. A duplicate document or record shall have the same validity and may be used in evidence in the same manner as the original document, record, or file.

Sec. 8. 4 V.S.A. § 740 is amended to read:

#### § 740. COURT RECORDS; DOCKETS; CERTIFIED COPIES

The supreme court Supreme Court by administrative order or directive shall provide for the preparation, maintenance, recording, indexing, docketing, preservation, and storage of all court records and the provision, subject to confidentiality requirements of law or court rules, of certified copies of those records to persons requesting them.

Sec. 9. 12 V.S.A. § 5 is amended to read:

## § 5. DISSEMINATION OF ELECTRONIC CASE RECORDS

- (a) The court shall not permit public access via the Internet to criminal or family case records. The court may permit criminal justice agencies, as defined in 20 V.S.A. § 2056a, Internet access to criminal case records for criminal justice purposes, as defined in section 2056a.
- (b) This section shall not be construed to prohibit the court from providing electronic access to:
- (1) court schedules of the superior court, or opinions of the criminal division of the superior court; or
- (2) state agencies in accordance with data dissemination contracts entered into under Rule 6 of the Vermont Rules of Electronic Access to Court Records; or
- (3) decisions, recordings of oral arguments, briefs, and printed cases of the Supreme Court.

Sec. 10. 4 V.S.A. § 908 is amended to read:

# § 908. ATTORNEYS' ADMISSION, LICENSING, AND PROFESSIONAL RESPONSIBILITY SPECIAL FUND

There is established the attorneys' admission, licensing, and professional responsibility special fund which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. Fees collected for licensing of attorneys, administration of the bar examination, admitting attorneys to practice in Vermont, and administration of mandatory continuing legal education shall be

deposited and credited to this fund. This fund shall be available to the judicial branch Judicial Branch to offset the cost of operating the professional responsibility board Professional Responsibility Board, the board of bar examiners Board of Bar Examiners, the judicial conduct board Judicial Conduct Board, the committee on character and fitness Committee on Character and Fitness, the mandatory continuing legal education program for attorneys and, at the discretion of the supreme court Supreme Court, to make grants for access to justice programs or to the Vermont bar foundation Bar Foundation to be used to support legal services for the disadvantaged.

Sec. 11. 13 V.S.A. § 7030 is amended to read:

#### § 7030. SENTENCING ALTERNATIVES

- (a)(1) In determining which of the following should be ordered, the court shall consider the nature and circumstances of the crime, the history and character of the defendant, the need for treatment, and the risk to self, others, and the community at large presented by the defendant:
  - (1)(A) A a deferred sentence pursuant to section 7041 of this title.;
- (2)(B) Referral referral to a community reparative board pursuant to 28 V.S.A. chapter 12 in the case of an offender who has pled guilty to a nonviolent felony, a nonviolent misdemeanor, or a misdemeanor that does not involve the subject areas prohibited for referral to a community justice center under 24 V.S.A. § 1967. Referral to a community reparative board pursuant to this subdivision does not require the court to place the offender on probation. The offender shall return to court for further sentencing if the reparative board does not accept the case or if the offender fails to complete the reparative board program to the satisfaction of the board in a time deemed reasonable by the board:
  - (3)(C) Probation probation pursuant to 28 V.S.A. § 205-;
- (4)(D) Supervised supervised community sentence pursuant to 28 V.S.A. § 352-; or
  - (5)(E) Sentence sentence of imprisonment.
- (2)(A) In determining a sentence upon conviction for a nonviolent misdemeanor or a nonviolent felony, in addition to the factors identified in subdivision (1) of this subsection, the court shall consider the approximate financial cost of available sentences.
- (B) The Department of Corrections shall develop and maintain a database on the approximate costs of sentences, including incarceration,

probation, deferred sentence, supervised community sentence, participation in the Restorative Justice Program, and any other possible sentence. The database information shall be made available to the courts for the purposes of this subdivision (2).

- (b) When ordering a sentence of probation, the court may require participation in the restorative justice program Restorative Justice Program established by 28 V.S.A. chapter 12 as a condition of the sentence.
- Sec. 12. 13 V.S.A. § 15 is added to read:

# § 15. NONVIOLENT MISDEMEANOR AND NONVIOLENT FELONY DEFINED

#### As used in this title:

- (1) "Nonviolent felony" means a felony offense which is not a listed crime as defined in section 5301 of this title or an offense listed in chapter 64 of this title (sexual exploitation of children).
- (2) "Nonviolent misdemeanor" means a misdemeanor offense which is not a listed crime as defined in section 5301 of this title or an offense listed in chapter 64 of this title (sexual exploitation of children) or section 1030 of this title (violation of a protection order).
- Sec. 13. 13 V.S.A. § 353 is amended to read:
- § 353. DEGREE OF OFFENSE; SENTENCING UPON CONVICTION
  - (a) Penalties.

- (4)(A) Except as provided in subdivision (B) of this subdivision (4), a person found in violation of subdivision 352(3), (4), or (9) of this title pursuant to this subdivision shall be imprisoned not more than one year or fined not more than \$2,000.00, or both. Second and subsequent convictions shall be punishable by a sentence of imprisonment of not more than two years or a fine of not more than \$5,000.00, or both.
- (B) A In lieu of a criminal citation or arrest, a law enforcement officer shall may issue a civil citation to a person who violates subdivision 352(3), (4), or (9) of this title if the person has not been previously adjudicated in violation of this chapter. A person adjudicated in violation of subdivision 352(3), (4), or (9) of this title pursuant to this subdivision shall be assessed a civil penalty of not more than \$500.00. At any time prior to the person admitting the violation and paying the assessed penalty, the state's attorney may withdraw the complaint filed with the judicial bureau Judicial Bureau and

file an information charging a violation of subdivision 352(3), (4), or (9) of this title in the <del>criminal division of the superior court</del> Criminal Division of the Superior Court.

(C) Nothing in this subdivision shall be construed to require that a civil citation be issued prior to a criminal charge of violating subdivision 352(3), (4), or (9) of this title.

\* \* \*

Sec. 14. 13 V.S.A. § 354 is amended to read:

§ 354. ENFORCEMENT; POSSESSION OF ABUSED ANIMAL; SEARCHES AND SEIZURES; FORFEITURE

- (a) The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets shall be consulted prior to any enforcement action brought pursuant to this chapter which involves livestock and poultry.
- (b) Any humane officer as defined in section 351 of this title may enforce this chapter. As part of an enforcement action, a humane officer may seize an animal being cruelly treated in violation of this chapter.
- (1) Voluntary surrender. A humane officer may accept animals voluntarily surrendered by the owner anytime during the cruelty investigation. The humane officer shall have a surrendered animal examined and assessed within 72 hours by a veterinarian licensed to practice in the <u>state</u> of Vermont.
- (2) Search and seizure using a search warrant. A humane officer having probable cause to believe an animal is being subjected to cruel treatment in violation of this subchapter may apply for a search warrant pursuant to the Rules of Criminal Procedure to authorize the officer to enter the premises where the animal is kept and seize the animal. The application and affidavit for the search warrant shall be reviewed and authorized by an attorney for the state State when sought by an officer other than an enforcement officer defined in 23 V.S.A. § 4(11). A veterinarian licensed to practice in Vermont must accompany the humane officer during the execution of the search warrant.
- (3) Seizure without a search warrant. If the humane officer witnesses a situation in which the humane officer determines that an animal's life is in jeopardy and immediate action is required to protect the animal's health or safety, the officer may seize the animal without a warrant. The humane officer shall immediately take an animal seized under this subdivision to a licensed

veterinarian for medical attention to stabilize the animal's condition and to assess the health of the animal.

- (c) A humane officer shall provide suitable care at a reasonable cost for an animal seized under this section, and have a lien on the animal for all expenses incurred. A humane officer may arrange for the euthanasia of a severely injured, diseased, or suffering animal upon the recommendation of a licensed veterinarian. A humane officer may arrange for euthanasia of an animal seized under this section when the owner is unwilling or unable to provide necessary medical attention required while the animal is in custodial care or when the animal cannot be safely confined under standard housing conditions. An animal not destroyed by euthanasia shall be kept in custodial care until final disposition of the criminal charges except as provided in subsections (d) through (h) of this section. The custodial caregiver shall be responsible for maintaining the records applicable to all animals seized, including identification, residence, location, medical treatment, and disposition of the animals.
- (d) If an animal is seized under this section, the state may State shall institute a civil proceeding for forfeiture of the animal in the territorial unit of the criminal division of the superior court Criminal Division of the Superior Court where the offense is alleged to have occurred. The proceeding shall be instituted by a motion for forfeiture, which shall be filed with the court Court and served upon the animal's owner.
- (e) The court shall set a hearing to be held within 21 days after institution of a forfeiture proceeding under this section A preliminary hearing shall be held within 21 days of institution of the civil forfeiture proceeding. If the defendant requests a hearing on the merits, the Court shall schedule a final hearing on the merits to be held within 21 days of the date of the preliminary hearing. In no event shall a final hearing occur more than 42 days after the date of the commencement of the civil forfeiture proceeding. Time limits under this subsection shall not be construed as jurisdictional.
- (f)(1) At the hearing on the motion for forfeiture, the state State shall have the burden of establishing by elear and convincing evidence a preponderance of the evidence that the animal was subjected to cruelty, neglect, or abandonment in violation of section 352 or 352a of this title. The court Shall make findings of fact and conclusions of law and shall issue a final order. If the state meets its burden of proof, the motion shall be granted and the court shall order the immediate forfeiture of the animal in accordance with the provisions of subsection 353(c) of this title If the Court finds for the petitioner

by a preponderance of the evidence, the Court shall order immediate forfeiture of the animal to the petitioner.

- (2) No testimony or other information presented by the defendant in connection with a forfeiture proceeding under this section or any information directly or indirectly derived from such testimony or other information may be used for any purpose, including impeachment and cross-examination, against the defendant in any criminal case, except a prosecution for perjury or giving a false statement.
- (g)(1) If the defendant is convicted of criminal charges under this chapter or if an order of forfeiture is entered against an owner under this section, the defendant or owner shall be required to repay all reasonable costs incurred by the custodial caregiver for caring for the animal, including veterinary expenses.
- (2)(A) If the defendant is acquitted of criminal charges under this chapter and a civil forfeiture proceeding under this section is not pending, an animal that has been taken into custodial care shall be returned to the defendant unless the <u>state</u> institutes a civil forfeiture proceeding under this section within seven days of the acquittal.
- (B) If the court Court rules in favor of the owner in a civil forfeiture proceeding under this section and criminal charges against the owner under this chapter are not pending, an animal that has been taken into custodial care shall be returned to the owner unless the state State files criminal charges under this section within seven days after the entry of final judgment.
- (C) If an animal is returned to a defendant or owner under this subdivision, the defendant or owner shall not be responsible for the costs of caring for the animal.
- (h) An order of the <u>criminal division of the superior court Criminal Division of the Superior Court</u> under this section may be appealed as a matter of right to the <u>supreme court Supreme Court</u>. The order shall not be stayed pending appeal.
- (i) The provisions of this section are in addition to and not in lieu of the provisions of section 353 of this title.
- (j) It is unlawful for a person to interfere with a humane officer or the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets engaged in official duties under this chapter. A person who violates this subsection shall be prosecuted under section 3001 of this title.

#### Sec. 15. INCIDENT REPORTS OF ANIMAL CRUELTY

- (a) The Commissioner of Public Safety, in consultation with the Vermont Center for Justice Research, shall collect data on:
- (1) the number and nature of complaints or incident reports to law enforcement based on a suspected violation of 13 V.S.A. chapter 8 (humane and proper treatment of animals); and
- (2) how such complaints or incidents are generally addressed, such as referral to others, investigation, civil penalties, or criminal charges.
- (b) Based upon examination of the data requested in subsection (a) of this section, the Commissioner shall make recommendations to the Senate and House Committees on Judiciary on or before November 15, 2013 for improving the statewide response to complaints of animal cruelty.
- Sec. 16. 4 V.S.A. § 36 is amended to read:

## § 36. COMPOSITION OF THE COURT

- (a) Unless otherwise specified by law, when in session, a superior court Superior Court shall consist of:
- (1) For cases in the <u>civil Civil or family division Family Division</u>, one presiding superior judge and two assistant judges, if available.
- (2)(A) For cases in the family division Family Division, except as provided in subdivision (B) of this subdivision (2), one presiding superior judge judicial officer and two assistant judges, if available.
- (B) The family court Family Division shall consist of one presiding superior judge judicial officer sitting alone in the following proceedings:
- (i) All juvenile proceedings filed pursuant to <u>33 V.S.A.</u> chapters 51, 52, and 53 of Title 33, including proceedings involving "youthful offenders" pursuant to 33 V.S.A. § 5281, whether the matter originated in the criminal or family division of the superior court.
- (ii) All guardianship services proceedings filed pursuant to 18 V.S.A. chapter 215 of Title 18.
- (iii) All mental health proceedings filed pursuant to  $\underline{18 \text{ V.S.A.}}$  chapters 179, 181, and 185 of Title 18.
- (iv) All involuntary sterilization proceedings filed pursuant to 18 V.S.A. chapter 204 of Title 18.
- (v) All care for persons with developmental disabilities proceedings filed pursuant to 18 V.S.A. chapter 206 of Title 18.

- (vi) All proceedings specifically within the jurisdiction of the office of magistrate except child support contempt proceedings pursuant to subdivision 461(a)(1) of this title.
- (C) Use of the term "judicial officer" in subdivisions (A) and (B) of this subsection shall not be construed to expand a judicial officer's subject matter jurisdiction or conflict with the authority of the Chief Justice or Administrative Judge to make special assignments pursuant to section 22 of this title.

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#### Sec. 17. 23 V.S.A. § 1607 is added to read:

#### § 1607. AUTOMATED LICENSE PLATE RECOGNITION SYSTEMS

#### (a) Definitions. As used in this section:

- (1) "Active data" is distinct from historical data as defined in subdivision (3) of this subsection and means data uploaded to individual automated license plate recognition system units before operation as well as data gathered during the operation of an ALPR system. Any data collected by an ALPR system shall be considered collected for a legitimate law enforcement purpose.
- (2) "Automated license plate recognition system" (ALPR) means a system of one or more mobile or fixed high-speed cameras combined with computer algorithms to convert images of registration plates into computer-readable data.
- (3) "Historical data" means any data collected by an ALPR system and stored on the statewide ALPR server operated by the Vermont Justice Information Sharing System of the Department of Public Safety. Any data collected by an ALPR system shall be considered collected for a legitimate law enforcement purpose. Entry of any data into the system other than data collected by the ALPR system itself must be approved by a supervisor and shall have a legitimate law enforcement purpose.
- (4) "Law enforcement officer" means a state police officer, municipal police officer, motor vehicle inspector, capitol police officer, constable, sheriff, or deputy sheriff certified by the Vermont Criminal Justice Training Council as having satisfactorily completed the approved training programs required to meet the minimum training standards applicable to that person under 20 V.S.A. § 2358.

- (5) "Legitimate law enforcement purpose" applies to access to active or historical data and means crime investigation, detection, and analysis or operation of AMBER alerts or missing or endangered person searches.
- (6) "Vermont Information and Analysis Center Analyst" means any sworn or civilian employee who through his or her employment with the Vermont Information and Analysis Center (VTIAC) has access to secure databases that support law enforcement investigations.
- (b) Operation. A Vermont law enforcement officer shall be certified in ALPR operation by the Vermont Criminal Justice Training Council in order to operate an ALPR system.
  - (c) Confidentiality and access to ALPR data.
- (1)(A) Active ALPR data may only be accessed by a law enforcement officer operating the ALPR system who has a legitimate law enforcement purpose for the data. Entry of any data into the system other than data collected by the ALPR system itself must be approved by a supervisor and shall have a legitimate law enforcement purpose.
- (B) Deployment of ALPR equipment is intended to provide access to stolen and wanted files and to further legitimate law enforcement purposes. Use of ALPR systems and access to active data are restricted to these purposes.
- (C)(i) Requests to review active data shall be in writing and include the name of the requester, the law enforcement agency the requester is employed by, and the law enforcement agency's Originating Agency Identifier (ORI) number. The request shall describe the legitimate law enforcement purpose. The written request and the outcome of the request shall be transmitted to VTIAC and retained for not less than three years.
- (ii) In each department operating an ALPR system, access to active data shall be limited to designated personnel who have been provided account access by the department to conduct authorized ALPR stored data queries. Access to active data shall be restricted to data collected within the past seven days.
- (2) Requests for historical data, whether from Vermont or out-of-state law enforcement officers, shall be made in writing to an analyst at VTIAC. The request shall include the name of the requester, the law enforcement agency the requester is employed by, and the law enforcement agency's ORI number. The request shall describe the legitimate law enforcement purpose. VTIAC shall retain all requests as well as the outcome of the request and shall record in writing any information that was provided to the requester or why the

request was denied or not fulfilled. ALPR requests shall be retained by VTIAC for not less than three years.

#### (d) Retention.

- (1) Any ALPR information gathered by a Vermont law enforcement agency shall be sent to the Department of Public Safety to be retained pursuant to the requirements of subdivision (2) of this subsection. The Department of Public Safety shall maintain the ALPR storage system for Vermont law enforcement agencies.
- (2) Except as provided in section 1608 of this title, information gathered through use of an ALPR system shall only be retained for 18 months after the date it was obtained. When the permitted 18-month period for retention of the information has expired, the Department of Public Safety and any local law enforcement agency with custody of the information shall destroy it and cause to have destroyed any copies or back-ups made of the original data. Data may be retained beyond the 18-month period pursuant to a preservation request made or disclosure order issued under section 1608 of this title, or pursuant to a warrant issued under Rule 41 of the Vermont or Federal Rules of Criminal Procedure.

## (e) Oversight; rulemaking.

- (1) The Department of Public Safety shall establish a review process to ensure that information obtained through the use of ALPR systems is used only for the purposes permitted by this section. The Department shall report the results of this review annually on or before January 15 to the Senate and House Committees on Judiciary and on Transportation. The report shall contain the following information based on prior calendar year data:
- (A) the total number of ALPR units being operated in the State and the number of units submitting data to the statewide ALPR database;
- (B) the total number of ALPR reads each agency submitted to the statewide ALPR database;
- (C) the 18-month accumulative number of ALPR reads being housed on the statewide ALPR database;
  - (D) the total number of requests made to VTIAC for ALPR data;
- (E) the total number of requests that resulted in the release of information from the statewide ALPR database;
  - (F) the total number of out-of-state requests; and

- (G) the total number of out-of-state requests that resulted in the release of information from the statewide ALPR database.
- (2) The Department of Public Safety may adopt rules to implement this section.

Sec. 18. 23 V.S.A. § 1608 is added to read:

#### § 1608. PRESERVATION OF DATA

## (a) Preservation request.

- (1) A law enforcement agency or the Department of Motor Vehicles may apply to the Criminal Division of the Superior Court for an extension of up to 90 days of the 18-month retention period established under subdivision 1607(d)(2) of this title if the agency or Department offers specific and articulable facts showing that there are reasonable grounds to believe that the captured plate data are relevant and material to an ongoing criminal or missing persons investigation, or to a pending proceeding in the Judicial Bureau. Requests for additional 90-day extensions or for longer periods may be made to the Superior Court subject to the same standards applicable to an initial extension request under this subdivision.
- (2) A governmental entity making a preservation request under this section shall submit an affidavit stating:
- (A) the particular camera or cameras for which captured plate data must be preserved, or the particular license plate for which captured plate data must be preserved; and
- (B) the date or dates and time frames for which captured plate data must be preserved.
- (b) Captured plate data shall be destroyed on the schedule specified in section 1607 of this title if the preservation request is denied, or 14 days after the denial of the application for disclosure, whichever is later.

Sec. 19. 12 V.S.A. § 5784 is added to read:

### § 5784. VOLUNTEER ATHLETIC OFFICIALS

(a) A person providing services or assistance without compensation, except for reimbursement of expenses, in connection with the person's duties as an athletic coach, manager, or official for a sports team that is organized as a nonprofit corporation, or which is a member team in a league organized by or affiliated with a county or municipal recreation department, shall not be held personally liable for damages to a player, participant, or spectator incurred as a

result of the services or assistance provided. This section shall apply to acts and omissions made during sports competitions, practices, and instruction.

- (b) This section shall not protect a person from liability for damages resulting from reckless or intentional conduct, or the negligent operation of a motor vehicle.
- (c) Nothing in this section shall be construed to affect the liability of any nonprofit or governmental entity with respect to harm caused to any person.
- (d) Any sports team organized as described in subsection (a) of this section shall be liable for the acts and omissions of its volunteer athletic coaches, managers, and officials to the same extent as an employer is liable for the acts and omissions of its employees.

Sec. 20. 23 V.S.A. § 800 is amended to read:

#### § 800. MAINTENANCE OF FINANCIAL RESPONSIBILITY

- (a) No owner of a motor vehicle required to be registered, or operator required to be licensed or issued a learner's permit, shall operate or permit the operation of the vehicle upon the highways of the state State without having in effect an automobile liability policy or bond in the amounts of at least \$25,000.00 for one person and \$50,000.00 for two or more persons killed or injured and \$10,000.00 for damages to property in any one accident. In lieu thereof, evidence of self-insurance in the amount of \$115,000.00 must be filed with the eommissioner of motor vehicles Commissioner of Motor Vehicles, and shall be maintained and evidenced in a form prescribed by the eommissioner Commissioner. The eommissioner Commissioner may require that evidence of financial responsibility be produced before motor vehicle inspections are performed pursuant to the requirements of section 1222 of this title.
- (b) A person who violates this section shall be assessed a civil penalty of not less than \$250.00 and not more than \$500.00, and such violation shall be a traffic violation within the meaning of chapter 24 of this title.
  - \* \* \* Motor Vehicle Moving Violation \* \* \*

Sec. 20a. 23 V.S.A. § 1002 is added to read:

#### § 1002. MOTOR VEHICLE MOVING VIOLATION; NO POINTS

A person who commits a moving violation under another provision of this title for which no term of imprisonment is provided by law, and for which a penalty of not more than \$1,000.00 is provided, commits a traffic violation and may be issued a complaint for a violation of this section in lieu of a complaint

for a violation of the predicate moving violation provision. A person convicted of a violation of this section shall not be assessed points against his or her driving record under chapter 25 of this title, but shall be subject to the penalties prescribed in the provision of this title that specifies the predicate moving violation.

Sec. 20b. 23 V.S.A. § 2501 is amended to read:

## § 2501. MOTOR VEHICLE POINT SYSTEM

For the purpose of identifying habitually reckless or negligent drivers and frequent violators of traffic regulations governing the movement of vehicles, a uniform system is established assigning demerit points for convictions of violations of this title or of ordinances adopted by local authorities regulating the operation of motor vehicles. Notice of each assessment of points may be given. No points shall be assessed for violating section 1002 of this title or a provision of a statute or municipal ordinance regulating standing, parking, equipment, size, or weight, or if a superior judge or Judicial Bureau hearing officer has waived the assessment of points in the interest of justice. The conviction report from the court shall be prima facie evidence of the points assessed unless points are specifically waived in the conviction report. The department is Department also is authorized to suspend the license of a driver when the driver's driving record identifies the driver as an habitual offender under section 673a of this title.

Sec. 20c. 23 V.S.A. § 2502 is amended to read:

#### § 2502. POINT ASSESSMENT; SCHEDULE

(a) Any Unless the assessment of points is waived by a superior judge or a Judicial Bureau hearing officer in the interests of justice, or unless a person is convicted of violating section 1002 of this title, a person operating a motor vehicle shall have points assessed against his or her driving record for convictions for moving violations of the indicated motor vehicle statutes in accord with the following schedule: (All references are to Title 23 of the Vermont Statutes Annotated.)

\* \* \*

Sec. 21. [Deleted]

Sec. 22. REPEAL

4 V.S.A. §§ 652 (records of judgments and other proceedings; dockets; certified copies), 655 (court accounts), 656 (index of records), 658 (Supreme Court records), 695 (accounts of court officer and reporter), 734 (copy of lost

petition), 735 (record of proceedings), 736 (lost records or judgment files; recording of copy), 737 (appeal or exception), and 738 (costs for recording); 2009 Acts and Resolves No. 4, Sec. 121 (transitional provisions for merger of Bennington and Manchester probate courts); and 2009 Acts and Resolves No. 4, Sec. 125 (transitional provisions of the consolidated probate court system) are repealed.

#### Sec. 23. EFFECTIVE DATES

- (a) This section and Secs. 2 (registration of child custody determination) and 16 (limitations of prosecutions for certain crimes) of this act shall take effect on passage.
- (b) Secs. 11 (sentencing alternatives) and 12 (definition of nonviolent misdemeanor and nonviolent felony) of this act shall take effect on March 1, 2014.
  - (c) The rest 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 court administration and procedure"

Pending the question, Shall the House concur in the Senate proposal of amendment? **Rep. Lippert of Hinesburg** moved that the House concur in the Senate proposal of amendment with a further amendment thereto, as follows:

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

Sec. 1. 4 V.S.A. § 955 is amended to read:

#### § 955. OUESTIONNAIRE

The clerk shall send a jury questionnaire prepared by the court administrator Court Administrator to each person selected. When returned, it shall be retained in the superior court clerk's office Office of the Superior Court Clerk. The questionnaire shall at all times during business hours be open to inspection by the court and attorneys of record of the state of Vermont. Pursuant to section 952 of this title, the Court Administrator shall promulgate rules governing the inspection and availability of the juror questionnaires and the information contained in them.

Sec. 2. 15 V.S.A. § 1085 is amended to read:

§ 1085. REGISTRATION OF CHILD CUSTODY DETERMINATION

- (b) On receipt of the documents required by subsection (a) of this section, the court administrator Family Division shall:
- (1) cause the determination to be filed send the certified copy of the determination to the Court Administrator who shall file it as a foreign judgment, together with one copy of any accompanying documents and information, regardless of their form; and

\* \* \*

Sec. 3. 32 V.S.A. § 1431 is amended to read:

#### § 1431. FEES IN SUPREME AND SUPERIOR COURTS

- (2) Prior to the entry of any divorce or annulment proceeding in the superior court Superior Court, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state a fee of \$250.00 in lieu of all other fees not otherwise set forth in this section. If the divorce or annulment complaint is filed with a stipulation for a final order acceptable to the court, the fee shall be \$75.00 if one or both of the parties are residents, and \$150.00 if neither party is a resident, except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order.
- (3) Prior to the entry of any parentage or desertion and support proceeding brought under 15 V.S.A. chapter 5 of Title 15 in the superior court Superior Court, there shall be paid to the clerk of the court Clerk of the Court for the benefit of the state State a fee of \$100.00 in lieu of all other fees not otherwise set forth in this section; however, if. If the parentage or desertion and support complaint is filed with a stipulation for a final order acceptable to the court Court, the fee shall be \$25.00 except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order.
- (4) Prior to the entry of any motion or petition to enforce an a final order for parental rights and responsibilities, parent-child contact, property division, or maintenance in the superior court Superior Court, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state State a fee of \$75.00 in lieu of all other fees not otherwise set forth in this section. Prior to the entry of any motion or petition to vacate or modify an a final order for parental rights and responsibilities, parent-child contact, or maintenance in the

superior court Superior Court, there shall be paid to the clerk of the court Clerk of the Court for the benefit of the state State a fee of \$100.00 in lieu of all other fees not otherwise set forth in this section. However, if the motion or petition is filed with a stipulation for an order acceptable to the court, the fee shall be \$25.00. All motions or petitions filed by one party at one time shall be assessed one fee except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order. All motions or petitions filed by one party under this subsection at one time shall be assessed one fee equal to the highest of the filing fees associated with the motions or petitions involved. There are no filing fees for prejudgment motions or petitions filed before a final divorce, legal separation, dissolution of civil union, parentage, desertion, or nonsupport judgment issued.

- (5) Prior to the entry of any motion or petition to vacate or modify an order for child support in the superior court Superior Court, there shall be paid to the <del>clerk of the court</del> Clerk of the Court for the benefit of the <del>state</del> State a fee of \$35.00 in lieu of all other fees not otherwise set forth in this section: however, if. If the motion or petition is filed with a stipulation for an order acceptable to the court, there shall be no fee except that if the stipulation is not acceptable to the Court or if a matter previously agreed to becomes contested, the difference between the full fee and the reduced fee shall be paid to the Court prior to the issuance of a final order. A motion or petition to enforce an order for child support shall require no fee. All motions or petitions filed by one party at one time shall be assessed one fee; if a simultaneous motion is filed by a party under subdivision (4) of this subsection, the fee under subdivision (4) shall be the only fee assessed. There are no filing fees for prejudgment motions or petitions filed before a final divorce, legal separation, dissolution of civil union, parentage, desertion, or nonsupport judgment has issued.
- (6) Prior to the registration in Vermont of a child custody determination issued by a court of another state, there shall be paid to the Clerk of the Court for the benefit of the State a fee of \$75.00 unless the request for registration is filed with a simultaneous motion for enforcement, in which event the fee for registration shall be \$30.00 in addition to the fee for the motion as provided in subdivision (4) of this subsection.

\* \* \*

(d) Prior to the entry of any subsequent pleading which sets forth a claim for relief in the supreme court Supreme Court or the superior court Superior Court, there shall be paid to the clerk of the court Clerk of the Court for the

benefit of the state State a fee of \$100.00 for every appeal, cross-claim, or third-party claim and a fee of \$75.00 for every counterclaim in the superior court Superior Court in lieu of all other fees not otherwise set forth in this section. The fee for an appeal of a magistrate's decision in the superior court Superior Court shall be \$100.00. The filing fee for civil suspension proceedings filed pursuant to 23 V.S.A § 1205 shall be \$75.00, which shall be taxed in the bill of costs in accordance with sections 1433 and 1471 of this title. This subsection does not apply to filing fees in the Family Division, except with respect to the fee for an appeal of a magistrate's decision.

(e) Prior to the filing of any postjudgment motion in the superior court Civil, Criminal, or Environmental Division of the Superior Court, including motions to reopen civil suspensions and motions for sealing or expungement in the criminal division pursuant to 13 V.S.A. § 7602, there shall be paid to the elerk of the court Clerk of the Court for the benefit of the state State a fee of \$75.00 except for small claims actions.

\* \* \*

- (h) Pursuant to Vermont Rules of Civil Procedure 3.1 or Vermont Rules of Appellate Procedure 24(a), part or all of the filing fee may be waived if the court Court finds that the applicant is unable to pay it. The clerk of the court Clerk of the Court or the clerk's Clerk's designee shall establish the in forma pauperis fee in accordance with procedures and guidelines established by administrative order of the supreme court Supreme Court. If, during the course of the proceeding and prior to a final judgment, the Court determines that the applicant has the ability to pay all or a part of the waived fee, the Court shall require that payment be made prior to issuing a final judgment. If the applicant fails to pay the fee within a reasonable time, the Court may dismiss the proceeding.
- Sec. 4. 32 V.S.A. § 1434 is amended to read:

§ 1434. PROBATE CASES

\* \* \*

(b) For economic cause, the probate judge may waive this fee. Pursuant to Rule 3.1 of the Vermont Rules of Civil Procedure, part of the filing fee may be waived if the Court finds the applicant is unable to pay it. The Court shall use procedures established in subsection 1431(h) of this title to determine the fee. No fee shall be charged for necessary documents pertaining to the opening of estates, trusts, and guardianships, including the issuance of two certificates of appointment and respective letters. No fee shall be charged for the issuance of

two certified copies of adoption decree and two certified copies of instrument changing name.

\* \* \*

#### Sec. 5. 4 V.S.A. § 657 is amended to read:

## § 657. TRANSCRIBING DAMAGED RECORDS

When records in the court clerk's office Office of the Superior Court Clerk become faded, defaced, torn, or otherwise injured, so as to endanger the permanent legibility or proper preservation of the same, by an order in writing recorded in the court clerk's office, the court administrator shall the Court Administrator may direct the court clerk Court Clerk to provide suitable books and transcribe such records therein. At the end of a transcript of record so made, the clerk Clerk shall certify under official signature and the seal of the court Court that the same is a true transcript of the original record. Such transcript or a duly certified copy thereof shall be entitled to the same faith and credit and have the same force as the original record. The expense of making such transcript shall be paid by the state State.

#### Sec. 6. 4 V.S.A. § 659 is amended to read:

### § 659. PRESERVATION OF COURT RECORDS

- (a) The supreme court Supreme Court by administrative order may provide for permanent preservation of all court records by any photographic or electronic or comparable process which will provide compact records in reduced size, in accordance with standards established by the secretary of state which that shall be no less protective of the records than the standards established by the state archives and records administration programs that take into account the quality and security of the records, and ready access to the record of any cause so recorded.
- (b) After preservation in accordance with subsection (a) of this section, the supreme court Supreme Court by administrative order may provide for the disposition of original court records by destruction or in cases where the original court record may have historical or intrinsic value by transfer to the archives of the secretary of state, the Vermont historical society, or the University of Vermont Secretary of State.

Sec. 7. 4 V.S.A. § 732 is amended to read:

# § 732. LOST WRIT OR COMPLAINT-FILING OF NEW PAPERS DOCUMENT OR RECORD

When the writ or complaint a court document, record, or file in an action pending in court is lost, mislaid, or destroyed, the court, on written motion for that purpose, may order a writ or a complaint for the same cause of action duplicate document, record, or file to be filed under such regulations conditions as the court prescribes, and the same proceedings shall be had thereon as though it were the original writ or complaint. If the plaintiff refuses to file such writ or complaint, the court shall direct a nonsuit in the action, and tax costs for the defendant. A duplicate document or record shall have the same validity and may be used in evidence in the same manner as the original document, record, or file.

Sec. 8. 4 V.S.A. § 740 is amended to read:

#### § 740. COURT RECORDS; DOCKETS; CERTIFIED COPIES

The supreme court Supreme Court by administrative order or directive shall provide for the preparation, maintenance, recording, indexing, docketing, preservation, and storage of all court records and the provision, subject to confidentiality requirements of law or court rules, of certified copies of those records to persons requesting them.

Sec. 9. 12 V.S.A. § 5 is amended to read:

# § 5. DISSEMINATION OF ELECTRONIC CASE RECORDS

- (a) The court shall not permit public access via the Internet to criminal or family case records. The court may permit criminal justice agencies, as defined in 20 V.S.A. § 2056a, Internet access to criminal case records for criminal justice purposes, as defined in section 2056a.
- (b) This section shall not be construed to prohibit the court from providing electronic access to:
- (1) court schedules of the superior court Superior Court, or opinions of the criminal division of the superior court Criminal Division of the Superior Court; or
- (2) state agencies in accordance with data dissemination contracts entered into under Rule 6 of the Vermont Rules of Electronic Access to Court Records; or
- (3) decisions, recordings of oral arguments, briefs, and printed cases of the Supreme Court.

Sec. 10. 4 V.S.A. § 908 is amended to read:

# § 908. ATTORNEYS' ADMISSION, LICENSING, AND PROFESSIONAL RESPONSIBILITY SPECIAL FUND

There is established the attorneys' admission, licensing, and professional responsibility special fund which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. Fees collected for licensing of attorneys, administration of the bar examination, admitting attorneys to practice in Vermont, and administration of mandatory continuing legal education shall be deposited and credited to this fund. This fund shall be available to the judicial branch Judicial Branch to offset the cost of operating the professional responsibility board Professional Responsibility Board, the board of bar examiners Board of Bar Examiners, the judicial conduct board Judicial Conduct Board, the committee on character and fitness Committee on Character and Fitness, the mandatory continuing legal education program for attorneys and, at the discretion of the supreme court Supreme Court, to make grants for access to justice programs or to the Vermont bar foundation Bar Foundation to be used to support legal services for the disadvantaged.

#### Sec. 11. MEDICATION-ASSISTED TREATMENT FOR INMATES

- (a) The Department of Corrections, in collaboration with the Department of Health's Division of Alcohol and Drug Abuse Programs, shall establish a work group for the purpose of examining medication-assisted treatment for inmates, including for persons who were receiving treatment in the community immediately prior to incarceration.
  - (b) The Work Group shall be composed of the following members:
- (1) the Deputy Commissioner of the Department of Health's Division of Alcohol and Drug Abuse Programs or designee, who shall serve as Chair;
  - (2) the Commissioner of Corrections or designee;
- (3) a member appointed by the Defender General's Prisoners' Rights Office;
  - (4) a member appointed by the Howard Center; and
- (5) a physician providing medication-assisted treatment through an opioid treatment program, appointed by the Commissioner of Health.
- (c)(1) The first meeting of the Work Group shall be held on or before September 1, 2013.

- (2) The Work Group shall receive administrative and staff support from the Department of Corrections and the Department of Health's Division of Alcohol and Drug Abuse Programs.
  - (d)(1) The Work Group shall examine:
- (A) any federal and state legal parameters that apply to medicationassisted treatment for persons who are incarcerated;
- (B) existing time limits on medication-assisted treatment for persons who are incarcerated, specifically with regard to health outcomes and recidivism rates;
- (C) the effectiveness of directing medication-assisted treatment to persons who are incarcerated by offense category;
  - (D) the prioritization of medication-assisted treatment by:
- (i) providers of the Hub and Spoke Opioid Integrated Treatment Initiative to persons ordered to receive treatment by a drug court; and
- (ii) the Department of Corrections to opiate-addicted persons prior to their release from prison; and
- (E) any other factors to determine prioritization for medication-assisted treatment.
- (2) On or before January 1, 2014, the Work Group shall report its findings and recommendations, including recommendations for legislative action, to the House Committees on Corrections and Institutions, on Human Services, and on Judiciary and the Senate Committees on Health and Welfare and on Judiciary.
- Sec. 12. 13 V.S.A. § 353 is amended to read:
- § 353. DEGREE OF OFFENSE; SENTENCING UPON CONVICTION
  - (a) Penalties.

\* \* \*

(4)(A) Except as provided in subdivision (B) of this subdivision (4), a person found in violation of subdivision 352(3), (4), or (9) of this title pursuant to this subdivision shall be imprisoned not more than one year or fined not more than \$2,000.00, or both. Second and subsequent convictions shall be punishable by a sentence of imprisonment of not more than two years or a fine of not more than \$5,000.00, or both.

- (B) A In lieu of a criminal citation or arrest, a law enforcement officer shall may issue a civil citation to a person who violates subdivision 352(3), (4), or (9) of this title if the person has not been previously adjudicated in violation of this chapter. A person adjudicated in violation of subdivision 352(3), (4), or (9) of this title pursuant to this subdivision shall be assessed a civil penalty of not more than \$500.00. At any time prior to the person admitting the violation and paying the assessed penalty, the state's attorney may withdraw the complaint filed with the judicial bureau Judicial Bureau and file an information charging a violation of subdivision 352(3), (4), or (9) of this title in the eriminal division of the superior court Criminal Division of the Superior Court.
- (C) Nothing in this subdivision shall be construed to require that a civil citation be issued prior to a criminal charge of violating subdivision 352(3), (4), or (9) of this title.

\* \* \*

#### Sec. 13. INCIDENT REPORTS OF ANIMAL CRUELTY

- (a) The Commissioner of Public Safety, in consultation with the Vermont Center for Justice Research, shall collect data on:
- (1) the number and nature of complaints or incident reports to law enforcement based on a suspected violation of 13 V.S.A. chapter 8 (humane and proper treatment of animals); and
- (2) how such complaints or incidents are generally addressed, such as referral to others, investigation, civil penalties, or criminal charges.
- (b) Based upon examination of the data requested in subsection (a) of this section, the Commissioner shall make recommendations to the Senate and House Committees on Judiciary on or before November 15, 2013 for improving the statewide response to complaints of animal cruelty.
- (c) The Commissioner of Public Safety shall report recommendations to the Senate and House Committees on Judiciary on or before November 15, 2013 for improving the animal cruelty forfeiture proceedings held pursuant to 13 V.S.A. chapter 8.
- Sec. 14. 23 V.S.A. § 800 is amended to read:

# § 800. MAINTENANCE OF FINANCIAL RESPONSIBILITY

(a) No owner of a motor vehicle required to be registered, or operator required to be licensed or issued a learner's permit, shall operate or permit the operation of the vehicle upon the highways of the state State without having in

effect an automobile liability policy or bond in the amounts of at least \$25,000.00 for one person and \$50,000.00 for two or more persons killed or injured and \$10,000.00 for damages to property in any one accident. In lieu thereof, evidence of self-insurance in the amount of \$115,000.00 must be filed with the commissioner of motor vehicles Commissioner of Motor Vehicles, and shall be maintained and evidenced in a form prescribed by the commissioner Commissioner. The commissioner Commissioner may require that evidence of financial responsibility be produced before motor vehicle inspections are performed pursuant to the requirements of section 1222 of this title.

(b) A person who violates this section shall be assessed a civil penalty of not less than \$250.00 and not more than \$500.00, and such violation shall be a traffic violation within the meaning of chapter 24 of this title.

#### Sec. 15. REPEAL

4 V.S.A. §§ 652 (records of judgments and other proceedings; dockets; certified copies), 655 (court accounts), 656 (index of records), 658 (Supreme Court records), 695 (accounts of court officer and reporter), 734 (copy of lost petition), 735 (record of proceedings), 736 (lost records or judgment files; recording of copy), 737 (appeal or exception), and 738 (costs for recording); 2009 Acts and Resolves No. 4, Sec. 121 (transitional provisions for merger of Bennington and Manchester probate courts); and 2009 Acts and Resolves No. 4, Sec. 125 (transitional provisions of the consolidated probate court system) are repealed.

#### Sec. 16. EFFECTIVE DATES

- (a) This section and Sec. 2 (registration of child custody determination) of this act shall take effect on passage.
- (b) All remaining 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 court administration and procedure"

Which was agreed to.

On motion of **Rep. Turner of Milton**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

#### Recess

At seven o'clock in the evening, the Speaker declared a recess until the fall of the gavel.

At seven o'clock and thirty minutes in the evening, the Speaker called the House to order.

# Message from the Senate No. 76

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 considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

**H. 295.** An act relating to technical tax changes.

And has accepted and adopted the same on its part.

# Rules Suspended; Report of Committee of Conference Adopted

#### S. 1

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and Senate bill, entitled

An act relating to consideration of financial cost of criminal sentencing options

Was taken up for immediate consideration.

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

# Sec. 1. CRIMINAL OFFENSE CLASSIFICATION WORKING GROUP

#### (a) Findings:

- (1) Vermont's criminal offense classification structure is minimal. Any offense for which the maximum term of imprisonment is two years or less is a misdemeanor, and any offense punishable by more than two years is a felony. Most offenses have a statutory maximum term of imprisonment and no minimum or recommended average. The sentence for each offense is distinct with regard to both imprisonment and fine amount.
- (2) Over time, this structure has resulted in a lack of uniformity among sentences for comparable crimes and too little guidance for the courts with regard to the General Assembly's policy on an appropriate sentence based

- upon the seriousness of an offense. For instance, the statutory penalty for embezzlement is imprisonment for not more than 10 years. This penalty applies whether the embezzlement was \$5.00 or \$5,000,000.00.
- (3) In recent years, the General Assembly has undertaken substantial initiatives to provide equal access to justice throughout the State and to employ data-driven policies to reduce recidivism and divert nonviolent offenders from incarceration. A review and subsequent revision of the classification of and penalties for crimes is essential to continue this work and ensure that lawmakers' policy decisions concerning Vermont's approach to criminal justice is applied consistently throughout the State.
- (b) Creation of Working Group. There is created a Criminal Offense Classification Working Group for the purpose of developing a criminal offense system that is well-organized and reflective of appropriate grading of liability and punishment and increasing uniformity in application of the law throughout the State.
- (c) Membership. The Working Group shall be composed of five members as follows:
  - (1) the Attorney General or designee;
- (2) the Executive Director of the Department of State's Attorneys and Sheriffs or designee;
  - (3) the Defender General or designee:
  - (4) a criminal defense attorney appointed by the Defender General; and
- (5) a retired trial court judge who shall be appointed by the Administrative Judge.
  - (d) Powers and duties.
    - (1) The Working Group shall:
- (A) collect the statutory sentencing ranges for all criminal offenses under Vermont law;
- (B) examine the sentencing structure of the model penal code, criminal codes in other jurisdictions, and earlier attempts by the General Assembly to revise the criminal code;
- (C)(i) develop recommendations for creating a classification of offenses for Vermont that includes consistent sentences that should be no more severe than necessary to achieve the societal purpose or purposes for which they are authorized; and

- (ii) develop a sentencing range consistent with the gravity of the offense, the culpability of the offender, the offender's criminal history, and the personal characteristics of an individual offender that may be taken into account.
- (2) The Vermont Center for Justice Research shall staff the Working Group.
- (3) In its work, the Working Group shall consult with the Office of Legislative Council.
- (e) Report. By November 1, 2014, the Working Group shall report to the Senate and House Committees on Judiciary its proposal for classifying offenses and penalties.
- (f) Appropriation. The sum of \$6,500.00 is appropriated to the Joint Fiscal Committee from the General Fund in fiscal year 2014 for a contract with the Vermont Center for Justice Research for providing data and staffing necessary for the Working Group's charge.
- Sec. 2. 13 V.S.A. § 2531 is amended to read:

# § 2531. EMBEZZLEMENT GENERALLY

- (a) An officer, agent, bailee for hire, clerk or servant of a banking association or an incorporated company, or a clerk, agent, bailee for hire, officer or servant of a private person, partnership, tradesunion, joint stock company, unincorporated association, fraternal or benevolent association, except apprentices and other persons under the age of 16 years, who embezzles or fraudulently converts to his or her own use, or takes or secretes with intent to embezzle or fraudulently convert to his or her own use, money or other property which comes into his or her possession or is under his or her care by virtue of such employment, notwithstanding he or she may have an interest in such money or property, shall be guilty of embezzlement and shall be imprisoned not more than 10 years or fined not more than \$500.00, or both.
- (b) If the money or property embezzled does not exceed \$100.00 in value, the person shall be imprisoned not more than one year or fined not more than \$1,000.00, or both. If the money or property embezzled exceeds \$100.00 in value, the person shall be imprisoned not more than 10 years or fined not more than \$10,000.00, or both.
- Sec. 3. CRIMINAL JUSTICE CONSENSUS COST-BENEFIT WORKING GROUP

(a)(1) A Criminal Justice Consensus Cost-Benefit Working Group is established to develop a criminal and juvenile justice cost-benefit model for Vermont for the purpose of providing policymakers with the information necessary to weigh the pros and cons of various strategies and programs, and enable them to identify options that are not only cost-effective, but also have the greatest net social benefit. The model will be used to estimate the costs related to the arrest, prosecution, defense, adjudication, and correction of criminal and juvenile defendants, and victimization of citizens by defendants.

## (2) The Working Group shall:

- (A) develop estimates of costs associated with the arrest, prosecution, defense, adjudication, and correction of criminal and juvenile defendants in Vermont by using the cost-benefit methodology developed by the Washington State Institute for Public Policy and currently used collaboratively by the Joint Fiscal Office and the PEW Charitable Trust for the Vermont Results First Project;
- (B) estimate costs incurred by citizens who are the victims of crime by using data from the Vermont Center for Crime Victim Services, supplemented where necessary with national survey data;
- (C) assess the quality of justice data collection systems and make recommendations for improved data integration, data capture, and data quality as appropriate;
- (D) develop a throughput model of the Vermont criminal and juvenile justice systems which will serve as the basic matrix for calculating the cost and benefit of Vermont justice system programs and policies;
- (E) investigate the need for and the most appropriate entity within state government to be responsible for:
- (i) revising the statewide cost benefit model in light of legislative or policy changes, or both, in the criminal or juvenile justice systems;
  - (ii) updating cost estimates; and
  - (iii) updating throughput data for the model.
- (3) The Working Group shall be convened and staffed by the Vermont Center for Justice Research.
- (4) The costs associated with staffing the Working Group shall be underwritten through December 31, 2013 by funding previously obtained by the Vermont Center for Justice Research from the Bureau of Justice Statistics, U.S. Department of Justice.

- (b) The Working Group shall be composed of the following members:
  - (1) the Administrative Judge or designee;
  - (2) the Chief Legislative Fiscal Officer or designee;
  - (3) the Attorney General or designee;
  - (4) the Commissioner of Corrections or designee;
  - (5) the Commissioner for Children and Families or designee;
  - (6) the Executive Director of State's Attorneys and Sheriffs or designee;
  - (7) the Defender General or designee;
  - (8) the Commissioner of Public Safety or designee;
- (9) the Director of the Vermont Center for Crime Victim Services or designee;
- (10) the President of the Chiefs of Police Association of Vermont or designee;
  - (11) the President of the Vermont Sheriffs' Association or designee; and
  - (12) the Director of the Vermont Center for Justice Research.
- (c) On or before November 15, 2013, the Working Group shall report its preliminary findings to the Senate Committee on Judiciary, the House Committee on Judiciary, and the House Committee on Corrections and Institutions. The Working Group shall issue a final report to the General Assembly on or before January 1, 2014.
- Sec. 4. ADMINISTRATIVE HEARING OFFICERS STUDY COMMITTEE
- (a) Creation. There is created an Administrative Hearing Officers Study Committee to report on the duties, powers, current practices, sources of authority, and qualifications of administrative hearing officers used in Vermont government.
- (b) Membership. The Committee shall be composed of the following members:
  - (1) the Chair of the House Committee on Judiciary or designee;
  - (2) the Chair of the Senate Committee on Judiciary or designee;
- (3) the Chair of the House Committee on Government Operations or designee;

- (4) the Chair of the Senate Committee on Government Operations or designee.
- (5) one member of the Senate Committee on Judiciary appointed by the Committee on Committees; and
- (6) one member of the House Committee on Judiciary appointed by the Speaker of the House.
- (c) Duties. The Committee shall examine the manner and context in which administrative hearing officers are used by the State. The Committee shall consider the duties, powers, and minimum qualifications for each administrative hearing officer, including those authorized by statute, agency rule, or any other means.
- (d) Number of meetings; staffing. The Committee shall meet no more than four times and shall have the assistance of all relevant state agencies, the Office of the Legislative Council, and the Joint Fiscal Office.
- (e) Report. The Committee shall report its recommendations and any proposals for legislative action to the House and Senate Committees on Judiciary and on Government Operations on or before December 15, 2013, on which date it shall cease to exist.
- (f) Reimbursement. For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to compensation and reimbursement for expenses as provided in 2 V.S.A. § 406.

#### Sec. 5. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: "An act relating to studies on classification of criminal offenses, development of a cost-benefit model for assessing criminal and juvenile justice programs, and the role of administrative hearing officers"

COMMITTEE ON THE PART OF COMMITTEE ON THE PART OF THE SENATE

THE HOUSE

SEN. TIMOTHY R. ASHE REP. WILLIAM J. LIPPERT

SEN. RICHARD W. SEARS REP. MAXINE JO GRAD

SEN. JOSEPH C. BENNING REP. THOMAS F. KOCH

Which was adopted on the part of the House.

# Rules Suspended; Report of Committee of Conference Adopted S. 20

Pending entrance of the bill on the Calendar for notice, on motion of **Rep.** Savage of Swanton, the rules were suspended and Senate bill, entitled

An act relating to increasing the statute of limitations for certain sex offenses against children

Was taken up for immediate consideration.

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

#### Sec. 1. 13 V.S.A. § 4501 is amended to read:

# § 4501. LIMITATION OF PROSECUTIONS FOR CERTAIN CRIMES

- (a) Prosecutions for aggravated sexual assault, aggravated sexual assault of a child, human trafficking, aggravated human trafficking, murder, arson causing death, and kidnapping may be commenced at any time after the commission of the offense.
- (b) Prosecutions for manslaughter, sexual assault, lewd and lascivious conduct, sexual exploitation of children <u>under chapter 64 of this title</u>, sexual abuse of a vulnerable adult, grand larceny, robbery, burglary, embezzlement, forgery, bribery offenses, false claims, fraud under 33 V.S.A. § 141(d), and felony tax offenses shall be commenced within six years after the commission of the offense, and not after.
- (c) Prosecutions for <u>any of the following offenses alleged to have been</u> committed against a child under 18 years of age shall be commenced within 40 years after the commission of the offense, and not after:
  - (1) sexual assault;
  - (2) lewd and lascivious conduct;
- (3) sexual exploitation of a minor as defined in subsection  $\frac{3258(b)}{3258(c)}$  of this title; and
- (4) lewd or lascivious conduct with a child, alleged to have been committed against a child under 18 years of age shall be commenced within the earlier of the date the victim attains the age of 24 or 10 years from the date the offense is reported, and not after. For purposes of this subsection, an

offense is reported when a report of the conduct constituting the offense is made to a law enforcement officer by the victim.

- (d) Prosecutions for arson shall be commenced within 11 years after the commission of the offense, and not after.
- (e) Prosecutions for other felonies and for misdemeanors shall be commenced within three years after the commission of the offense, and not after.

#### Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

COMMITTEE ON THE PART OF	COMMITTEE ON THE PART OF
THE SENATE	THE HOUSE
SEN. ALICE W. NITKA	REP. MAXINE JO GRAD
SEN. JOSEPH C. BENNING	REP. SUSAN L. WIZOWATY
SEN. RICHARD W. SEARS	REP. LINDA J. WAITE-SIMPSON

Which was considered and adopted on the part of the House.

# Rules Suspended; Bills Messaged to Senate Forthwith

On motion of **Rep. Turner of Milton**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith:

S. 1

Senate bill, entitled

An act relating to consideration of financial cost of criminal sentencing options

S. 20

Senate bill, entitled

An act relating to increasing the statute of limitations for certain sex offenses against children

# Rules Suspended; Senate Proposal of Amendment to House Proposal of Amendment Concurred in; Rules Suspended and Bill was Ordered Messaged to the Senate Forthwith

S. 37

On motion of **Rep. Turner of Milton**, the rules were suspended and Senate bill, entitled

An act relating to tax increment financing districts

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Senate concured in the House proposal of amendment with the following proposal of amendment thereto:

<u>First</u>: By striking out Sec. 19, amending 23 V.S.A. § 3106(a)(2), in its entirety and inserting in lieu thereof the following:

Sec. 19. REPEAL

Pursuant to Sec. 3 of this act, the 2006 Acts and Resolves No. 184, Sec. 2i, as amended by 2008 Acts and Resolves No. 190, Sec. 67 (tax increment financing districts, cap), is repealed to clarify that the Vermont Economic Progress Council shall not approve any additional tax increment financing districts.

<u>Second</u>: By striking out Sec. 20, amending 2013 Acts and Resolves No. 12, Sec. 24, in its entirety and inserting in lieu thereof the following:

#### Sec. 20. EFFECTIVE DATES

- (a) Secs. 1, 6(b), 10, 12a–19, and this section shall take effect on passage. Sec. 6(b) (repeal of adjustment upon reappraisal) shall be effective retroactive to July 2006.
- (b) Secs. 2 through 9 (except Sec. 6(b)), 11, and 12 (clarification of ambiguous statutes) of this act shall apply to any tax increment retained for all taxes assessed on the April 1, 2013 grand list.
- (c) Sec. 6(c) (creation of taxes for special purposes) shall take effect on July 1, 2013.

<u>Third</u>: By striking Sec. 21, Repeal, in its entirety

Fourth: By striking Sec. 22, amending 21 V.S.A. § 1325, in its entirety

<u>Fifth</u>: By striking Sec. 23, Unemployment Compensation; Employers Affected by Natural Disasters Occurring in 2011, in its entirety

Sixth: By striking Sec. 24, Appropriation, in its entirety

Seventh: By striking Sec. 25, Effective Dates, in its entirety

Which proposal of amendment was considered and concurred in.

On motion of **Rep. Turner of Milton**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

#### Recess

At seven o'clock and forty-five minutes in the evening, the Speaker declared a recess until the fall of the gavel.

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

### Message from the Senate No. 77

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 considered House proposal of amendment to Senate proposal of amendment to House bill of the following title:

**H. 523.** An act relating to jury questionnaires, the filing of foreign child custody determinations, court fees, and judicial record keeping.

And has concurred therein.

# Message from the Senate No. 78

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 adopted joint resolution of the following title:

**J.R.S. 32.** Joint resolution relating to final adjournment of the General Assembly in 2013.

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

The Senate has considered the reports of the Committees of Conference upon the disagreeing votes of the two Houses upon Senate bills of the following titles:

- **S. 1.** An act relating to consideration of financial cost of criminal sentencing options.
- **S. 20.** An act relating to increasing the statute of limitations for certain sex offenses against children.

And has accepted and adopted the same on its part.

# Message from the Senate No. 79

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 considered a bill originating in the House of the following title:

**H. 538.** An act relating to making miscellaneous amendments to education funding laws.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

# Message from the Senate No. 80

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 considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

**H. 530.** An act relating to making appropriations for the support of government.

And has accepted and adopted the same on its part.

#### Message from the Senate No. 81

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

# Mr. Speaker:

I am directed to inform the House that the Senate has on its part completed the business of the session and is ready to adjourn to a day certain, June 21, 2013, if necessary, or, if not necessary, then to be adjourned until January 7, 2014, pursuant to the provisions of **J.R.S. 32**.

# Rules Suspended; Report of Committee of Conference Adopted H. 240

Pending entrance of the bill on the Calendar for notice, on motion of **Rep.** Savage of Swanton, the rules were suspended and House bill, entitled

An act relating to Executive Branch fees

Was taken up for immediate consideration.

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Secretary of State \* \* \*

\* \* \* Office of Professional Regulation \* \* \*

Sec. 1. 26 V.S.A. § 287 is amended to read:

§ 287. FEES

Applicants and persons regulated under this chapter shall pay the following fees:

- (1) Application:
  - (A) Barber \$100.00 \$110.00
  - (B) Cosmetologist \$100.00 \$110.00
  - (C) Nail technician \$100.00 \$110.00
  - (D) Esthetician \$100.00 \$110.00
  - (E) Shop \$300.00 \$330.00
  - (F) School \$300.00 \$330.00
- (2) Biennial renewal:
  - (A) Barber \$120.00 \$130.00
  - (B) Cosmetologist \$120.00 \$130.00
  - (C) Nail technician \$120.00 \$130.00
  - (D) Esthetician \$120.00 \$130.00
  - (E) Shop \$200.00 \$225.00
  - (F) School \$300.00 \$330.00

(3) Reinspection \$100.00

\* \* \* Corporations \* \* \*

\* \* \* Telemarketers \* \* \*

Sec. 2. 9 V.S.A. § 2464b is amended to read:

§ 2464b. REGISTRATION OF TELEMARKETERS

\* \* \*

- (c) The Secretary of State shall collect the following fees when a document described in this section is delivered to the Office of the Secretary of State for filing:
  - (1) Registration: \$125.00.
- (2) Statement of change of designated agent or designated office, or both: \$25.00, not to exceed \$1,000.00 per filer per calendar year.

\* \* \* Secured Transactions \* \* \*

Sec. 3. 9A V.S.A. § 9-525 is amended to read:

§ 9-525. FEES

- (a) Except as otherwise provided in subsection (e) of this section, the <u>The</u> fee for filing and indexing a record under this <del>part, other than an initial financing statement of the kind described in section 9-502(e), is the amount specified in subsection (e) of this section, if applicable, plus:</del>
  - (1) \$25.00 if the record is communicated in writing; and
- (2) \$25.00 if the record is communicated by another medium authorized by filing office rule article is \$35.00.
- (b) Except as otherwise provided in subsection (e) of this section, the <u>The</u> fee for filing and indexing an initial financing statement of the kind described in subsection 9-502(c) is \$6.00 per page.
- (c) Number of names. Except as otherwise provided in subsection (e) of this section, if a record is communicated in writing, the fee for each name more than two required to be indexed is \$2.00.
- (d) The fee for responding to a request for information from the filing office, including for issuing a certificate showing whether there is on file any financing statement naming a particular debtor, is \$20.00, and \$0.50 per page for copying \$25.00.

(e)(d) This section does not require a fee with respect to a record of a mortgage which is effective as a financing statement filed as a fixture filing or as a financing statement covering as-extracted collateral or timber to be cut under subsection 9-502(c) of this title. However, the recording and satisfaction fees that otherwise would be applicable to the record of the mortgage apply.

\* \* \* Trade Name Registrations \* \* \*

Sec. 4. 11 V.S.A. § 1625 is amended to read:

# § 1625. FEES

- (a) A person, copartnership, association, limited liability company, or corporation required by the provisions of this chapter to file a return, shall, at the time of filing as provided, pay a registration fee of \$50.00 to the secretary of state for the benefit of the state Secretary of State.
- (b) A person, copartnership, association, limited liability company, or corporation required by the provisions of this chapter to file a certificate of cessation or change of business status or an application to reserve a business name shall, at the time of filing, pay a fee of \$20.00 to the secretary of state for the benefit of the state Secretary of State.
- (c) Statement of change of designated agent or designated office, or both: \$25.00, not to exceed \$1,000.00 per filer per calendar year.
- (d) The Secretary shall collect \$25.00 each time process is served on the Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding.

Sec. 5. 11 V.S.A. § 1631 is amended to read:

#### § 1631. VACANCY

When such an appointee dies or removes from the state State, another person residing in such town and having therein an office or place of business, within ten days from the date of such death or removal, shall be appointed in the manner hereinbefore specified, upon whom service of process may be made as provided in section 1630 of this title. In case of such death or removal, or if a person is not appointed as aforesaid, process against such nonresident person may be served by delivering to the secretary of state Secretary of State duplicate copies thereof, one of which shall be filed with the secretary of state Secretary of State and the other shall be forwarded by mail prepaid by the clerk to the last known residence of such person. There shall be

paid to the secretary of state by the officer serving such duplicate copies the sum of \$2.00.

\* \* \* Limited Liability Corporations \* \* \*

Sec. 6. 11 V.S.A. § 3013 is amended to read:

§ 3013. FEES

- (a) The secretary of state Secretary of State shall collect the following fees when a document described in this section is delivered to the office of the secretary of state Office of the Secretary of State for filing:
  - (1) Articles of organization

<del>\$ 100.00</del> <u>\$125.00</u>

(2) Application for certificate of authority

<del>100.00</del> \$125.00

\* \* \*

(9) Statement of change of designated agent or designated office, or both

\$20.00 and \$25.00,not to exceed \$1,000.00 per filer per calendar year

\* \* \*

(13) Application for certificate of existence or authorization

<del>20.00</del> \$25.00

\* \* \*

(15) Annual report of a domestic limited liability company

<del>25.00</del> \$35.00

(16) Annual report of a foreign limited liability company

<del>125.00</del> \$140.00

\* \* \*

- (b) The secretary of state Secretary of State shall collect the following fees:
- (1) \$20.00 \$25.00 each time process is served on the secretary Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding; and

(2) \$1.00 a page for copying and \$20.00 \$25.00 for the certificate certifying the copy of any filed document relating to a limited liability company or a foreign limited liability company.

\* \* \* Partnerships \* \* \*

Sec. 7. 11 V.S.A. § 3310 is amended to read:

#### § 3310. FEES

- (a) The secretary of state Secretary of State shall collect the following fees when a document described in this section is delivered to the office of the secretary of state Office of the Secretary of State for filing:
  - (1) Statement of authority

<del>50.00</del> \$125.00

\* \* \*

(13) <u>Statement of change of designated agent or designated office, or</u> both \$25.00,

not to exceed \$1,000.00 per filer per calendar year

(14) Application for certificate of good standing

\$25.00

(15) Any other document permitted or required to be filed by this chapter

5.00 \$20.00

- (b) The secretary of state Secretary of State shall collect the following fees:
- (1) \$10.00 \$25.00 each time process is served on the secretary Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding; and
- (2) \$1.00 per page for copying and \$5.00 \$25.00 for the certificate certifying the copy of any filed document related to a partnership, limited liability partnership, or a foreign limited liability partnership.

\* \* \* Limited Partnerships \* \* \*

Sec. 8. 11 V.S.A. § 3420 is amended to read:

#### § 3420. FEES

(a) The secretary of state Secretary of State shall collect the following fees when a document described in this section is delivered to the office of the secretary of state Office of the Secretary of State for filing:

(1) Certificate of Limited Partnership <del>\$50.00</del> \$125.00 (2) Registration of Foreign Limited Partnership <del>50.00</del> 125.00 (3) Amendment 25.00 (4) Cancellation No fee (5) Merger 50.00 (6) Statement of change of designated agent or designated office, or both 25.00, not to exceed \$1,000.00 per filer per calendar year (7) Application for certificate of good standing 25.00 (8) Any other document permitted or required to be filed by this chapter <del>5.00</del> 20.00

- (b) The secretary of state Secretary of State shall collect the following fees:
- (1) \$10.00 \$25.00 each time process is served on the secretary Secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding; and
- (2) \$1.00 per page for copying and \$5.00 \$25.00 for the certificate certifying the copy of any filed document related to a partnership, limited liability partnership, or a foreign limited liability partnership.

\* \* \* Vermont Business Corporations \* \* \*

Sec. 9. 11A V.S.A. § 1.22 is amended to read:

# § 1.22. FILING; SERVICE AND COPYING FEES

(a) The secretary of state Secretary of State shall collect the following fees when the documents described in this section are delivered to the office of the secretary of state Office of the Secretary of State for filing:

(1) Articles of incorporation

<del>\$ 75.00</del> \$125.00

\* \* \*

(6) Statement of change of registered agents or registered office, or both 20.00 and \$25.00, not to exceed \$1,000.00 per filer

	per calendar year
* * *	
(13) Application for certificate of authority	<del>100.00</del> <u>\$125.00</u>
* * *	
(16) Annual report of a foreign corporation	<del>175.00</del> <u>\$200.00</u>
(17) Annual report of a domestic corporation	<del>35.00</del> <u>\$45.00</u>
(18) Application for certificate of good standing	<del>20.00</del> <u>\$25.00</u>

\* \* \*

- (b) The secretary of state Secretary of State shall collect a fee of \$20.00 \$25.00 each time process is served on him or her under this title. The party to a proceeding causing service of process is entitled to recover this fee as costs if he or she prevails in the proceeding.
- (c) The secretary of state Secretary of State shall collect the following fees a fee of \$25.00 for copying and certifying the copy of any filed document relating to a domestic or foreign corporation:
  - (1) \$1.00 a page for copying; and
  - (2) \$20.00 for the certificate.

\* \* \*

\* \* \* Nonprofit Corporations \* \* \*

Sec. 10. 11B V.S.A. § 1.22 is amended to read:

#### § 1.22. FILING; SERVICE AND COPYING FEES

The secretary of state Secretary of State shall collect the following fees when the documents described in this section are delivered to the office of the secretary of state Office of the Secretary of State for filing:

(1) Articles of incorporation

<del>\$75.00</del> <u>\$125.00</u>

\* \* \*

(6) Change of registered agent, registered office, or both 5.00 \$25.00,

not to exceed \$1,000.00 per filer per calendar year.

\* \* \*

(17) Biennial report

<del>15.00</del> \$20.00

except that a corporation which certifies to the secretary of state Secretary of State, on a form approved by the secretary Secretary, that it did not compensate its officers, directors, or employees during the prior calendar year shall be exempt from the fee required by this subdivision.

\* \* \*

(19) Application for certificate of good standing

<del>5.00</del> \$25.00

(20) Certified copy of any filed document

\$25.00

\* \* \* Service of Process \* \* \*

Sec. 11. 12 V.S.A. § 856 is amended to read:

#### § 856. SERVICE OF PROCESS

Service of process by virtue of section 855 of this title shall be made by delivering to the secretary of state Secretary of State duplicate copies of the process, with the officer's return of service thereon, and a fee of \$5.00 \$25.00, to be taxed in the plaintiff's costs if he or she prevails. The secretary Secretary shall forthwith forward one of the duplicate copies by registered mail prepaid to the corporation at its principal place of business in the state or country where it is incorporated, which principal place of business shall be stated in the process. The service shall be sufficient if a copy of the process, with the officer's return thereon showing the service upon the secretary of state Secretary of State, is sent by the plaintiff to the foreign corporation by registered mail, and if the plaintiff's affidavit of compliance herewith is filed with the process in court. The secretary Secretary shall file one of the copies and endorse upon each copy the day and hour of service.

\* \* \* Center for Crime Victims' Services \* \* \*

Sec. 12. 13 V.S.A. § 7282 is amended to read:

#### § 7282. SURCHARGE

(a) In addition to any penalty or fine imposed by the court or judicial bureau for a criminal offense or any civil penalty imposed for a traffic violation, including any violation of a fish and wildlife statute or regulation, violation of a motor vehicle statute, or violation of any local ordinance relating to the operation of a motor vehicle, except violations relating to seat belts and child restraints and ordinances relating to parking violations, the clerk of the court or judicial bureau shall levy an additional surcharge of:

\* \* \*

- (8)(A) For any offense or violation committed after June 30, 2006, but before July 1, 2008, \$26.00, of which \$18.75 shall be deposited in the victims' compensation special fund Victims' Compensation Special Fund.
- (B) For any offense or violation committed after June 30, 2008, <u>but before July 1, 2009</u>, \$36.00, of which \$28.75 shall be deposited in the <u>victims' compensation special fund Victims' Compensation Special Fund</u>.
- (C) For any offense or violation committed after June 30, 2009, <u>but before July 1, 2013</u>, \$41.00, of which \$23.75 shall be deposited in the <u>victims' compensation special fund Victims' Compensation Special Fund</u> created by section 5359 of this title, and of which \$10.00 shall be deposited in the <u>domestic and sexual violence special fund Domestic and Sexual Violence Special Fund</u> created by section 5360 of this title.
- (D) For any offense or violation committed after June 30, 2013, \$47.00, of which \$29.75 shall be deposited in the Victims' Compensation Special Fund created by section 5359 of this title, and of which \$10.00 shall be deposited in the Domestic and Sexual Violence Special Fund created by section 5360 of this title.

\* \* \*

#### Sec. 13. REPEALS

The following are repealed:

- (1) 2007 Acts and Resolves No. 40, Sec. 9 (repeal of surcharge for the Crime Victims' Restitution Special Fund).
- (2) 2007 Acts and Resolves No. 40, Sec. 13, as amended by 2011 Acts and Resolves No. 55, Sec. 19 (effective date for repeal of surcharge for the Crime Victims' Restitution Special Fund).

\* \* \* Department of Taxes \* \* \*

Sec. 14. 32 V.S.A. § 3777 is added to read:

#### § 3777. LIEN SUBORDINATION

The Commissioner in his or her discretion may subordinate the lien provided for in subsection 3757(f) of this title to a lender's mortgage interest in enrolled land to the extent that the Commissioner is satisfied that the landowner will maintain sufficient equity in the enrolled land to satisfy both the lender and any potential land use change tax that would arise upon development of the enrolled land. In order for subordination to be considered, the lender must complete an application form as prescribed by the Commissioner and pay a fee of \$179.00. The application shall provide all

information deemed necessary by the Commissioner to determine the extent to which the State's lien can be subordinated to the lender's interest without adversely affecting the interest of the State.

\* \* \* Agency of Agriculture, Food and Markets \* \* \*

\* \* \* Market Vermont \* \* \*

Sec. 15. 3 V.S.A. § 2504 is amended to read:

§ 2504. MARKET VERMONT LOGO

\* \* \*

(c) Persons wishing to apply for the identification logo shall be provided with application forms by the secretary of the agency of commerce and community development or the secretary of the agency of agriculture, food and markets Secretary of Agriculture, Food and Markets or the Secretary of Commerce and Community Development. The secretary of the agency of agriculture, food and markets and the secretary of the agency of commerce and community development Secretary of Agriculture, Food and Markets and the Secretary of Commerce and Community Development shall establish a jury process for reviewing the applications to determine if the applicant meets the standards established for that particular category of goods, services, or experiences. No person participating in the jury process may be held liable for any decision or recommendation made about the granting or denial of the use of the market Vermont logo. In the event that an application is rejected, the applicant may request that the secretary of the agency of agriculture, food and markets and the secretary of the agency of commerce and community development Secretary of the Agriculture, Food and Markets and the Secretary of Commerce and Community Development reconsider. If the application is again denied, the decision shall be final, unless the applicant can demonstrate that the goods, service, or experience has been altered in order to bring it in line with the standards established for that product.

\* \* \*

(e) Fees. The secretary may require transactional charges, commissions, or other fees, which are based upon the actual costs to the department, to be paid by persons participating in the program, and to be applied toward administration and promotion of the program.

\* \* \* Feed, Fertilizer, Livestock, and Pesticides \* \* \*

Sec. 16. 6 V.S.A. § 324 is amended to read:

§ 324. REGISTRATION AND FEES

\* \* \*

(b) No A person shall not distribute in this state State a commercial feed that has not been registered pursuant to the provisions of this chapter. Application shall be in a form and manner to be prescribed by rule of the secretary Secretary. The application for registration of a commercial feed shall be accompanied by a registration fee of \$75.00 \$85.00 per product. The registration fees, along with any surcharges collected under subsection (c) of this section, shall be deposited in the special fund created by subsection 364(e) of this title. Funds deposited in this account shall be restricted to implementing and administering the provisions of this title and any other provisions of the law relating to fertilizer, lime, or seeds. If the secretary Secretary so requests, the application for registration shall be accompanied by a label or other printed matter describing the product.

\* \* \*

### Sec. 17. 6 V.S.A. § 364 is amended to read:

#### § 364. REGISTRATION

- (a) Each brand or grade of fertilizer shall be registered in the name of the person whose name appears upon the label before being distributed in this state State. The application for registration shall be submitted to the secretary Secretary on a form furnished by the agency of agriculture, food and markets Agency of Agriculture, Food and Markets and shall be accompanied by a fee of \$15.00 \$20.00 per nutrient or recognized plant food element to a maximum of \$105.00 \$140.00 per brand or grade. Upon approval by the secretary Secretary, a copy of the registration shall be furnished to the applicant. All registrations expire on December 31 of each year. The application shall include the following information:
  - (1) the brand and grade;
  - (2) the guaranteed analysis; and
  - (3) the name and address of the registrant.

\* \* \*

# Sec. 18. 6 V.S.A. § 762 is amended to read:

# § 762. LICENSE; FEE

(a) A person shall not carry on the business of a livestock dealer without first obtaining a license from the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets. Before the issuance of such license, such dealer shall file with the secretary of agriculture, food and

markets Secretary an application for such license on forms provided by the agency Agency. Each application shall be accompanied by a fee of \$100.00 \$150.00 for persons who buy and sell or auction livestock, and \$30.00 \$75.00 for persons who only transport livestock commercially.

\* \* \*

Sec. 19. 6 V.S.A. § 918 is amended to read:

§ 918. REGISTRATION

\* \* \*

(b) The registrant shall pay an annual fee of \$100.00 \$110.00 for each product registered, and that amount shall be deposited in the special fund created in section 929 of this title, of which \$5.00 from each product registration shall be used for an educational program related to the proper purchase, application, and disposal of household pesticides, and \$5.00 from each product registration shall be used to collect and dispose of obsolete and unwanted pesticides. The annual registration year shall be from December 1 to November 30 of the following year.

\* \* \*

Sec. 20. 6 V.S.A. § 4031 is amended to read:

# § 4031. PLANTS TAKEN FROM THE WILD

(a) The secretary Secretary may adopt procedural rules pursuant to the Administrative Procedure Act as set forth in 3 V.S.A. chapter 25, for the collection, sale, or distribution of plants taken from the wild, on the list of Convention on International Trade on Endangered Species of Wild Fauna and Flora, as amended, provided that the plants are not on the Vermont endangered species list. He or she may authorize surveys or other actions to determine the extent that plant collections may be undertaken without jeopardizing the survival of a plant species. He or she may classify plant species based on their populations or chances for survival and may restrict what amount, if any, of a particular species may be removed from the wild.

\* \* \*

(d) The Secretary may collect a fee of \$60.00 for a three-year permit to engage in commerce with plants described in subsection (a) of this section. The fee shall be credited to a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and shall be available to the Agency to offset the costs of implementing this section.

\* \* \* Weights and Measures \* \* \*

Sec. 21. 9 V.S.A. § 2730 is amended to read:

# § 2730. LICENSING FOR OPERATION OF WEIGHING AND MEASURING DEVICES

\* \* \*

- (f)(1) The secretary Secretary shall charge, per unit, the following annual license fees:
  - (A) Retail motor fuel dispenser meter: \$15.00.
  - (B) Vehicle tank meter: \$50.00 \$100.00.
  - (C) Scales: \$10.00.
  - (D) Vehicle and heavy duty scales: \$150.00.
  - (E) Taxi meter: \$10.00.
  - (F) Meter: \$5.00 \$15.00.
  - (G) Bulk plant meter: \$100.00.
  - (H) Truck mounted propane meter: \$150.00.
  - (I) Hopper scales: \$100.00.
  - (J) Propane fill station: \$50.00.
  - (K) Medium duty scales:

portable platform scales: \$10.00 \frac{\$30.00}{}.

all others: \$30.00.

\* \* \*

\* \* \* Department of Liquor Control \* \* \*

Sec. 22. 7 V.S.A. § 2 is amended to read:

#### § 2. DEFINITIONS

The following words as used in this title, unless a contrary meaning is required by the context, shall have the following meaning:

\* \* \*

(34) "Request to cater permit": a permit granted by the Liquor Control Board authorizing a first or first and third class licensed caterer or commercial caterer to cater individual events.

- (35) "Industrial alcohol distributors license": a license granted by the Liquor Control Board that allows holders to sell pure ethyl or grain alcohol of at least 190 proof in quantities of five gallons or more directly to manufacturers, industrial users, hospitals, druggists, and institutions of learning. Alcohol sold under the industrial alcohol distributors license may only be used for manufacturing, mechanical, medicinal, and scientific purposes.
- (36) "Outside consumption permit": a permit granted by the Liquor Control Board allowing a first class or first and third class license holder and fourth class license holder to allow for consumption of alcohol in a delineated outside area.

Sec. 23. 7 V.S.A. § 61 is amended to read:

#### § 61. RESTRICTIONS; EXCEPTIONS

A person, partnership, association, or corporation shall not furnish or sell, or expose or keep with intent to sell, any malt or vinous beverage, or spirits, or manufacture, sell, barter, transport, import, export, deliver, prescribe, furnish, or possess any alcohol, except as authorized by this title. However, this chapter shall not apply to the furnishing of such beverages or spirits by a person in his <u>or her</u> private dwelling, unless to an habitual drunkard, or unless such dwelling becomes a place of public resort, nor to the sale of fermented cider by the barrel or cask of not less than 32 liquid gallons capacity, provided the same is delivered and removed from the vendor's premises in such barrel or cask at the time of such sale, nor to the use of sacramental wine, nor to the furnishing, purchase, sale, barter, transportation, importation, exportation, delivery, prescription, or possession of alcohol for manufacturing, mechanical, medicinal, and scientific purposes, provided the same is done under and in accordance with rules and regulations made and licenses and permits issued by the liquor control board Liquor Control Board as hereinafter provided.

Sec. 24. 7 V.S.A. § 63 is amended to read:

# § 63. IMPORTATION OR TRANSPORTATION OF LIQUORS; PROHIBITIONS; PERSONAL IMPORT LIMIT; PENALTY

(a) All spirituous liquors imported or transported into this <u>state</u> shall be imported or transported by and through the <u>liquor control board Liquor Control Board</u>. A person importing or transporting or causing to be imported or transported into this <u>state State</u> any spirituous liquors shall be imprisoned not more than one year or fined not more than \$1,000.00, or both. However, a person may import or transport not more than eight quarts of spirituous liquors

into this <u>state</u> in his or her own private vehicle or in his or her actual possession at the time of importation without <u>license or</u> permit.

(b) Except as provided in sections 66 and 68 of this title, all malt or vinous beverages, or both, imported or transported into this <u>state</u> State shall be imported or transported by and through a wholesale dealer holding a wholesale dealer's license issued by the <u>liquor control board Liquor Control Board</u>. A person importing or transporting or causing to be imported or transported into this <u>state</u> any malt or vinous beverages, or both, shall be imprisoned not more than one year or fined not more than \$1,000.00, or both. Provided, however, a person may import or transport not more than six gallons of malt or vinous beverages, or both, into this <u>state</u> State in his or her own private vehicle or in his or her actual possession at the time of importation without <u>license or permit</u>, providing it is not for resale.

Sec. 25. 7 V.S.A. § 230 is amended to read:

§ 230. RESTRICTIONS; FINANCIAL INTERESTS; DISPLAY OF LICENSE; EMPLOYEES

\* \* \*

(b) An individual who is an employee of a wholesale dealer that does not hold a solicitor's permit <u>license</u> may also be employed by a second class licensee on a paid or voluntary basis, provided that the employee does not exercise any control over, or participate in, the management of the second class licensee's business or business decisions, and that either employment relationship does not result in the exclusion of any competitor wholesale dealer or any brand of alcoholic beverages of a competitor wholesale dealer.

Sec. 26. 7 V.S.A. § 231 is amended to read:

#### § 231. FEES FOR LICENSES AND PERMITS; DISPOSITION OF FEES

- (a) The following fees shall be paid:
- (1) For a manufacturer's or rectifier's license to manufacture or rectify malt beverages and vinous beverages or to manufacture or rectify spirituous liquors, \$250.00 \$285.00 for either license.
  - (2) For a bottler's license, \$1,500.00 \$1,705.00.
- (3) For a wholesale dealer's license, \$1,000.00 \$1,140.00 for each location.
  - (4) For a first class license, \$200.00 \$230.00.
  - (5) For a second class license, \$100.00 \$140.00.

- (6) For a third class license,  $$880.00 \ $1,000.00$  for an annual license and  $$440.00 \ $500.00$  for a six-month license.
  - (7) For a shipping license for vinous beverages:
    - (A) In-state consumer shipping license, initial and renewal, \$300.00.
- (B) Out-of-state consumer shipping license, initial and renewal, \$300.00.
  - (C) Retail shipping license, initial and renewal, \$200.00 \( \) \(
  - (8)(A) For a caterer's license, \$200.00 \$230.00.
    - (B) For a commercial catering license, \$200.00.
    - (C) For a request to cater permit, \$20.00.
  - (9) For a first class cabaret license, \$200.00. [Repealed.]
- (10) For a third class cabaret license, \$880.00 for an annual license and \$440.00 for a six month license. [Repealed.]
  - (11) For up to ten fourth class vinous licenses, \$50.00 \( \)\$65.00.
  - (12) [Deleted.] For an industrial alcohol distributors license, \$200.00.
  - (13) For a special events permit, \$25.00 \$35.00.
  - (14) For a festival permit, \$100.00 \$115.00.
  - (15) For a wine tasting permit, \$15.00 \$25.00.
  - (16) For an educational sampling event permit, \$200.00 \$230.00.
  - (17) [Deleted.] For an outside consumption permit, \$20.00.
  - (18) For a certificate of approval:
    - (A) For malt beverages, \$2,000.00 per year \$2,275.00.
    - (B) For vinous beverages, \$440.00 per year \$900.00.
  - (19) For a solicitor's permit license, \$50.00 per year \$65.00.
  - (20) For a vinous beverages storage license, \$200.00 per year \$215.00.
  - (21) For a promotional tasting permit for a railroad, \$15.00 \$20.00.
  - (22) For an art gallery or bookstore permit, \$15.00 \\$20.00.
- (b) Except for fees collected for first, second, and third class licenses, the fees collected pursuant to subsection (a) of this section shall be deposited in the

liquor control enterprise fund Liquor Control Enterprise Fund. The other fees shall be distributed as follows:

(1) Third class license fees: 55 percent shall go to the liquor control enterprise fund Liquor Control Enterprise Fund, and 45 percent shall go to the general fund General Fund and shall be used to fund the DETER program in fiscal year 2007 fund alcohol abuse prevention and treatment programs.

\* \* \*

# Sec. 27. 7 V.S.A. chapter 13 is amended to read:

# CHAPTER 13. SOLICITIOR'S PERMIT LICENSE

#### § 361. GRANTING OF PERMIT LICENSE; SOLICITATION OF ORDERS

The liquor control board Liquor Control Board may grant to a natural person a solicitor's permit license, which shall authorize such person to solicit orders for and promote the sale of malt or vinous beverages by canvassing or interviewing holders of licenses issued under the provisions of this title.

## § 362. APPLICATION; UNDERTAKING; RECOMMENDATION

Application for such permit a license shall be made in writing, signed by the applicant, to the liquor control board Liquor Control Board on a form prescribed by the board Board, containing the name, residence, and business address of the applicant, the name and address of the vendor to be represented by the applicant, and an undertaking by the applicant to comply with the regulations of the board Board. Such The application shall have appended thereto a recommendation of the applicant as being qualified to hold such permit the license, signed by such vendor.

#### § 363. FEE

The fee for a solicitor's permit license shall be as provided in section 231 of this title and shall be collected by the department of liquor control Department of Liquor Control. Such permit shall expire at midnight April 30 of each year and shall be renewable on application therefor and payment of the fee. A certified check payable to the state State of Vermont shall accompany the application and shall be returned to the applicant in case the board Board fails to grant the permit license.

#### § 364. SUSPENSION OR REVOCATION

The <u>liquor control board</u> <u>Liquor Control Board</u> shall have power to suspend or revoke any such solicitor's <u>permit license</u> for failure to comply with any regulation of the <u>board Board</u> or for other cause. <u>No such The</u> certificate shall

<u>not</u> be revoked unless the holder thereof shall have had an opportunity to be heard after reasonable notice.

# § 365. PENALTY

A person who solicits orders for, or promotes the sale of malt or vinous beverages, or attempts so to solicit or promote, by canvassing or interviewing a holder of a license issued under the provisions of this title, without having first obtained a solicitor's permit license as provided for in this chapter, or who makes a false or fraudulent statement or representation in an application for such permit the license or in connection therewith shall be imprisoned not more than six months or be fined not more than \$500.00, or both.

Sec. 28. 7 V.S.A. § 1002 is amended to read:

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

\* \* \*

(d) A person applying simultaneously for a tobacco license and a liquor license shall apply to the legislative body of the municipality and shall pay to the department Department only the fee required to obtain the liquor license. A person applying only for a tobacco license shall submit a fee of \$10.00 \$100.00 to the legislative body of the municipality for each tobacco license or renewal. The municipal clerk shall forward the application to the department Department, and the department Department shall issue the tobacco license. The municipal clerk shall retain \$5.00 of this fee, and the remainder shall be deposited in the treasury of the municipality The tobacco license fee shall be forwarded to the Commissioner for deposit in the Liquor Control Enterprise Fund.

\* \* \*

\* \* \* Department of Labor \* \* \*

\* \* \* Workers' Compensation Fund \* \* \*

#### Sec. 29. WORKERS' COMPENSATION RATE OF CONTRIBUTION

Pursuant to 21 V.S.A. § 711(b), for fiscal year 2014, the General Assembly has established that the rate of contribution for the direct calendar year premium for workers' compensation insurance shall be set at the rate of 1.45 percent established in 21 V.S.A. § 711(a). The contribution rate for self-insured workers' compensation losses and workers' compensation losses of corporations approved under 21 V.S.A. chapter 9 shall remain at one percent.

\* \* \* Surcharges and Assessments \* \* \*

# Sec. 30. WORKERS' COMPENSATION ASSESSMENT

A surcharge on the direct calendar year premium for workers' compensation insurance shall be assessed at a rate of 0.16 percent and a surcharge on self-insured workers' compensation losses and workers' compensation losses of corporations shall be assessed at a rate of 0.25 percent for fiscal years 2014 and 2015 in order to enable the Department of Labor to complete a technological upgrade of its computer system.

Sec. 31. 32 V.S.A. § 602 is amended to read:

#### § 602. DEFINITIONS

For purposes of As used in this subchapter:

\* \* \*

- (2) "Fee":
- (A) Means a monetary charge by an agency or the judiciary for a service or product provided to, or the regulation of, specified classes of individuals or entities.
- (B) The following charges are exempt from the provisions of this subchapter; except as provided in subsection 605(f) of this subchapter:

\* \* \*

\* \* \* Attorney General \* \* \*

Sec. 32. 9 V.S.A. § 2473 is amended to read:

§ 2473. NOTICE OF SOLICITATION

\* \* \*

- (f)(1) In each calendar year in which a paid fundraiser solicits on behalf of a charitable organization, the paid fundraiser shall pay an annual registration fee of \$500.00 to the Attorney General with its first notice of solicitation.
- (2) Each notice of solicitation filed in accordance with this section shall be accompanied by a fee of \$200.00.
- (3) Fees paid under this subsection shall be deposited in a special fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and shall be available to the Attorney General for the costs of administering sections 2471–2479 of this title.

\* \* \* State Police Dispatch Fees \* \* \*

# Sec. 33. UNIFORM DISPATCH FEES

The Commissioner of Public Safety shall adopt rules establishing uniform statewide fees for dispatch services provided by or under the direction of the Department of Public Safety. In setting the fees, the Commissioner shall consult with sheriffs and other entities that provide dispatch services. The Commissioner shall report to the House Committee on Ways and Means and the Senate Committee on Finance on or before January 15, 2014, regarding the adoption and implementation of the uniform dispatch fee rules.

\* \* \* Games of Chance \* \* \*

Sec. 34. 32 V.S.A. § 10209 is added to read:

#### § 10209. RULEMAKING

The Commissioner of Liquor Control shall adopt rules for the maintenance of records relating to the distribution and sale of break-open tickets and for record keeping relating to the remittance of net proceeds from sales of break-open tickets to the intended eligible charitable recipients. The rules shall permit no proceeds to be retained by the operators of for-profit bars except for:

- (1) the actual cost of the break-open tickets;
- (2) the prizes awarded; and
- (3) any sales tax due on the sale of break-open tickets under chapter 233 of this title.

\* \* \* Coolidge State Forest \* \* \*

# Sec. 35. PROCEEDS OF SALE OF PARCEL IN COOLIDGE STATE FOREST

Notwithstanding the requirement in 29 V.S.A. § 166(d) that the proceeds of the sale of real property owned by the State shall be deposited to a capital fund account for future capital construction, the proceeds of the sale of a parcel in the Coolidge State Forest authorized by J.R.H.11 of 2013, as enacted, shall be deposited in the Department of Forests, Parks and Recreation's Land Acquisition Account.

\* \* \* Unemployment Compensation \* \* \*

Sec. 35a. 21 V.S.A. § 1451 is amended to read:

# § 1451. DEFINITIONS

For the purpose of this subchapter As used in this subchapter:

- (1) "Affected unit" means a specific plan, department, shift, or other definable unit consisting of not less than five employees to which an approved short-time compensation plan applies.
  - (2) "Defined benefit plan" means a plan described in 26 U.S.C. § 414(j).
- (3) "Defined contribution plan" means a plan described in 26 U.S.C. § 414(i).
- (4) "Short-time compensation" or "STC" means the unemployment benefits payable to employees in an affected unit under an approved short-time compensation plan as distinguished from the unemployment benefits otherwise payable under the conventional unemployment compensation provisions of this chapter.
- (3)(5) "Short-time compensation plan" means a plan of an employer under which there is a reduction in the number of hours worked by employees of an affected unit rather than temporary layoffs. The term "temporary layoffs" for this purpose means the total separation of one or more workers in the affected unit for an indefinite period expected to last for more than two months but not more than six months.
- (4)(6) "Short-time compensation employer" means an employer who has one or more employees covered by an approved "Short-Time Compensation Plan." "Short-time compensation employer" includes means an employer with experience rating records and an experience rating record or an employer who makes payments in lieu of tax contributions to the unemployment compensation trust fund and that meets all of the following criteria:
- (A) Has has five or more employees covered by an approved short-time compensation plan-:
- (B) Is is not delinquent in the payment of contributions or reimbursement, or in the reporting of wages; and
- (C) Is is not a negative balance employer. For the purposes of this section, a negative balance employer is an employer who has for three or more consecutive calendar years immediately prior to applying for the STC plan paid more in unemployment benefits to its employees than it has contributed to its unemployment insurance account. In the event that an employer has been a negative balance employer for three consecutive years, the employer shall be ineligible for participation unless the commissioner Commissioner grants a waiver based upon extenuating economic conditions or other good cause.

- (5)(7) "Usual weekly hours of work" means the normal hours of work for full-time and regular or part-time employees in the affected unit when that unit is operating on its normally full-time basis not less than 30 hours and regular basis not to exceed 40 hours and not including hours of overtime work.
- (6)(8) "Unemployment compensation" means the unemployment benefits payable under this chapter other than short-time compensation and includes any amounts payable pursuant to an agreement under any federal law providing for compensation, assistance, or allowances with respect to unemployment.
- (7)(9) "Fringe benefits" means benefits, including health insurance, retirement benefits, paid vacations and holidays, sick leave, and similar benefits that are incidents of employment.
- (8)(10) "Intermittent employment" means employment that is not continuous but may consist of intervals of weekly work and intervals of no weekly work.
- (9)(11) "Seasonal employment" means employment with an employer who experiences at least a 20-percent difference between its highest level of employment during a particular season and its lowest level of employment during the off-season in each of the previous three years as reported to the department Department, or employment with an employer on a temporary basis during a particular season.

Sec. 35b. 21 V.S.A. § 1452 is amended to read:

#### § 1452. CRITERIA FOR APPROVAL

(a) An employer wishing to participate in an STC program shall submit a department of labor Department of Labor electronic application or a signed written short-time compensation plan to the commissioner Commissioner for approval. The commissioner Commissioner may approve an STC plan only if the following criteria are met:

\* \* \*

(3) the plan outlines to the commissioner the extent to which fringe benefits, including health insurance, of employees participating in the plan may be reduced, which shall be factored into the evaluation of the business plan for resolving the conditions that lead to the need for the STC plan provides that if the employer provides fringe benefits, including health benefits and retirement benefits under a defined benefit plan or contributions under a defined contribution plan, to any employee whose workweek is reduced under the program, that the benefits will continue to be provided to employees

participating in the short-time compensation program under the same terms and conditions as though the workweek had not been reduced. However, reductions in the benefits of short-time compensation plan participants are permitted to the extent that the reductions also apply to nonparticipant employees;

\* \* \*

(5) the plan certifies that the aggregate reduction in work hours is in lieu of temporary total layoffs of one or more workers which would have resulted in an equivalent reduction in work hours and which the commissioner Commissioner finds would have caused an equivalent dollar amount to be payable in unemployment compensation;

\* \* \*

(7) the identified workweek reduction is applied consistently throughout the duration of the plan unless otherwise approved by the department Department. The plan shall not subsidize seasonal employers during the off-season;

\* \* \*

- (11) the plan certifies that the collective bargaining agent or agents for the employees, if any, have agreed to participate in the program. If there is no bargaining unit, the employer specifies how he or she will notify the employees in the affected group and work with them to implement the program once the plan is approved; and
- (12) in addition to subdivisions (1) through (11) of this section, the commissioner shall take into account any other factors which may be pertinent to the approval and proper implementation of the plan the plan describes the manner in which the requirements of this section will be implemented and where feasible how notice will be given to an employee whose workweek is to be reduced and an estimate of the number of layoffs that would have occurred absent the ability to participate in the short-time compensation program and any other information that the U.S. Secretary of Labor determines is appropriate; and
- (13) the employer certifies that the plan is consistent with employer obligations under applicable state and federal laws.
- (b) In the event of any conflict between any provision of sections 1451–1460 of this title, or the regulations implemented pursuant to these sections, and applicable federal law, the federal law shall prevail and the provision shall be deemed invalid.

Sec. 35c. 21 V.S.A. § 1457 is amended to read:

#### § 1457. ELIGIBILITY

- (a) An individual is eligible to receive STC benefits with respect to any week only if, in addition to eligibility for monetary entitlement, the commissioner Commissioner finds that:
- (1) the individual is employed during that week as a member of an affected unit under an approved short-time compensation plan which was in effect for that week;
- (2) the individual is able to work and is available for the normal work week with the short-time employer;
- (3) notwithstanding any other provisions of this chapter to the contrary, an individual is deemed unemployed in any week for which remuneration is payable to him or her as an employee in an affected unit for less than his or her normal weekly hours of work as specified under the approved short-time compensation plan in effect for the week;
- (4) notwithstanding any other provisions of this chapter to the contrary, an individual shall not be denied STC benefits for any week by reason of the application of provisions relating to availability for work and active search for work with an employer other than the short-time employer.
- (b) Eligible employees may participate, as appropriate, in training, including employer-sponsored training or worker training funded under the Workforce Investment Act of 1998, to enhance job skills if the program has been approved by the Department.

Sec. 35d. 21 V.S.A. § 1253 is amended to read:

#### § 1253. ELIGIBILITY

The commissioner Commissioner shall make all determinations for eligibility under this chapter. An individual shall be eligible for up to 26 weekly payments when the commissioner Commissioner determines that the individual voluntarily left work due to circumstances directly resulting from domestic and sexual violence, provided the individual:

(1) Leaves employment for one of the following reasons:

\* \* \*

(D) The individual is physically or emotionally unable to work as a result of experiencing domestic or sexual violence as certified by a medical professional. The certification shall be reviewed by the Commissioner every

six weeks and may be renewed until the individual is able to work or the benefits are exhausted.

\* \* \*

Sec. 35e. 21 V.S.A. § 1254 is amended to read:

#### § 1254. CONDITIONS

An individual shall be eligible to receive payments with respect to any week, only if the commissioner Commissioner finds that the individual complies with all of the following requirements:

- (1) Files <u>files</u> a claim certifying that he or she did not work during the week-;
  - (2) Is is not eligible for unemployment compensation benefits:; and
- (3) Is taking steps to become employed is working with the Department to determine work readiness and taking reasonable steps as determined by the Commissioner to become employed.

Sec. 35f. 21 V.S.A. § 1255 is amended to read:

#### § 1255. PROCEDURES

- (a) The commissioner <u>Commissioner or designee</u> shall review all claims for payment and shall promptly provide written notification to the individual of any claim that is denied and the reasons for the denial.
- (b) Within 30 days after receipt of a denial, the individual may appeal the determination to the commissioner Commissioner by requesting a review of the decision. On appeal to the Commissioner the individual may provide supplementary evidence to the record. The commissioner Commissioner shall review the record within seven working days after the notice of the appeal is filed and promptly notify the individual in writing of the commissioner's Commissioner's decision. The decision of the commissioner Commissioner shall become final unless an appeal to the supreme court Supreme Court is taken within 30 days of the date of the commissioner's Commissioner's decision.

\* \* \* Repeal \* \* \*

Sec. 36. REPEAL

32 V.S.A. § 605(f) (relating to report of surcharges and assessments) is repealed.

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

#### Sec. 37. EFFECTIVE DATE

This act shall take effect on July 1, 2013.

TIMOTHY R. ASHE MARK A. MACDONALD MARGARET K FLORY

Committee on the part of the Senate

CAROLYN W. BRANAGAN ALISON H. CLARKSON DAVID D. SHARPE

Committee on the part of the House

Which was considered and adopted on the part of the House.

# Rules Suspended; Report of Committee of Conference Adopted H. 295

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to technical tax changes

Was taken up for immediate consideration.

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Administrative Provisions \* \* \*

Sec. 1. 2012 Acts and Resolves No. 143, Sec. 63(1) is amended to read:

(1) Secs. 1 (petroleum cleanup fee), 2 (petroleum cleanup fund outreach), 8 (extraordinary relief), 14 (reporting requirements), 21 (affordable housing tax credit), 22 (downtown tax credit for disaster expenses), 23 (limitation on downtown tax credits for fiscal year 2013), 24 (low income property transfer tax exemption), and 54 (dental equipment), and 62 (allocation to the emergency medical services special fund) of this act shall take effect on July 1, 2012.

#### Sec. 2. 14 V.S.A. § 3502(f) is amended to read:

(f) Notwithstanding any other provision of law, a power of attorney appointing a representative to represent a person before the Vermont department of taxes Department of Taxes that otherwise conforms to the requirements of the U.S. Internal Revenue Service for a valid power of attorney and declaration of representative pursuant to 25 C.F.R. § 601.503 shall be deemed to be legally executed and shall be of the same force and effect for purposes of representation before the department of taxes as if executed in the manner prescribed in this chapter to the provisions of this section is valid without the signature of a witness or notary.

#### Sec. 3. 18 V.S.A. § 908(a) is amended to read:

(a) The emergency medical services special fund Emergency Medical Services Fund is established pursuant to 32 V.S.A. chapter 7, subchapter 5 comprising revenues received by the department Department from the general fund Fire Safety Special Fund, pursuant to 32 V.S.A. Sec. 8557(a), that are designated for this special fund and public and private sources as gifts, grants, and donations together with additions and interest accruing to the fund. The commissioner of health Commissioner of Health shall administer the fund Fund to the extent funds are available to support online and regional training programs, data collection and analysis, and other activities relating to the training of emergency medical personnel and delivery of emergency medical services and ambulance services in Vermont, as determined by the commissioner Commissioner, after consulting with the EMS advisory committee Advisory Committee established under section 909 of this title. Any balance at the end of the fiscal year shall be carried forward in the fund Fund.

#### Sec. 4. 32 V.S.A. § 312(d) is added to read:

(d) Every tax expenditure in the tax expenditure report required by this section shall be accompanied in statute by a statutory purpose explaining the policy goal behind the exemption, exclusion, deduction, or credit applicable to the tax. The statutory purpose shall appear as a separate subsection or subdivision in statute and shall bear the title "Statutory Purpose." Notwithstanding any other provision of law, a tax expenditure listed in the tax expenditure report that lacks a statutory purpose in statute shall not be implemented or enforced until a statutory purpose is provided.

#### Sec. 5. TAX EXPENDITURE PURPOSES

The Joint Fiscal Committee shall draft a statutory purpose for each tax expenditure in the report required by 32 V.S.A. § 312 that explains the policy

goal behind the exemption, exclusion, deduction, or credit applicable to the tax. For the purpose of this report, the Committee shall have the assistance of the Department of Taxes, the Joint Fiscal Office, and the Office of Legislative Council. The Committee shall report its findings and recommendations to the Senate Committee on Finance and the House Committee on Ways and Means by January 15, 2014. The report of the Committee shall consist of a written catalogue for Vermont's tax expenditures and draft legislation, in bill form, providing a statutory purpose for each tax expenditure. Upon receipt of the report under this section, the Senate Committee on Finance shall introduce a bill to adopt statutory purposes during the 2014 legislative session.

#### Sec. 6. 32 V.S.A. § 3102(1) is added to read:

- (l)(1) The Commissioner of the Department of Taxes and the Chief Fiscal Officer of the Joint Fiscal Office shall enter into a memorandum of understanding in order to provide the Joint Fiscal Office with state returns and return information necessary for the Joint Fiscal Office or its agents to perform its duties, including conducting its own statistical studies, forecasts, and fiscal analysis.
  - (2) The memorandum of understanding shall provide for:
- (A) mechanisms to prevent the identification of individual taxpayers, including the redaction of any information that identifies a particular taxpayer;
- (B) protocols for handling and transmitting returns and return information;
- (C) the designation of specific employees of the Joint Fiscal Office with access to the information provided by the Department of Taxes;
- (D) the incorporation of penalties for unauthorized disclosures under subsections (a) and (h) of this section.

Sec. 6a. TAX DATA

The Commissioner of Taxes and the Chief Fiscal Officer of the Joint Fiscal Officer shall enter into a memorandum of understanding under Sec. 6 of this act no later than August 1, 2013.

Sec. 7. 32 V.S.A. § 3262 is amended to read:

- § 3262. LIEN FEES; SERVICE OF PROCESS COSTS; ELECTRONIC FILING OF LIENS
- (a) Notwithstanding section 502 of this title, the commissioner Commissioner may charge against any collection of any liability any related

lien fees specified in subdivision 1671(a)(6) or subsection 1671(c) of this title and any related service of process costs awarded to the department Department and paid by the commissioner Commissioner. Fees and costs collected under this section shall be credited to a special fund Fund established and managed pursuant to subchapter 5 of chapter 7 of this title, and shall be available as payment for the fees of the clerk of the municipality and the costs of service.

(b) The Commissioner may file notice of any lien arising in favor of the State due to nonpayment of taxes with the clerk of a municipality in which the property subject to lien is located in electronic format, and such lien shall have the same force and effect as a lien filed in paper form.

#### Sec. 8. TAX COMPLIANCE

The General Assembly finds that there is a gap between the amount of taxes paid in this State and the amount of taxes due. Therefore, the General Assembly directs the Department of Taxes to develop and pursue further strategies to close the tax gap during state fiscal year 2014. The Department of Taxes shall redeploy resources to focus on these strategies with the goal of increasing current collections by \$1,500,000.00 in fiscal year 2014.

\* \* \* Cigarettes and Tobacco Products \* \* \*

#### Sec. 9. 32 V.S.A. § 7772(b) is amended to read:

(b) At the purchaser's request, the commissioner Commissioner may sell stamps to be affixed to packages of cigarettes as evidence of the payment to the tax imposed by this chapter to licensed wholesale dealers and retail dealers for payment within 10 days, at a discount of one and five-tenths percent of their face value if timely paid. In determining whether to sell stamps for payment within 10 days, the commissioner Commissioner shall consider the credit history of the dealer; and the filing and payment history, with respect to any tax administered by the commissioner Commissioner, of the dealer or any individual, corporation, partnership, or other legal entity with which the dealer is or was associated as principal, partner, officer, director, employee, agent, or incorporator. No stamps may be purchased during the period June 15 through June 30 each year under the provisions of this subsection.

Sec. 10. 32 V.S.A. § 7817 is amended to read:

#### § 7817. DETERMINATION OF TAX ON FAILURE TO FILE RETURN

(a) When the commissioner Commissioner discovers, by examination of the records of the taxpayer as provided in section 7816 of this title, or otherwise, that a person required to file a return under this subchapter, has filed an incorrect or insufficient return, the commissioner Commissioner may, at

any time within three years after the date the return was due, determine the correct amount of tax and shall give notice to the taxpayer of the amount of any deficiency in such tax, together with penalty and interest as hereinafter provided. If no return has been filed as provided by law, the tax may be assessed at any time. When, before the expiration of the period prescribed herein for assessment of an additional tax, a taxpayer has consented in writing that the period be extended, the amount of the additional tax due may be determined at any time within the extended period. The period so extended may be further extended by subsequent consents in writing made before the expiration of the extended period.

\* \* \*

Sec. 11. 32 V.S.A. § 7783 is amended to read:

§ 7783. APPEALS

Any person aggrieved because of any action or decision of the commissioner Commissioner under the provisions of this chapter may appeal therefrom within 30 days to the superior court Superior Court of the county in which such person resides. The appellant shall give security, approved by the commissioner Commissioner, conditioned to pay the tax levied, if it remains unpaid, with interest and costs. Such appeals shall be preferred cases for hearing on the docket of such court. Such court may grant such relief as may be equitable and may order the state treasurer to pay to the aggrieved taxpayer the amount of such relief, with interest at the rate of six percent per annum. If the appeal shall have been taken without probable cause, the court may tax double or triple costs as the case shall demand. Upon all such appeals which may be denied, costs may be taxed against the appellant at the discretion of the court, but no costs shall be taxed against the state.

\* \* \* Use Value Program \* \* \*

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

§ 3752. DEFINITIONS

For the purposes of this subchapter:

\* \* \*

(10) "Owner" means the person who is the owner of record of any land or the lessee under a perpetual lease as defined in 32 V.S.A. § 3610(a) provided the term of the lease exceeds 999 years exclusive of renewals. When enrolled land is mortgaged, the mortgagor shall be deemed the owner of the land for the purposes of this subchapter, until the mortgagee takes possession,

either by voluntary act of the mortgagor or foreclosure, after which the mortgagee shall be deemed the owner.

\* \* \*

#### Sec. 13. 32 V.S.A. § 3758 is amended to read:

#### § 3758. APPEALS

- (a) Whenever the director Director denies in whole or in part any application for classification as agricultural land or managed forest land forestland or farm buildings, or grants a different classification than that applied for, or the director or assessing officials fix a use value appraisal, or determine that previously classified property is no longer eligible or that the property has undergone a change in use, the aggrieved owner may appeal the decision of the director Director to the director Commissioner within 30 days of the decision, and from there in the same manner and under the same procedures as an appeal from a decision of a board of civil authority, as set forth in subchapter 2 of chapter 131 of this title; and may appeal the decision of the assessing officials in the same manner as an appeal of a grand list valuation to Superior Court in the county in which the property is located.
- (b) Any owner who is aggrieved by the determination of the fair market value of classified land for the purpose of computing the land use change tax may appeal in the same manner as an appeal of a grand list valuation.
- (c) Whenever the commissioner Director denies a request for an exemption from the terms of the definition of a "farmer" as provided in subsection 3756(j) of this title, the aggrieved person may appeal the decision of the Director to the commissioner Commissioner within 30 days of the decision, and from there to the superior court Superior Court in the same manner and under the same procedures as an appeal from a decision of the board of civil authority, as set forth in subchapter 2 of chapter 131 of this title the county in which the property is located.
- (d) Any owner who is aggrieved by a decision of the department of forests, parks and recreation Department of Forests, Parks and Recreation concerning the filing of an adverse inspection report, or a denial of approval of a management plan, or a certification to the director Director with respect to land for which a wastewater permit is issued may appeal to the commissioner of the department of forests, parks and recreation Commissioner of the Department of Forests, Parks and Recreation within 60 days of the filing of the adverse inspection report, the decision to deny approval, or the certification to the Director. An appeal of this decision of the commissioner Commissioner may be taken to the superior court Superior Court in the same manner and under the

same procedures as an appeal from a decision of a board of civil authority, as set forth in chapter 131, subchapter 2 of this title.

#### Sec. 14. REPEALS

The following 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).

\* \* \* Estate Taxes \* \* \*

Sec. 15. 32 V.S.A. § 7475 is amended to read:

#### § 7475. ADOPTION OF FEDERAL ESTATE AND GIFT TAX LAWS

The laws of the United States, relating to federal estate and gift taxes as in effect on <del>December 31, 2011</del> <u>December 31, 2012</u>, are hereby adopted for the purpose of computing the tax liability under this chapter, except:

- (1) the credit for state death taxes shall remain as provided for under 26 U.S.C. §§ 2011 and 2604 as in effect on January 1, 2001;
- (2) the applicable credit amount shall under 26 U.S.C. § 2010 shall not apply; and the tax imposed under section 7442a of this chapter shall be calculated as if the applicable exclusion amount under 26 U.S.C. § 2010 were \$2,750,000.00; and
- (3) the deduction for state death taxes under 26 U.S.C. § 2058 shall not apply.

Sec. 16. 32 V.S.A. § 7488(b) is amended to read:

(b) If the commissioner Commissioner determines, on a petition for refund or otherwise, that a taxpayer has paid an amount of tax under this chapter which, as of the date of the determination, exceeds the amount of tax liability owing from the taxpayer to the state State, with respect to the current and all preceding taxable years, under any provision of this title, the commissioner Commissioner shall forthwith refund the excess amount to the taxpayer together with interest at the rate per annum established pursuant to section 3108 of this title. That interest shall be computed from the latest of 45 days after the date the return was filed or was due, including any extensions of time thereto or, if the taxpayer filed an amended return or otherwise requested a refund, 45 days after the date the petition or amended return was filed.

\* \* \* Income Tax \* \* \*

#### Sec. 17. 32 V.S.A. § 5811(18) is amended to read:

- (18) "Vermont net income" means, for any taxable year and for any corporate taxpayer:
- (A) the taxable income of the taxpayer for that taxable year under the laws of the United States, without regard to Section 168(k) of the Internal Revenue Code, and excluding income which under the laws of the United States is exempt from taxation by the states:

#### (i) increased by:

- (I) the amount of any deduction for state and local taxes on or measured by income, franchise taxes measured by net income, franchise taxes for the privilege of doing business and capital stock taxes; and
- (II) to the extent such income is exempted from taxation under the laws of the United States by the amount received by the taxpayer on and after January 1, 1986 as interest income from state and local obligation, other than obligations of Vermont and its political subdivisions, and any dividends or other distributions from any fund to the extent such dividend or distribution is attributable to such Vermont state or local obligations; and
- (III) the amount of any deduction for a federal net operating loss; and

\* \* \*

#### Sec. 18. 32 V.S.A. § 5811(21)(B) is amended to read:

- (B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):
  - (i) income from United States government obligations;
- (ii) with respect to adjusted net capital gain income as defined in Section 1(h) of the Internal Revenue Code <u>reduced by the total amount of any qualified dividend income</u>: either the first \$5,000.00 of <u>such</u> adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

\* \* \*

Sec. 19. 32 V.S.A. § 5812 is amended to read:

#### § 5812. INCOME TAXATION OF PARTIES TO A CIVIL UNION

This chapter shall apply to parties to a civil union <u>or civil marriage</u> and surviving parties to a civil union <u>or civil marriage</u> as if federal income tax law recognized a civil union <u>and civil marriage</u> in the same manner as Vermont law.

Sec. 20. 32 V.S.A. § 5824 is amended to read:

#### § 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect for taxable year 2011 2012, but without regard to federal income tax rates under Section 1 of the Internal Revenue Code 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

#### Sec. 21. 32 V.S.A. § 5852(b) is amended to read:

(b) In lieu of the estimated payments provided in subsection (a) of this section, a taxpayer who pays federal estimated income tax in annualized income installments may pay for the installment period an amount equal to the applicable percentage 24 percent of the taxpayer's required payment for federal income tax purposes, reduced by a percentage equal to the percentage of the taxpayer's adjusted gross income for the taxable year which is not Vermont income, provided, however, that if a taxpayer's Vermont income exceeds the taxpayer's adjusted gross income, no reduction shall be made. For purposes of this section, "applicable percentage" means the percentage of federal income tax liability specified in section 5822 of this title, as amended from time to time.

#### Sec. 22. 32 V.S.A. § 5859(b) and (c) are amended to read:

- (b) Except as provided in subsection (c) of this section, the taxpayer shall be liable for interest at the rate per annum established from time to time by the eommissioner Commissioner pursuant to section 3108 of this title upon the amount of any underpayment of estimated tax.
- (1) For purposes of this subsection, the amount of any underpayment of estimated tax shall be the excess of:
- (A) the amount of the installment which would be required to be paid if the estimated tax were equal to  $80 \underline{90}$  percent of the tax shown on the return for the taxable year, or, if no return were filed  $80,\underline{90}$  percent of the tax for such year, over

(B) the amount, if any, of the installment paid on or before the last date prescribed for payment.

\* \* \*

- (c) No interest for underpayment of any installment or estimated tax shall be imposed if the total amount of all such payments made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were the lesser of:
- (1) an amount equal to the tax computed at the rate applicable to the taxable year but otherwise on the basis of the facts shown on the return for, and the law applicable to, the preceding taxable year; or
- (2) an amount equal to  $80 \ \underline{90}$  percent of the tax finally due for the taxable year.

Sec. 23. 32 V.S.A. § 5883 is amended to read:

### § 5883. DETERMINATION OF DEFICIENCY, REFUND, <del>PENALTY, OR INTEREST</del> OR ASSESSMENT

Upon receipt of a notice of deficiency, of denial or reduction of a refund claim, or of assessment of penalty or interest under section 3203 of this title, the taxpayer may, within 60 days after the date of mailing of the notice or assessment, petition the commissioner Commissioner in writing for a determination of that deficiency, refund, or assessment. The commissioner Commissioner shall thereafter grant a hearing upon the matter and notify the taxpayer in writing of his or her determination concerning the deficiency, penalty or interest refund, or assessment.

#### Sec. 24. WOOD PRODUCTS MANUFACTURERS TAX CREDIT

2005 Spec. Sess. Acts and Resolves No. 2, Sec. 2, as amended by 2006 Acts and Resolves No. 212, Sec. 9 and 2008 Acts and Resolves No. 190, Sec. 29, and as further amended by 2011 Acts and Resolves No. 45, Sec. 17, is further amended to read:

#### Sec. 2. EFFECTIVE DATE; SUNSET

Sec. 1 of this act (wood products manufacture tax credit) shall apply to taxable years beginning on or after July 1, 2005. 32 V.S.A. § 5930y is repealed July 1, 2013 January 1, 2014, and no credit under that section shall be available for any taxable year beginning on or after July 1, 2013 January 1, 2014.

Sec. 25. [Deleted.]

\* \* \* Property Tax and Property Tax Adjustments \* \* \*

Sec. 26. 10 V.S.A. § 6306(b)(3) is added to read:

- (3) A certification granted to a qualified agency shall first affect the April 1 grand list following the date that all information deemed necessary by the Commissioner has been provided by the qualified organization.
- Sec. 27. 32 V.S.A. § 3802(11)(B)(i) is amended to read:
- (i) the definitions shall apply as if federal law recognized a civil union or a civil marriage in the same manner as Vermont law;
- Sec. 28. 32 V.S.A. § 3802(18) is added to read:
- (18) Any parcel of land that provides public access to public waters, as defined in 10 V.S.A. § 1422(6), and that is also:
- (A) owned by the Town of Hardwick, and located in Greensboro, Vermont; or
- (B) owned by the Town of Thetford, and located in Fairlee, Vermont, and West Fairlee, Vermont.
- Sec. 29. 32 V.S.A. § 3802a is added to read:

#### § 3802a. REQUIREMENT TO PROVIDE INSURANCE INFORMATION

Before April 1 of each year, owners of property exempt from taxation under subdivisions 3802(4)–(6), (9), and (12)–(15) and under subdivisions 5401(10)(D), (F), (G), and (J) of this title shall provide their local assessing officials with information regarding the insurance replacement cost of the exempt property or with a written explanation of why the property is not insured.

Sec. 30. 32 V.S.A. § 4152 is amended to read:

#### § 4152. CONTENTS

(a) When completed, the grand list of a town shall be in such form as the director prescribes and shall contain such information as the director prescribes, including:

\* \* \*

(6) For those parcels which are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title, or what the full listed value of the property would be absent the

exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends;

\* \* \*

(c) When the grand list of a town describes exempt property, the grand list shall identify if the value provided is the insurance replacement cost provided under section 3802a of this title or the full listed value under subdivision (a)(6) of this section.

Sec. 31. 32 V.S.A. § 4004 is amended to read:

#### § 4004. RETURN OF INVENTORIES BY INDIVIDUALS

On or before April 20, unless otherwise required, every taxable person shall procure such inventory form, make full answers to all interrogatories therein, subscribe the same, make oath thereto, and deliver or forward the same to one of the listers in the town wherein such person owns or possesses property required by law to be set to him or her in the grand list. When notice in writing to file, deliver, or forward such inventory on or before a given date is delivered by one of the listers to a person, or mailed postage prepaid to him or her at his or her last known post office address, such person, within the time therein specified, shall properly fill out such inventory and deliver or forward the same to one of the listers, notwithstanding he or she may not own or possess property subject to taxation. Persons taxable only for real estate and persons taxable only upon their polls shall not be required to file such inventory unless notified so to do as herein provided.

Sec. 32. 32 V.S.A. § 4465 is amended to read:

### § 4465. APPOINTMENT OF APPRAISER PROPERTY TAX HEARING OFFICER; OATH; PAY

When an appeal to the director Director is not withdrawn, the director Director shall refer the appeal in writing to a person not employed by the director Director, appointed by the director Director as an appraiser hearing officer. The director Director shall have the right to remove an appraiser a hearing officer for inefficiency, malfeasance in office, or other cause. In like manner, the director Director shall appoint an appraiser a hearing officer to fill any vacancy created by resignation, removal, or other cause. Before entering into their duties, persons appointed as appraisers hearing officers shall take and subscribe the oath of the office prescribed in the constitution Constitution, which oath shall be filed with the director Director. The director Director shall pay each appraiser hearing officer a sum not to exceed \$120.00 per diem for

each day wherein hearings are held, together with reasonable expenses as the director <u>Director</u> may determine. <u>An appraiser A hearing officer</u> may subpoena witnesses, records, and documents in the manner provided by law for serving subpoenas in civil actions and may administer oaths to witnesses.

Sec. 33. 32 V.S.A. § 4466 is amended to read:

### § 4466. CONDUCT OF APPEAL BEFORE <del>APPRAISER</del> <u>HEARING</u> OFFICER

Unless expressly waived by all parties to the appeal, the provisions of 3 V.S.A. chapter 25 of Title 3 shall govern all proceedings before an appraiser a hearing officer except where inconsistent with this subchapter. An appraiser A hearing officer shall promptly notify in writing the clerk of the town and all other parties to the appeal of the place within the town wherein the appeal is taken, of the place within such town and the time at which the parties shall be heard, such notice to be delivered in person or by mail, postage prepaid.

Sec. 34. 32 V.S.A. § 4467 is amended to read:

#### § 4467. DETERMINATION OF APPEAL

Upon appeal to the <u>director</u> <u>Director</u> or the court, the <u>appraiser hearing</u> <u>officer</u> or court shall proceed de novo and determine the correct valuation of the property as promptly as practicable and to determine a homestead and a housesite value if a homestead has been declared with respect to the property for the year in which the appeal is taken. The <u>appraiser hearing officer</u> or court shall take into account the requirements of law as to valuation, and the provisions of Chapter I, Article 9 of the Constitution of Vermont and the 14th Amendment to the Constitution of the United States. If the <u>appraiser hearing officer</u> or court finds that the listed value of the property subject to appeal does not correspond to the listed value of comparable properties within the town, the <u>appraiser hearing officer</u> or court shall set said property in the list at a corresponding value. The findings and determinations of the <u>appraiser hearing officer</u> shall be made in writing and shall be available to the appellant. If the appeal is taken to the <u>director Director</u>, the <u>appraiser hearing officer</u> shall inspect the property prior to making a determination.

Sec. 35. REPEAL

32 V.S.A. § 5165 (report of delinquent taxes to director) is repealed.

Sec. 36. REPEAL

32 V.S.A. § 5166 (report of payment to director) is repealed.

Sec. 37. REPEAL

#### 32 V.S.A. § 5167 (reporting method of collection to director) is repealed.

Sec. 38. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

\* \* \*

(10) "Nonresidential property" means all property except:

\* \* \*

(B) Property which is subject to the tax on railroads imposed by subchapter 2 of chapter 211 of this title, the tax on steamboat, car and transportation companies imposed by subchapter 3 of chapter 211 of this title, the tax on telephone companies imposed by subchapter 6 of chapter 211 of this title, or the tax on electric generating plants imposed by chapter 213 of this title.

\* \* \*

#### Sec. 39. 32 V.S.A. § 5405(a) is amended to read:

(a) Annually, on or before April 1, the commissioner Commissioner shall determine the equalized education property tax grand list and coefficient of dispersion for each municipality in the state State; provided, however, that for purposes of equalizing grand lists pursuant to this section, the equalized education property tax grand list of a municipality that establishes a tax increment financing district shall include the fair market value of the property in the district and not the original taxable value of the property and further provided that the unified towns and gores of Essex County may be treated as one municipality for the purpose of determining an equalized education property grand list and a coefficient of dispersion if the Director determines that all such entities have a uniform appraisal schedule and uniform appraisal practices.

Sec. 40. 32 V.S.A. § 6066(b) and (c) are amended to read:

(b) An eligible claimant who rented the homestead on the last day of the taxable year, whose household income does not exceed \$47,000.00, and who submits a certificate of allocable rent shall be entitled to a credit against the claimant's tax liability under chapter 151 of this title equal to the amount by which the allocable rent upon the claimant's housesite exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to to the nearest dollar) is:

then the taxpayer is entitled credit for allocable rent paid in

	excess of this percent of	
	that income:	
\$0 - 9,999.00	2.0	
\$10,000.00 - 24,999.00	4.5	
\$25,000.00 - 47,000.00	5.0	

In no event shall the credit exceed the amount of the allocable rent.

- (c) To be eligible for a property tax an adjustment or credit under this chapter the claimant:
- (1) must have been domiciled in this state <u>State</u> during the entire taxable year; and
- (2) may not be a person claimed as a dependent by any taxpayer under the federal Internal Revenue Code during the taxable year; and
- (3) in the case of a renter, shall have rented property during the entire taxable year.
- Sec. 41. 32 V.S.A. § 8701(d) is added to read:
- (d) The existence of a renewable energy plant subject to tax under subsection (b) of this section shall not alter the exempt status of any underlying property under section 3802 or 5401(10)(F) of this title.
- Sec. 42. STUDY COMMITTEE ON CERTAIN PROPERTY TAX EXEMPTIONS
- (a) Creation of committee. There is created a Property Tax Exemption Study Committee to study issues related to properties that fall within the public, pious, and charitable property tax exemption in 32 V.S.A. § 3802(4). The Committee shall study and make recommendations related to the definition, listing, valuation, and tax treatment of properties within this exemption.
- (b) Membership. The Property Tax Exemption Study Committee shall be composed of seven members. Four members of the Committee shall be members of the General Assembly. The Committee on Committees of the Senate shall appoint two members of the Senate, not from the same political party, and the Speaker of the House shall appoint two members of the House, not from the same political party. The Chair and Vice Chair of the Committee shall be legislative members selected by all members of the Committee. Three members of the Committee shall be as follows:
  - (1) the Director of the Division of Property Valuation and Review;

- (2) one member from Vermont's League of Cities and Towns, chosen by its board of directors; and
- (3) one member of the Vermont Assessors and Listers Association, chosen by its board of directors.

#### (c) Powers and duties.

- (1) The Committee shall study the definition, listing practices, valuation, and tax treatment of properties within the public, pious, and charitable exemption, including the following:
- (A) ways to clarify the definitions of properties that fall within this exemption, including recreational facilities, educational facilities, and publically owned land and facilities;
- (B) guidelines to ensure a uniform listing practice of public, pious, and charitable properties in different municipalities;
- (C) methods of providing a valuation for properties within this exemption; and
- (D) whether the policy justification for these exemptions continues to be warranted and whether a different system of taxation or exemption of these properties may be more appropriate.
- (2) For purposes of its study of these issues, the Committee shall have the assistance of the Joint Fiscal Office, the Office of Legislative Council, and the Department of Taxes.
- (d) Report. By January 15, 2014, the Committee shall report to the Senate Committee on Finance and the House Committee on Ways and Means its findings and any recommendations for legislative action.
- (e) Number of meetings; term of Committee. The Committee may meet no more than six times, and shall cease to exist on January 16, 2014.
- (f) 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.

Sec. 43. 2008 Acts and Resolves No. 190, Sec. 40, as amended by 2010 Acts and Resolves No. 160, Sec. 22, as amended by 2011 Acts and Resolves No. 45, Sec. 13f, is further amended to read:

## Sec. 40. EDUCATION PROPERTY TAX EXEMPTION FOR SKATINGRINKS SKATING RINKS USED FOR PUBLIC SCHOOLS

Real and personal property operated as a skating rink, owned and operated on a nonprofit basis but not necessarily by the same entity, and which, in the most recent calendar year, provided facilities to local public schools for a sport officially recognized by the Vermont Principals' Association shall be exempt from 50 percent of the education property taxes for fiscal year 2012 years 2013 and 2014 only.

\* \* \* Property Transfer Tax \* \* \*

Sec. 44. 32 V.S.A. § 9606 is amended to read:

#### § 9606. PROPERTY TRANSFER RETURN

- (a) A property transfer return complying with this section shall be delivered to a town clerk at the time a deed evidencing a transfer of title to property is delivered to the clerk for recording.
- (b) The property transfer return required by this section shall be in such form and with such signatures as the commissioner, by regulation, Commissioner shall prescribe, and shall be signed, under oath or affirmation, by each of the parties or their legal representatives, to the transfer of title to property with respect to which the return is filed. If the return is filed with respect to a transfer which is claimed to be exempt from the tax imposed by this chapter, the return shall set forth the basis for such exemption. If the return is filed with respect to a transfer subject to such tax, the return shall truly disclose the value of the property transferred, together with such other information as the commissioner Commissioner may reasonably require for the proper administration of this chapter. The return shall include notice that the property may be subject to regulations governing potable water supplies and wastewater systems under 10 V.S.A. chapter 64 and to building, zoning, and subdivision regulations; and that the parties have an obligation under law to investigate and disclose his or her knowledge regarding flood regulation, if any, affecting the property.
- (c) The property transfer return required under this section shall also contain a certificate in such form as the secretary of the agency of natural resources and the commissioner of taxes jointly shall prescribe and shall be

signed under oath or affirmation by each of the parties or their legal representatives. The certificate shall indicate:

- (1) whether the transfer is in compliance with or is exempt from regulations governing potable water supplies and wastewater systems under chapter 64 of Title 10; and
- (2) that the seller has advised the purchaser that local and state building regulations, zoning regulations, subdivision regulations, and potable water supply and wastewater system requirements pertaining to the property may significantly limit the use of the property.
- (d) For receiving and acknowledging a property transfer return under this chapter, there shall be paid to the town clerk at the time of filing a fee as provided for in subdivision 1671(a)(6) of this title.
- (e) The property transfer return required under this section shall also contain a certificate in such form as the secretary of the agency of natural resources shall prescribe and shall be signed under oath on affirmation by each of the parties or their legal representatives. The certificate shall indicate that each party has investigated and disclosed all of his or her knowledge relating to the flood regulations, if any, affecting the property.
- (f)(d) The property transfer tax return shall not be required of properties qualified for the exemption stated in subdivision 9603(17) of this title. A public utility shall notify the listers of a municipality of the grantors, grantees, consideration, date of execution, and location of the easement when it files for recording a deed transferring a utility line easement that does not require a transfer tax return.
- (g)(e) The commissioner of taxes Commissioner of Taxes is authorized to disclose to any person any information appearing on a property transfer tax return, including statistical information derived therefrom, and such information derived from research into information appearing on property transfer tax returns as is necessary to determine if the property being transferred is subject to 10 V.S.A. chapter 151.

\* \* \* Sales and Use Tax \* \* \*

Sec. 45. 32 V.S.A. § 9741 is amended to read:

#### § 9741. SALES NOT COVERED

Retail sales and 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.

\* \* \*

(2) Drugs intended for human use, durable medical equipment, mobility enhancing equipment, and prosthetic devices and supplies, including blood, blood plasma, insulin, and medical oxygen, used in <u>diagnosis or</u> treatment intended to alleviate human suffering or to correct, in whole or in part, human physical disabilities; provided however, that toothbrushes, floss, and similar items of nominal value given by dentists and hygienists to patients during treatment are supplies used in treatment to alleviate human suffering or to correct, in whole or part, human physical disabilities and are exempt under this subdivision.

\* \* \*

Sec. 46. 32 V.S.A. § 9744(a)(2) is amended to read:

#### § 9744. PROPERTY EXEMPT FROM USE TAX

- (a) The following uses of property are not subject to the compensating use tax imposed under this chapter:
- (1) Property used by the purchaser in this state <u>State</u> prior to June 1, 1969.
- (2) Property purchased <u>and used outside of the State</u> by the user while a nonresident of this <u>state State</u>, except in the case of tangible personal property which the user, in the performance of a contract, incorporates into real property located in the <u>state State</u>.

\* \* \*

#### Sec. 47. 32 V.S.A. § 9781(c) is amended to read:

(c) If the commissioner Commissioner determines, on a petition for refund or otherwise, that a taxpayer has paid an amount of tax under this chapter which, as of the date of the determination, exceeds the amount of tax liability owing from the taxpayer to the state State, with respect to the current and all preceding taxable periods, under any provision of this title, the commissioner Commissioner shall forthwith refund the excess amount to the taxpayer together with interest at the rate per annum established from time to time by the commissioner Commissioner pursuant to section 3108 of this title. That interest shall be computed from the latest of 45 days after the date the return was filed or from 45 days after the date the return was due, including any extensions of time thereto, with respect to which the excess payment was made or, whichever is the later date if the taxpayer filed an amended return or

otherwise requested a refund, 45 days after the date of such amended return or request was filed.

\* \* \* Health Care Provisions \* \* \*

\* \* \* Health Insurance Claims Tax \* \* \*

Sec. 48. 32 V.S.A. chapter 243 is added to read:

#### CHAPTER 243. HEALTH CARE CLAIMS TAX

#### § 10401. DEFINITIONS

As used in this section:

- (1) "Health insurance" means any group or individual health care benefit policy, contract, or other health benefit plan offered, issued, renewed, or administered by any health insurer, including any health care benefit plan offered, issued, renewed, or administered by any health insurance company, any nonprofit hospital and medical service corporation, any dental service corporation, or any managed care organization as defined in 18 V.S.A. § 9402. The term includes comprehensive major medical policies, contracts, or plans and Medicare supplemental policies, contracts, or plans, but does not include Medicaid or any other state health care assistance program in which claims are financed in whole or in part through a federal program unless authorized by federal law and approved by the General Assembly. The term does not include policies issued for specified disease, accident, injury, hospital indemnity, long-term care, disability income, or other limited benefit health insurance policies, except that any policy providing coverage for dental services shall be included.
- (2) "Health insurer" means any person who offers, issues, renews, or administers a health insurance policy, contract, or other health benefit plan in this State and includes third party administrators or pharmacy benefit managers who provide administrative services only for a health benefit plan offering coverage in this State. The term does not include a third party administrator or pharmacy benefit manager to the extent that a health insurer has paid the fee which would otherwise be imposed in connection with health care claims administered by the third party administrator or pharmacy benefit manager.

#### § 10402. HEALTH CARE CLAIMS TAX

(a) There is imposed on every health insurer an annual tax in an amount equal to 0.999 of one percent of all health insurance claims paid by the health insurer for its Vermont members in the previous fiscal year ending June 30.

The annual fee shall be paid to the Commissioner of Taxes in one installment due by January 1.

- (b) Revenues paid and collected under this chapter shall be deposited as follows:
- (1) 0.199 of one percent of all health insurance claims into the Health IT-Fund established in section 10301 of this title; and
- (2) 0.8 of one percent of all health insurance claims into the State Health Care Resources Fund established in 33 V.S.A. § 1901d.
- (c) The annual cost to obtain Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) data, pursuant to 18 V.S.A. § 9410, for use by the Department of Taxes shall be paid from the Vermont Health IT-Fund and the State Health Care Resources Fund in the same proportion as revenues are deposited into those Funds.
- (d) It is the intent of the General Assembly that all health insurers shall contribute equitably through the tax imposed in subsection (a) of this section. In the event that the tax is found not to be enforceable as applied to third party administrators or other entities, the tax owed by all other health insurers shall remain at the existing level and the General Assembly shall consider alternative funding mechanisms that would be enforceable as to all health insurers.

#### § 10403. ADMINISTRATION OF TAX

- (a) The Commissioner of Taxes shall administer and enforce this chapter and the tax. The Commissioner may adopt rules under 3 V.S.A. chapter 25 to carry out such administration and enforcement.
- (b) All of the administrative provisions of chapter 151 of this title, including those relating to the collection and enforcement by the Commissioner of the withholding tax and the income tax, shall apply to the tax imposed by this chapter. In addition, the provisions of chapter 103 of this title, including those relating to the imposition of interest and penalty for failure to pay the tax as provided in section 10402 of this title, shall apply to the tax imposed by this chapter.

### § 10404. DETERMINATION OF DEFICIENCY, REFUND, PENALTY, OR INTEREST

(a) Within 60 days after the mailing of a notice of deficiency, denial or reduction of a refund claim, or assessment of penalty or interest, a health insurer may petition the Commissioner in writing for a determination of that

deficiency, refund, or assessment. The Commissioner shall thereafter grant a hearing upon the matter and notify the health insurer in writing of his or her determination concerning the deficiency, penalty, or interest. This is the exclusive remedy of a health insurer with respect to these matters.

- (b) Any hearing granted by the Commissioner under this section shall be subject to and governed by 3 V.S.A. chapter 25.
- (c) Any aggrieved health insurer may, within 30 days after a determination by the Commissioner concerning a notice of deficiency, an assessment of penalty or interest, or a claim to refund, appeal that determination to the Washington Superior Court or to the Superior Court for the county in which the health insurer has a place of business.
- Sec. 49. 32 V.S.A. § 3102(e) is amended to read:
- (e) The <u>commissioner Commissioner</u> may, in his or her discretion and subject to such conditions and requirements as he or she may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:

\* \* \*

- (14) to the <u>office of the state treasurer Office of the State Treasurer</u>, only in the form of mailing labels, with only the last address known to the <u>department of taxes Department of Taxes</u> of any person identified to the <u>department Department</u> by the <u>treasurer Treasurer</u> by name and Social Security number, for the <u>treasurer's Treasurer's</u> use in notifying owners of unclaimed property; and
- (15) to the department of liquor control Department of Liquor Control, provided that the information is limited to information concerning the sales and use tax and meals and rooms tax filing history with respect to the most recent five years of a person seeking a liquor license or a renewal of a liquor license; and
- (16) to the Commissioner of Financial Regulation and the Commissioner of Vermont Health Access, if such return or return information relates to obligations of health insurers under chapter 243 of this title.

Sec. 50. 32 V.S.A. § 10301 is amended to read:

§ 10301. HEALTH IT-FUND

\* \* \*

- (c) Into the fund shall be deposited:
- (1) revenue from the reinvestment fee health care claims tax imposed on health insurers pursuant to 8 V.S.A. § 4089k subdivision 10402(b)(1) of this title.

\* \* \*

- Sec. 51. 2008 Acts and Resolves No. 192, Sec. 9.001(g) is amended to read:
  - (g) Sec. 7.005 of this act shall sunset July 1, <del>2015</del> <u>2013</u>.

Sec. 52. 32 V.S.A. § 10301 is amended to read:

§ 10301. HEALTH IT-FUND

\* \* \*

- (c) Into the fund shall be deposited:
- (1) revenue from the health care claims tax imposed on health insurers pursuant to subdivision 10402(b)(1) of this title. [Deleted.]

\* \* \*

Sec. 53. 32 V.S.A. § 10402 is amended to read:

#### § 10402. HEALTH CARE CLAIMS TAX

- (a) There is imposed on every health insurer an annual tax in an amount equal to 0.999 0.8 of one percent of all health insurance claims paid by the health insurer for its Vermont members in the previous fiscal year ending June 30. The annual fee shall be paid to the Commissioner of Taxes in one installment due by January 1.
- (b) Revenues paid and collected under this chapter shall be deposited as follows:
- (1) 0.199 of one percent of all health insurance claims into the Health IT Fund established in section 10301 of this title; and
- (2) 0.8 of one percent of all health insurance claims into the State Health Care Resources Fund established in 33 V.S.A. § 1901d.

\* \* \*

Sec. 54. REPEAL

8 V.S.A. § 4089l (health care claims assessment) is repealed on July 1, 2013.

#### Sec. 55. 33 V.S.A. § 1955a(a) is amended to read:

(a) Beginning October 1, 2011, each home health agency's assessment shall be 19.30 percent of its net operating revenues from core home health care services, excluding revenues for services provided under Title XVIII of the federal Social Security Act; provided, however, that each home health agency's annual assessment shall be limited to no more than six percent of its annual net patient revenue. The amount of the tax shall be determined by the eommissioner Commissioner based on the home health agency's most recent audited financial statements at the time of submission, a copy of which shall be provided on or before December 1 May 1 of each year to the department Department. For providers who begin operations as a home health agency after January 1, 2005, the tax shall be assessed as follows:

\* \* \* Fuel Taxes \* \* \*

Sec. 56. 33 V.S.A. § 2503 is amended to read:

#### § 2503. FUEL GROSS RECEIPTS TAX

- (a) There is imposed a gross receipts tax of 0.5 percent on the retail sale of the following types of fuel by sellers receiving more than \$10,000.00 annually for the sale of such fuels:
- (1) heating oil, kerosene, and other dyed diesel fuel delivered to a residence or business;
  - (2) propane;
  - (3) natural gas;
  - (4) electricity;
  - (5) coal.

\* \* \*

\* \* \* Spirituous Liquor \* \* \*

Sec. 57. 7 V.S.A. § 422 is amended to read:

#### § 422. TAX ON SPIRITUOUS LIQUOR

A tax is assessed on the gross revenue on the retail sale of spirituous liquor in the state State of Vermont, including fortified wine, sold by the liquor control board Liquor Control Board or sold by a manufacturer or rectifier of spirituous liquor in accordance with the provisions of this title. The tax shall

be at the following rates based on the gross revenue of the retail sales by the seller in the previous current year:

- (1) if the gross revenue of the seller is \$100,000.00 \$150,000.00 or lower, the rate of tax is five percent;
- (2) if the gross revenue of the seller is between \$100,000.00 \$150,000.00 and \$200,000.00 \$250,000.00, the rate of tax is \$15,000.00 \$7,500.00 plus 15 percent of gross revenues over \$100,000.00 \$150,000.00;
- (3) if the gross revenue of the seller is over \$200,000.00 \$250,000.00, the rate of tax is 25 percent.
  - \* \* \* Department of Financial Regulation \* \* \*

Sec. 58. 8 V.S.A. § 15(c) is amended to read:

(c) The eommissioner Commissioner may waive the requirements of 15 V.S.A. § 795(b) as the eommissioner Commissioner deems necessary to permit the department Department to participate in any national licensing or registration systems with respect to any person or entity subject to the jurisdiction of the eommissioner Commissioner under this title, Title 9, or 18 V.S.A. chapter 221 of Title 18. The commissioner may waive the requirements of 32 V.S.A. § 3113(b) as the commissioner deems necessary to permit the department to participate in any national licensing or registration systems with respect to any person or entity not residing in this state and subject to the jurisdiction of the commissioner under this title, Title 9, or chapter 221 of Title 18.

Sec. 59. 32 V.S.A. § 3113(b) is amended to read:

(b) No agency of the state State shall grant, issue, or renew any license or other authority to conduct a trade or business (including a license to practice a profession) to, or enter into, extend, or renew any contract for the provision of goods, services, or real estate space with, any person unless such person shall first sign a written declaration under the pains and penalties of perjury, that the person is in good standing with respect to or in full compliance with a plan to pay, any and all taxes due as of the date such declaration is made, except that the Commissioner may waive this requirement as the Commissioner deems appropriate to facilitate the Department of Financial Regulation's participation in any national licensing or registration systems for persons required to be licensed or registered by the Commissioner of Financial Regulation under Title 8, Title 9, or 18 V.S.A. chapter 221.

<sup>\* \* \*</sup> Effective Dates \* \* \*

#### Sec. 60. EFFECTIVE DATES

This act shall take effect on passage, except:

- (1) Secs. 4 (tax expenditures), 30 (insurance values), and 31 (grand list) shall take effect on July 1, 2014.
- (2) Sec. 13 (Use Value Program appeals) shall take effect with respect to appeals taken after the passage of this act.
- (3) Sec. 15 (estate tax link to Internal Revenue Code) of this act shall apply to decedents dying on or after January 1, 2012.
- (4) Sec. 20 (link to Internal Revenue Code) of this act shall apply to taxable years beginning on and after January 1, 2012.
- (5) Sec. 28 (water access exemption) shall take effect on January 1, 2014.
- (6) Secs. 32 through 34 (state appraiser name change), 55 (home health agencies), 56 (fuel gross receipts tax), and 57 (spirituous liquor) shall take effect on July 1, 2013.
- (7) Sec. 39 (unified assessment districts) shall take effect for the study of the 2013 grand list.
- (8) Sec. 44 (eliminating signature requirement on property transfer tax returns) shall take effect for returns filed in municipal offices on and after July 1, 2013.
- (9) Sec. 47 (interest calculation on sales tax refunds) shall take effect for refund petitions filed after the date of passage of this act.
- (10) Secs. 48–51 (health claims tax) shall take effect on July 1, 2013 and 52 and 53 (health claims sunset) shall take effect on July 1, 2017.

TIMOTHY R. ASHE MARK A. MACDONALD KEVIN J. MULLIN

Committee on the part of the Senate

JANET ANCEL KESHA K. RAM JEFFREY D. WILSON

Committee on the part of the House

Pending the question, Shall the report of the Committee of Conference be adopted? Rep. Savage of Swanton 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 report of the Committee of Conference be adopted? was decided in the affirmative. Yeas, 108. Nays, 28.

#### Those who voted in the affirmative are:

Ancel of Calais Bartholomew of Hartland Bissonnette of Winooski **Botzow of Pownal** Branagan of Georgia Brennan of Colchester Burke of Brattleboro Buxton of Tunbridge Campion of Bennington Carr of Brandon Cheney of Norwich Christie of Hartford Clarkson of Woodstock Cole of Burlington Connor of Fairfield Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Corcoran of Bennington Cross of Winooski Dakin of Chester Davis of Washington Devereux of Mount Holly Donovan of Burlington Ellis of Waterbury **Emmons of Springfield** Evans of Essex Fay of St. Johnsbury Feltus of Lyndon Fisher of Lincoln Frank of Underhill French of Randolph Gallivan of Chittenden Goodwin of Weston Grad of Moretown Greshin of Warren

Haas of Rochester Heath of Westford Hooper of Montpelier Huntley of Cavendish Jerman of Essex Jewett of Ripton Johnson of South Hero Johnson of Canaan Juskiewicz of Cambridge Keenan of St. Albans City Kilmartin of Newport City Kitzmiller of Montpelier Klein of East Montpelier Krebs of South Hero Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Lenes of Shelburne Lippert of Hinesburg Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marcotte of Coventry Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCarthy of St. Albans City McCormack of Burlington McCullough of Williston Michelsen of Hardwick Miller of Shaftsbury Mitchell of Fairfax Mook of Bennington Moran of Wardsboro Mrowicki of Putney

Myers of Essex Nuovo of Middlebury O'Brien of Richmond O'Sullivan of Burlington Partridge of Windham Pearce of Richford Pearson of Burlington Peltz of Woodbury Potter of Clarendon Pugh of South Burlington Rachelson of Burlington Ralston of Middlebury Ram of Burlington Russell of Rutland City Sharpe of Bristol South of St. Johnsbury Spengler of Colchester Stevens of Waterbury Stuart of Brattleboro Sweaney of Windsor Taylor of Barre City Till of Jericho Toleno of Brattleboro Toll of Danville Townsend of South Burlington Trieber of Rockingham Vowinkel of Hartford Waite-Simpson of Essex Webb of Shelburne Weed of Enosburgh Wilson of Manchester Wizowaty of Burlington Woodward of Johnson Yantachka of Charlotte Young of Glover Zagar of Barnard

#### Those who voted in the negative are:

Batchelor of Derby Beyor of Highgate Bouchard of Colchester Burditt of West Rutland Canfield of Fair Haven Cupoli of Rutland City

Dickinson of St. Albans Town Donahue of Northfield

Fagan of Rutland City	Komline of Dorset	Shaw of Derby
Gage of Rutland City	Lawrence of Lyndon	Smith of New Haven
Hebert of Vernon	McFaun of Barre Town	Terenzini of Rutland Town
Helm of Fair Haven	Morrissey of Bennington	Van Wyck of Ferrisburgh
Higley of Lowell	Quimby of Concord	Winters of Williamstown
Hubert of Milton	Savage of Swanton	Wright of Burlington
Koch of Barre Town	Shaw of Pittsford	

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

Browning of Arlington	Larocque of Barnet	Strong of Albany
Condon of Colchester	Lewis of Berlin	Townsend of Randolph
Deen of Westminster	Poirier of Barre City	Turner of Milton
Donaghy of Poultney	Scheuermann of Stowe	
Head of South Burlington	Stevens of Shoreham	

#### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

#### Mr. Speaker:

I am directed by the Governor to inform the House that on the fourteenth day of May, 2013, he approved and signed bills originating in the House of the following titles:

- H. 50 An act relating to the sale, transfer, or importation of pets
- H. 99 An act relating to equal pay
- H. 178 An act relating to community supports for persons with serious functional impairments
- H. 517 An act relating to approval of the adoption and the codification of the charter of the town of St. Albans

### Rules Suspended; Senate Proposal of Amendment Concurred in

#### H. 538

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to making miscellaneous amendments to education funding laws

Was taken up for immediate consideration.

The Senate proposeed to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

- \* \* \* Excess Spending (Sec. 1 applies to budgets in fiscal years 2015 and 2016; Sec. 2 applies in fiscal year 2017 and after) \* \* \*
- Sec. 1. 32 V.S.A. § 5401(12) is amended to read:
  - (12) "Excess spending" means:
- (A) the per-equalized-pupil amount of the district's education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b);
- (B) in excess of 125 123 percent of the statewide average district education spending per equalized pupil in the prior fiscal year, as determined by the commissioner of education Secretary of Education on or before November 15 of each year based on the passed budgets to date.
- Sec. 2. 32 V.S.A. § 5401(12) is amended to read:
  - (12) "Excess spending" means:
- (A) the per-equalized-pupil amount of the district's education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b);
- (B) in excess of 123 121 percent of the statewide average district education spending per equalized pupil in the prior fiscal year, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date.
  - \* \* \* Tuition Overcharges and Undercharges \* \* \*
- Sec. 3. 16 V.S.A. § 836 is amended to read:

#### § 836. TUITION OVERCHARGE OR UNDERCHARGE

(a) Annually, on or before November 1, the eommissioner Secretary shall inform each school board of a receiving public school, each board of trustees of a receiving approved independent school for which the commissioner has calculated a net cost per pupil, receiving school district and each sending school district in Vermont of the calculated net cost per elementary or secondary pupil in the receiving schools. Each school board or board of trustees of a receiving school receiving district shall then determine whether it overcharged or undercharged any sending district for tuition charges and shall notify the district by December 15 of the same year of the amount due or the amount to be refunded or credited.

- (b) If the sending district has paid tuition charges in excess of three percent of the calculated net cost per elementary or secondary pupil and is not sending enough students to the receiving school district to use the overcharge funds as credit against tuition, the school board or board of trustees of the receiving school receiving district shall refund the overcharge money by July 31. However, interest; provided, however, that the refund shall be in the amount that exceeded a three percent overcharge. Interest owed the sending district on overcharge monies shall begin to accrue on December 1, at the rate of one-half percent per month.
- (c) If the receiving district has undercharged tuition in an amount three percent or more than the calculated net cost per elementary or secondary pupil, the school board or the board of trustees of the sending school sending district shall pay the amount of the undercharge receiving district an amount equal to the amount of the undercharge that is between three percent and ten percent of the net cost per pupil. If payment is not made by July 31 of the year following the year in which the undercharge was determined, interest owed the sending receiving district on overcharge moneys undercharge monies shall begin to accrue on August 1, at the rate of one percent per month.

\* \* \* Renters; Study \* \* \*

#### Sec. 4. RENTERS; STUDY

The Joint Fiscal Office shall report to the General Assembly on how the State can provide assistance to renters. The report shall review issues with the current renter rebate program and examine other ways to provide assistance to renters with high rents and low incomes. The report shall be due on or before January 15, 2014 and shall include specific findings and recommendations. The Joint Fiscal Office shall have the assistance of the Department of Taxes and the Office of Legislative Council.

\* \* \* Student-to-Staff Ratios \* \* \*

#### Sec. 5. STUDENT-TO-STAFF RATIOS

(a) The Secretary of Education shall collect data necessary to inform development of a comprehensive plan to establish minimum student-to-staff ratios, student-to-administrator ratios, student-to-classroom teacher ratios, and student-to-teacher ratios in public elementary and secondary schools and supervisory unions in a manner that promotes educational opportunities and outcomes for students in Vermont.

#### (b) As used in this section:

- (1) "Teacher" includes any person licensed to be employable as a teacher who is employed as a teacher and is providing direct instruction to students in one or more elementary or secondary grades.
- (2) "Administrator" includes any person employed as a superintendent, assistant superintendent, principal, assistant principal, special education director, essential early education director, or Title I coordinator.
- (3) "Staff" includes all paid personnel employed by a school district or supervisory union, but shall exclude:
  - (A) central services business office personnel;
  - (B) operations and maintenance personnel;
  - (C) transportation personnel;
  - (D) food service personnel; and
  - (E) enterprise or community service operations personnel.
- (c) At a minimum, the Secretary's data shall be sufficient to inform development of a comprehensive plan that might include:
- (1) mandatory minimum ratios at the district or the school level, which may include variations by grade, school size, and other factors such as the unique needs of students from economically deprived backgrounds and students who are English language learners;
  - (2) mandatory minimum ratios at the supervisory union level;
  - (3) incentives for compliance; and
- (4) implementation dates that would require mandatory staffing ratios beginning in school year 2015–2016 with tax penalties for noncompliance beginning in school year 2016–2017.
- (d) On or before January 15, 2014, the Secretary shall present the data to the House and Senate Committees on Appropriations and on Education, the House Committee on Ways and Means, and the Senate Committee on Finance.

\* \* \* Effective Dates \* \* \*

#### Sec. 6. EFFECTIVE DATES

- (a) Sec. 1 (excess spending; 123 percent) of this act shall take effect on July 1, 2014 and shall apply to education budgets for fiscal years 2015 and 2016.
- (b) Sec. 2 (excess spending; 121 percent) of this act shall take effect on July 1, 2016 and shall apply to education budgets for fiscal year 2017 and after.

- (c) Sec. 3 (tuition overcharges and undercharges) of this act shall take effect on July 1, 2013 and shall apply to tuition charged for the 2013–2014 academic year and after.
- (d) This section and Secs. 4 (renter study) and 5 (student-to-staff ratio data) of this act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

# Rules Suspended; Report of Committee of Conference Adopted H. 530

Pending entrance of the bill on the Calendar for notice, on motion of **Rep.** Savage of Swanton, the rules were suspended and House bill, entitled

An act relating to making appropriations for the support of government

Was taken up for immediate consideration.

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

#### Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2014 Appropriations Act.

#### Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of state government during fiscal year 2014. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those which can be supported by funds appropriated in this act or other acts passed prior to June 30, 2013. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2014 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

#### Sec. A.102 APPROPRIATIONS

- (a) It is the intent of the General Assembly that this act serve as the primary source and reference for appropriations for fiscal year 2014.
- (b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid

from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending June 30, 2014.

#### Sec. A.103 DEFINITIONS

- (a) For the purposes of this act:
- (1) "Encumbrances" means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.
- (2) "Grants" means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.
- (3) "Operating expenses" means property management, repair and maintenance, rental expenses, insurance, postage, travel, energy and utilities, office and other supplies, equipment, including motor vehicles, highway materials, and construction, expenditures for the purchase of land, and construction of new buildings and permanent improvements, and similar items.
- (4) "Personal services" means wages and salaries, fringe benefits, per diems, and contracted third party services, and similar items.

#### Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

#### Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the state appropriations shall control, notwithstanding receipts being greater or less than anticipated.

#### Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2014, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any

purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2014, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2013 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

## Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized state positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2014 except for new positions authorized by the 2013 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

## Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriation of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

B.100-B.199 and E.100-E.199	General Government
B.200-B.299 and E.200-E.299	Protection to Persons and Property
B.300-B.399 and E.300-E.399	<u>Human Services</u>
B.400-B.499 and E.400-E.499	<u>Labor</u>
B.500-B.599 and E.500-E.599	General Education
B.600-B.699 and E.600-E.699	Higher Education
B.700-B.799 and E.700-E.799	Natural Resources
B.800-B.899 and E.800-E.899	Commerce and Community Development
B.900-B.999 and E.900-E.999	<u>Transportation</u>

## B.1000-B.1099 and E.1000-E.1099 Debt Service

## B.1100–B.1199 and E.1100–E.1199 One-time and other appropriation actions

(b) The C sections contain any amendments to the current fiscal year and the D sections contain fund transfers and reserve allocations for the upcoming budget year.

Sec. B.100 Secretar	v of administration -	secretary's office
Sec. Biloo Secretar	, or administration	secretar, s office

Personal services Operating expenses Total	844,340 <u>129,219</u> 973,559
Source of funds General fund Interdepartmental transfers Total	746,543 <u>227,016</u> 973,559
Sec. B.101 Secretary of administration - finance	
Personal services Operating expenses Total Source of funds	1,214,086 <u>174,974</u> 1,389,060
Interdepartmental transfers Total	1,389,060 1,389,060
Sec. B.102 Secretary of administration - workers' compensation	, ,
Personal services Operating expenses Total Source of funds Internal service funds Total	1,362,068 <u>339,297</u> 1,701,365 <u>1,701,365</u> 1,701,365
Sec. B.103 Secretary of administration - general liability is	, ,
Personal services	282,457
Operating expenses	<u>63,401</u>
Total	345,858
Source of funds	
Internal service funds	<u>345,858</u>
Total	345,858

	TUESDAY, MAY 14, 2013	1921
Sec. B.104 Secretary of admi	nistration - all other insurance	
Personal services	;	24,398
Operating expens	ses	22,065
Total		46,463
Source of funds		
Internal service f	unds	<u>46,463</u>
Total		46,463
Sec. B.105 Information and technology	d innovation - communications	and information
Personal services	•	10,850,041
Operating expens	ses	9,583,673
Grants		<u>735,000</u>
Total		21,168,714
Source of funds		
Internal service f	unds	<u>21,168,714</u>
Total		21,168,714
Sec. B.106 Finance and mana	agement - budget and managemen	nt
Personal services	<b>S</b>	1,101,626
Operating expens	ses	241,073
Total		1,342,699
Source of funds		
General fund		1,099,521
Interdepartmenta	l transfers	243,178
Total		1,342,699
Sec. B.107 Finance and mana	agement - financial operations	
Personal services	<b>S</b>	2,878,757
Operating expens	ses	<u>327,711</u>
Total		3,206,468
Source of funds		
Internal service f	unds	<u>3,206,468</u>
Total		3,206,468
Sec. B.108 Human resources	- operations	
Personal services	•	6,837,121
Operating expens	ses	949,416
Total		7,786,537
Source of funds		
General fund		1,721,503
Special funds		244,912

Internal service funds Interdepartmental transfers Total	5,150,473 <u>669,649</u> 7,786,537
Sec. B.109 Human resources - employee benefits & wellness	
Personal services Operating expenses Total Source of funds	1,080,565 <u>818,530</u> 1,899,095
Internal service funds Interdepartmental transfers Total	1,884,796 <u>14,299</u> 1,899,095
Sec. B.110 Libraries	
Personal services Operating expenses Grants Total Source of funds	2,094,320 1,670,470 <u>67,163</u> 3,831,953
General fund Special funds Federal funds Interdepartmental transfers Total	2,644,496 127,019 963,293 <u>97,145</u> 3,831,953
Sec. B.111 Tax - administration/collection	
Personal services Operating expenses Total Source of funds	13,452,030 3,606,359 17,058,389
General fund Special funds Interdepartmental transfers Total	15,513,545 1,299,400 <u>245,444</u> 17,058,389
Sec. B.112 Buildings and general services - administration	
Personal services Operating expenses Total Source of funds	718,740 <u>61,999</u> 780,739
Interdepartmental transfers	780,739

	TUESDAY, MAY 14, 2013	1923
Total		780,739
Sec. B.113 Buildings and ger	neral services - engineering	
Personal services	S	2,507,282
Operating expens	ses	474,850
Total		2,982,132
Source of funds		
Interdepartmenta	l transfers	<u>2,982,132</u>
Total		2,982,132
Sec. B.114 Buildings and gen	neral services - information centers	
Personal services	S	3,254,150
Operating expens	ses	1,399,962
Grants		33,000
Total		4,687,112
Source of funds		
General fund		678,129
Transportation fu	ınd	3,930,356
Special funds Total		78,627
		4,687,112
Sec. B.115 Buildings and gen	neral services - purchasing	
Personal services	3	990,356
Operating expens	ses	<u>190,439</u>
Total		1,180,795
Source of funds		1 100 705
General fund		1,180,795
Total		1,180,795
Sec. B.116 Buildings and ger	neral services - postal services	
Personal services		640,226
Operating expens	ses	<u>133,400</u>
Total		773,626
Source of funds		70.157
General fund	d	79,157
Internal service f Total	unas	<u>694,469</u>
	1	773,626
Sec. B.117 Buildings and ger		
Personal services		719,383
Operating expens	ses	153,027
Total		872,410
Source of funds		

Internal service funds Total	872,410 872,410
Sec. B.118 Buildings and general services - fleet management services	
Personal services Operating expenses Total Source of funds	598,336 <u>164,579</u> 762,915
Internal service funds Total	762,915 762,915
Sec. B.119 Buildings and general services - federal surplus	property
Personal services Operating expenses Total Source of funds	31,036 <u>13,891</u> 44,927
Enterprise funds Total	44,927 44,927
Sec. B.120 Buildings and general services - state surplus pro	operty
Personal services Operating expenses Total Source of funds Internal service funds	143,737 107,035 250,772 250,772
Total  Sec. B.121 Buildings and general services - property manag	250,772
Personal services Operating expenses Total Source of funds Internal service funds Total	1,306,056 1,191,640 2,497,696 2,497,696 2,497,696
Sec. B.122 Buildings and general services - fee for space	
Personal services Operating expenses Total Source of funds	12,619,641 14,837,602 27,457,243
Internal service funds Total	27,457,243 27,457,243

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Sec. B.123 Geographic information system	
Grants Total Source of funds	378,700 378,700
Special funds Total	378,700 378,700
Sec. B.124 Executive office - governor's office	
Personal services Operating expenses Total Source of funds General fund Interdepartmental transfers Total	1,200,333 <u>437,916</u> 1,638,249 1,451,749 <u>186,500</u> 1,638,249
Sec. B.125 Legislative council	,,
Personal services Operating expenses Total Source of funds General fund Total	3,042,428 <u>724,016</u> 3,766,444 <u>3,766,444</u> 3,766,444
Sec. B.126 Legislature	
Personal services Operating expenses Total Source of funds	3,467,973 3,412,007 6,879,980
General fund  Total	6,879,980 6,879,980
Sec. B.127 Joint fiscal committee	
Personal services Operating expenses Total Source of funds	1,314,830 <u>125,858</u> 1,440,688
General fund Total	1,440,688 1,440,688

Sec. B.128 Sergeant at arms

Joela (HE of The Hoose	
Personal services	514,458
Operating expenses	70,127
Total	584,585
Source of funds	,
General fund	<u>584,585</u>
Total	584,585
	301,303
Sec. B.129 Lieutenant governor	146,000
Personal services	146,082
Operating expenses	<u>28,963</u>
Total	175,045
Source of funds	
General fund	<u>175,045</u>
Total	175,045
Sec. B.130 Auditor of accounts	
Personal services	3,378,241
Operating expenses	155,467
Total	3,533,708
Source of funds	-,,
General fund	396,784
Special funds	53,145
Internal service funds	3,083,779
Total	3,533,708
Sec. B.131 State treasurer	2,222,700
Personal services	2,907,173
Operating expenses	<u>297,164</u>
Total	3,204,337
Source of funds	
General fund	976,216
Special funds	2,123,541
Interdepartmental transfers	<u>104,580</u>
Total	3,204,337
Sec. B.132 State treasurer - unclaimed property	
Personal services	886,715
Operating expenses	<u>251,413</u>
Total	1,138,128
Source of funds	
Private purpose trust funds	1,138,128
Total	1,138,128
1 Otal	1,130,120

Sec. B.133 Vermont state retirement system	
Personal services Operating expenses Total Source of funds	6,588,449 30,370,108 36,958,557
Pension trust funds  Total	36,958,557 36,958,557
Sec. B.134 Municipal employees' retirement system	
Personal services Operating expenses Total Source of funds	2,163,385 <u>537,207</u> 2,700,592
Pension trust funds Total	2,700,592 2,700,592
Sec. B.135 State labor relations board	
Personal services Operating expenses Total Source of funds	181,889 <u>43,272</u> 225,161
General fund Special funds Interdepartmental transfers Total	206,051 6,788 <u>12,322</u> 225,161
Sec. B.136 VOSHA review board	
Personal services Operating expenses Total Source of funds	25,288 <u>20,026</u> 45,314
General fund Interdepartmental transfers Total	22,657 <u>22,657</u> 45,314
Sec. B.137 Homeowner rebate	
Grants Total Source of funds	13,967,000 13,967,000
General fund Total	13,967,000 13,967,000

Sec. B.138 Renter rebate	
Grants Total	8,838,400 8,838,400
Source of funds General fund Education fund Total	2,651,500 6,186,900 8,838,400
Sec. B.139 Tax department - reappraisal and listing payments	
Grants Total Source of funds	3,293,196 3,293,196
Education fund Total	3,293,196 3,293,196
Sec. B.140 Municipal current use	
Grants Total Source of funds	13,475,000 13,475,000
General fund Total	13,475,000 13,475,000
Sec. B.141 Lottery commission	
Personal services Operating expenses Grants Total Source of funds Enterprise funds Total	1,757,229 1,280,936 150,000 3,188,165 3,188,165 3,188,165
Sec. B.142 Payments in lieu of taxes	3,100,103
Grants Total Source of funds	5,800,000 5,800,000
Special funds Total	<u>5,800,000</u> 5,800,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants Total	184,000 184,000

Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds	1929
Total  Sec. B.144 Payments in lieu of taxes - correctional facilities  Grants Total Source of funds Special funds Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Internal service funds Pension trust funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	
Sec. B.144 Payments in lieu of taxes - correctional facilities  Grants Total Source of funds Special funds Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total  Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	184,000
Grants Total Source of funds Special funds Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Private purpose trust funds Total  Sec. B.200 Attorney general  Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	184,000
Total Source of funds Special funds Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	
Source of funds Special funds Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	40,000
Special funds Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	40,000
Total  Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	
Sec. B.145 Total general government  Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	40,000
Source of funds General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	40,000
General fund Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	
Transportation fund Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general  Personal services Operating expenses Total  Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	
Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general Personal services Operating expenses Total  Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	69,657,388
Special funds Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total 2  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	3,930,356
Education fund Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total 2  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	10,336,132
Federal funds Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total 2  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	9,480,096
Internal service funds Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total 2  Sec. B.200 Attorney general  Personal services Operating expenses Total  Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	963,293
Interdepartmental transfers Enterprise funds Pension trust funds Private purpose trust funds Total 2  Sec. B.200 Attorney general Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	69,123,421
Enterprise funds Pension trust funds Private purpose trust funds Total  Sec. B.200 Attorney general  Personal services Operating expenses Total  Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	6,974,721
Pension trust funds Private purpose trust funds Total 2  Sec. B.200 Attorney general  Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	3,233,092
Private purpose trust funds Total 2  Sec. B.200 Attorney general  Personal services Operating expenses Total  Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	39,659,149
Sec. B.200 Attorney general  Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	1,138,128
Personal services Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	214,495,776
Operating expenses Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	
Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	7,633,012
Total Source of funds General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	1,084,151
General fund Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	8,717,163
Special funds Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	, ,
Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion  Grants Total	4,269,409
Tobacco fund Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion  Grants Total	1,253,751
Federal funds Interdepartmental transfers Total  Sec. B.201 Vermont court diversion Grants Total	348,000
Interdepartmental transfers Total  Sec. B.201 Vermont court diversion  Grants Total	798,366
Total  Sec. B.201 Vermont court diversion  Grants  Total	2,047,637
Grants Total	8,717,163
Grants Total	
Total	
	<u>1,916,483</u>
Source of funds	1,916,483
General fund	1,396,486

Special funds	<u>519,997</u>
Total	1,916,483
Sec. B.202 Defender general - public defense	
Personal services	8,930,535
Operating expenses	<u>947,591</u>
Total	9,878,126
Source of funds	
General fund	9,364,838
Special funds	<u>513,288</u>
Total	9,878,126
Sec. B.203 Defender general - assigned counsel	
Personal services	3,945,930
Operating expenses	<u>49,819</u>
Total	3,995,749
Source of funds	2.050.405
General fund	3,870,485
Special funds	125,264 2,005,740
Total	3,995,749
Sec. B.204 Judiciary	
Personal services	32,218,222
Operating expenses	8,707,574
Grants	<u>70,000</u>
Total	40,995,796
Source of funds	25.055.522
General fund	35,067,633
Special funds	3,235,319
Tobacco fund Federal funds	39,871
	714,176
Interdepartmental transfers Total	1,938,797 40,995,796
	40,773,170
Sec. B.205 State's attorneys	
Personal services	9,856,733
Operating expenses	<u>1,539,920</u>
Total	11,396,653
Source of funds General fund	9 000 262
Special funds	8,990,262 9,982
Federal funds	31,000
Interdepartmental transfers	2,365,409
intercoparamental transfers	2,303,707

	TUESDAY, MAY 14, 2013	1931
Total		11,396,653
Sec. B.206 Special investigative	e unit	
Personal services Operating expenses Grants Total Source of funds	3	99,676 162 <u>1,420,000</u> 1,519,838
General fund Total		1,519,838 1,519,838
Sec. B.207 Sheriffs		
Personal services Operating expenses Total Source of funds General fund Total	S	3,493,064 <u>335,464</u> 3,828,528 <u>3,828,528</u> 3,828,528
Sec. B.208 Public safety - admi	inistration	
Personal services Operating expenses Total Source of funds General fund Federal funds Total	3	2,098,413 1,584,079 3,682,492 2,773,807 908,685 3,682,492
Sec. B.209 Public safety - state	police	
Personal services Operating expenses Grants Total Source of funds	3	48,640,226 7,532,421 <u>7,645,120</u> 63,817,767
General fund Transportation fund Special funds Federal funds Interdepartmental to		24,925,517 25,238,498 2,536,320 10,057,432 <u>1,060,000</u> 63,817,767
Sec. B.210 Public safety - crim	inal justice services	
Personal services		7,158,220

Operating expenses	<u>2,410,980</u>
Total	9,569,200
Source of funds	
General fund	7,026,613
Special funds	1,684,945
Federal funds	525,967
ARRA funds	<u>331,675</u>
Total	9,569,200
Sec. B.211 Public safety - emergency management	
Personal services	2,064,284
Operating expenses	547,084
Grants	13,137,210
Total	15,748,578
Source of funds	, ,
General fund	719,580
Federal funds	15,028,998
Total	15,748,578
Sec. B.212 Public safety - fire safety	
Personal services	5,368,821
Operating expenses	1,548,070
Grants	157,000
Total	7,073,891
Source of funds	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
General fund	646,809
Special funds	5,981,178
Federal funds	400,904
Interdepartmental transfers	45,000
Total	7,073,891
Sec. B.213 Public safety - homeland security	. , ,
Personal services	5,100,032
Operating expenses	265,297
Grants	3,997,535
Total	9,362,864
Source of funds	7,302,004
General fund	169,950
Federal funds	9,192,914
Total	9,362,864
Sec. B.214 Radiological emergency response plan	<i>&gt;,202,001</i>
Personal services	685,174
2 420 424 444 444 444 444 444 444 444 44	000,171

TUESDAY, MAY 14, 2013	1933
Operating expenses Grants Total Source of funds	331,379 <u>1,618,062</u> 2,634,615
Special funds Total	2,634,615 2,634,615
Sec. B.215 Military - administration	
Personal services Operating expenses Grants Total Source of funds General fund	493,465 392,436 100,000 985,901
Total	985,901
Sec. B.216 Military - air service contract  Personal services  Operating expenses  Total  Source of funds  General fund	5,119,918 1,118,130 6,238,048 471,703
Federal funds Total	5,766,345 6,238,048
Sec. B.217 Military - army service contract	
Personal services Operating expenses Total Source of funds	3,905,112 <u>9,138,297</u> 13,043,409
General fund Federal funds Total	125,876 12,917,533 13,043,409
Sec. B.218 Military - building maintenance	
Personal services Operating expenses Total Source of funds	986,686 464,967 1,451,653
General fund Federal funds Total	1,402,437 <u>49,216</u> 1,451,653

Sec. B.219 Military - veterans' affairs	
Personal services	524,453
Operating expenses	115,841
Grants	223,984
Total	864,278
Source of funds	
General fund	735,457
Special funds	65,000
Federal funds	<u>63,821</u>
Total	864,278
Sec. B.220 Center for crime victims' services	
Personal services	1,662,830
Operating expenses	297,792
Grants	8,987,173
Total	10,947,795
Source of funds	
General fund	1,164,554
Special funds	6,284,237
Federal funds	<u>3,499,004</u>
Total	10,947,795
Sec. B.221 Criminal justice training council	
Personal services	1,345,876
Operating expenses	1,296,267
Total	2,642,143
Source of funds	
General fund	2,347,571
Interdepartmental transfers	<u>294,572</u>
Total	2,642,143
Sec. B.222 Agriculture, food and markets - administration	
-	
Personal services	1,281,364
Operating expenses	614,401
Grants	344,410
Total	2,240,175
Source of funds	
General fund	1,126,129
Special funds	963,797
Federal funds	150,249
Total	2,240,175

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Sec. B.223 Agriculture, food and markets - food safety and protection	consumer
Personal services	2,942,103
Operating expenses	664,900
Grants	<u>2,400,000</u>
Total	6,007,003
Source of funds	-,,
General fund	2,142,097
Special funds	3,142,064
Federal funds	682,544
Global Commitment fund	34,006
Interdepartmental transfers	<u>6,292</u>
Total	6,007,003
Sec. B.224 Agriculture, food and markets - agricultural developmen	t
Personal services	1,028,318
Operating expenses	658,717
Grants	2,727,474
Total	4,414,509
Source of funds	
General fund	871,062
Special funds	2,988,352
Federal funds	444,844
Interdepartmental transfers	<u>110,251</u>
Total	4,414,509
Sec. B.225 Agriculture, food and markets - laboratories, agricultur management and environmental stewardship	cal resource
Personal services	3,538,132
Operating expenses	563,711
Grants	1,340,475
Total	5,442,318
Source of funds	,
General fund	2,383,659
Special funds	1,911,422
Federal funds	794,341
Global Commitment fund	56,272
Interdepartmental transfers	296,624
Total	5,442,318
Sec. B.226 Financial regulation - administration	
Personal services	1,649,226

Joen The House	
Operating expenses	<u>191,025</u>
Total	1,840,251
Source of funds	
Special funds	<u>1,840,251</u>
Total	1,840,251
Sec. B.227 Financial regulation - banking	
Personal services	1,411,547
Operating expenses	<u>262,123</u>
Total	1,673,670
Source of funds	1 (72 (70
Special funds	1,673,670
Total	1,673,670
Sec. B.228 Financial regulation - insurance	
Personal services	6,203,711
Operating expenses	<u>482,988</u>
Total	6,686,699
Source of funds	4.500.440
Special funds	4,590,443
Federal funds	1,504,283
Global Commitment fund	165,946
Interdepartmental transfers Total	426,027 6,686,699
Sec. B.229 Financial regulation - captive insurance	0,000,000
	2 022 550
Personal services	3,822,779
Operating expenses Total	455,696
Source of funds	4,278,475
Special funds	4,278,475
Total	4,278,475
Sec. B.230 Financial regulation - securities	.,,
Personal services	548,649
Operating expenses	165,856
Total	714,505
Source of funds	711,000
Special funds	<u>714,505</u>
Total	714,505
Sec. B.231 Financial regulation - health care administration	
Personal services	127,672

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Operating expenses Total Source of funds	4,500 132,172
Special funds Total	132,172 132,172
Sec. B.232 Secretary of state	
Personal services Operating expenses Grants Total	6,994,156 1,981,411 <u>812,715</u> 9,788,282
Source of funds Special funds Federal funds Interdepartmental transfers Total	7,713,282 2,000,000 <u>75,000</u> 9,788,282
Sec. B.233 Public service - regulation and energy	
Personal services Operating expenses Grants Total Source of funds Special funds Federal funds ARRA funds	8,115,051 830,251 5,336,427 14,281,729 12,367,430 802,249 1,074,354
Enterprise funds Total	37,696 14,281,729
Sec. B.234 Public service board	
Personal services Operating expenses Total Source of funds	2,736,114 <u>428,852</u> 3,164,966
Special funds ARRA funds Total	3,091,566 <u>73,400</u> 3,164,966
Sec. B.235 Enhanced 9-1-1 Board	
Personal services Operating expenses Grants	3,386,718 516,908 <u>885,000</u>

Total	4,788,626
Source of funds	
Special funds	4,788,626
Total	4,788,626
Sec. B.236 Human rights commission	
Personal services	432,141
Operating expenses	74,532
Total	506,673
Source of funds	,
General fund	422,882
Federal funds	83,791
Total	506,673
Sec. B.237 Liquor control - administration	200,072
Personal services	2 102 014
	2,102,914
Operating expenses Total	647,264 2,750,179
Source of funds	2,750,178
Enterprise funds	2.750.179
Total	2,750,178 2,750,178
Total	2,730,176
Sec. B.238 Liquor control - enforcement and licensing	
Personal services	2,153,635
Operating expenses	445,222
Total	2,598,857
Source of funds	
Special funds	25,000
Tobacco fund	218,444
Federal funds	254,841
Interdepartmental transfers	5,000
Enterprise funds	2,095,572
Total	2,598,857
Sec. B.239 Liquor control - warehousing and distribution	
Personal services	859,469
Operating expenses	436,065
Total	1,295,534
Source of funds	_,_,_,
Enterprise funds	1,295,534
Total	1,295,534
<del></del>	-,-,0,001

Sec. B.240 Total protection to persons and property

Source of funds	
General fund	118,749,083
Transportation fund	25,238,498
Special funds	75,064,951
Tobacco fund	606,315
Federal funds	66,671,503
ARRA funds	1,479,429
Global Commitment fund	256,224
Interdepartmental transfers	8,670,609
Enterprise funds	<u>6,178,980</u>
Total	302,915,592
Sec. B.300 Human services - agency of human services - s	secretary's office
Personal services	10,337,270
Operating expenses	3,232,916
Grants	<u>5,473,998</u>
Total	19,044,184
Source of funds	
General fund	5,135,482
Special funds	91,017
Tobacco fund	291,127
Federal funds	9,843,546
Global Commitment fund	415,000
Interdepartmental transfers	<u>3,268,012</u>
Total	19,044,184
Sec. B.301 Secretary's office - global commitment	
·	1 207 272 200
Grants Total	1,206,362,208
Source of funds	1,206,362,208
General fund	157,611,068
Special funds	20,795,259
Tobacco fund	35,975,693
State health care resources fund	267,531,579
Federal funds	724,408,609
Interdepartmental transfers	40,000
Total	1,206,362,208
Sec. B.302 Rate setting	1,200,302,200
•	0.40.0.10
Personal services	840,348
Operating expenses	82,162
Total	922,510

Source of funds	
Global Commitment fund	922,510
Total	922,510
Sec. B.303 Developmental disabilities council	
Personal services	223,211
Operating expenses	58,633
Grants	248,388
Total	530,232
Source of funds Federal funds	520 222
Total	530,232 530,232
Sec. B.304 Human services board	330,232
	200.000
Personal services Operating expenses	309,988 47,907
Total	357,895
Source of funds	331,073
General fund	117,962
Federal funds	153,851
Interdepartmental transfers	86,082
Total	357,895
Sec. B.305 AHS - administrative fund	
Personal services	350,000
Operating expenses	<u>4,650,000</u>
Total	5,000,000
Source of funds	5,000,000
Interdepartmental transfers Total	5,000,000 5,000,000
Sec. B.306 Department of Vermont health access - administrat	, ,
•	
Personal services	122,057,685 3,809,070
Operating expenses Grants	26,367,955
Total	152,234,710
Source of funds	102,20 1,7 10
General fund	1,700,505
Special funds	3,625,432
Federal funds	90,687,335
Global Commitment fund	51,144,321
Interdepartmental transfers	<u>5,077,117</u>
Total	152,234,710

Sec. B.307 Department of Vermont health access	- Medicaid program -	global
commitment		

commitment	
Grants Total Source of funds	656,405,249 656,405,249
Global Commitment fund Total	656,405,249 656,405,249
Sec. B.308 Department of Vermont health access - Medical term care waiver	id program - long
Grants Total Source of funds General fund Federal funds	201,375,033 201,375,033 87,690,448 113,684,585
Total  Sec. B.309 Department of Vermont health access - Medicai only	201,375,033 ad program - state
Grants Total Source of funds General fund	35,151,737 35,151,737 28,033,910
Global Commitment fund Total	7,117,827 35,151,737
Sec. B.310 Department of Vermont health access - Med matched	licaid non-waiver
Grants Total Source of funds General fund Federal funds Total	43,923,308 43,923,308 18,960,907 24,962,401 43,923,308
Sec. B.311 Health - administration and support	43,723,300
Personal services Operating expenses Grants Total Source of funds	6,012,508 2,750,348 <u>3,465,000</u> 12,227,856

General fund	1,947,664
Special funds	1,019,232
Federal funds	5,259,091
Global Commitment fund	4,001,869
Total	12,227,856
Sec. B.312 Health - public health	
Personal services	33,426,366
Operating expenses	6,305,676
Grants	<u>37,042,390</u>
Total	76,774,432
Source of funds	
General fund	7,336,654
Special funds	10,931,733
Tobacco fund	2,393,377
Federal funds	36,266,649
Global Commitment fund	18,816,779
Interdepartmental transfers	1,004,240
Permanent trust funds	<u>25,000</u>
Total	76,774,432
Sec. B.313 Health - alcohol and drug abuse programs	
Personal services	2,967,468
Operating expenses	391,758
Grants	<u>29,048,769</u>
Total	32,407,995
Source of funds	
General fund	3,022,339
Special funds	442,829
Tobacco fund	1,386,234
Federal funds	6,539,025
Global Commitment fund	20,667,568
Interdepartmental transfers	350,000
Total	32,407,995
Sec. B.314 Mental health - mental health	
Personal services	22,230,696
Operating expenses	1,633,320
Grants	<u>175,280,477</u>
Total	199,144,493
Source of funds	
General fund	1,048,819
Special funds	6,836

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Federal funds		6,093,289
Global Commitm	nent fund	191,975,549
Interdepartmenta	al transfers	20,000
Total		199,144,493
Sec. B.316 Department for coservices	hildren and families - administrat	ion & support
Personal services	S	40,229,665
Operating expen	ses	8,271,811
Grants		<u>1,242,519</u>
Total		49,743,995
Source of funds		
General fund		16,482,195
Special funds		633,798
Federal funds		15,366,271
Global Commitm	nent fund	17,049,231
Interdepartmenta	al transfers	212,500
Total		49,743,995
Sec. B.317 Department for c	hildren and families - family serv	ices
Personal services	S	24,364,141
Operating expen	ses	3,285,261
Grants		63,714,577
Total		91,363,979
Source of funds		
General fund		21,918,167
Special funds		1,691,637
Federal funds		26,974,257
Global Commitm	nent fund	40,615,864
Interdepartmenta	al transfers	164,054
Total		91,363,979
Sec. B.318 Department for c	hildren and families - child develo	opment
Personal services	S	3,518,830
Operating expen	ses	370,166
Grants		68,147,170
Total		72,036,166
Source of funds		
General fund		33,255,661
Special funds		1,820,000
Federal funds		26,781,519
reactar fullus		
Global Commitm	nent fund	10,178,986

Sec. B.319 Department for children and families - office of ch	ild support
Personal services	9,170,808
Operating expenses	<u>4,022,077</u>
Total	13,192,885
Source of funds	
General fund	3,135,551
Special funds	455,718
Federal funds	9,214,016
Interdepartmental transfers	<u>387,600</u>
Total	13,192,885
Sec. B.320 Department for children and families - aid to disabled	aged, blind and
Personal services	1,870,826
Grants	<u>11,445,414</u>
Total	13,316,240
Source of funds	
General fund	9,566,240
Global Commitment fund	3,750,000
Total	13,316,240
Sec. B.321 Department for children and families - general assis	istance
Grants	8,290,504
Total	8,290,504
Source of funds	
General fund	6,486,713
Federal funds	1,111,320
Global Commitment fund	<u>692,471</u>
Total	8,290,504
Sec. B.322 Department for children and families - 3SquaresV	Γ
Grants	<u>26,813,146</u>
Total	26,813,146
Source of funds	
Federal funds	26,813,146
Total	26,813,146
Sec. B.323 Department for children and families - reach up	
Operating expenses	253,242
Grants	50,866,723
Total	51,119,965

Source of funds General fund Special funds Federal funds Global Commitment fund Total	21,195,902 19,916,856 7,882,807 <u>2,124,400</u> 51,119,965
Sec. B.324 Department for children and families - hassistance/LIHEAP	nome heating fuel
Grants Total Source of funds	17,657,664 17,657,664
General fund Federal funds	6,000,000 11,657,664
Total	17,657,664
Sec. B.325 Department for children and families - or opportunity	, ,
Personal services	484,606
Operating expenses	67,957
Grants	5,213,713
Total	5,766,276
Source of funds	
General fund	1,458,486
Special funds	57,990
Federal funds	4,047,312
Global Commitment fund	<u>202,488</u>
Total	5,766,276
Sec. B.326 Department for children and families - OE0 assistance	O - weatherization
Personal services	241,413
Operating expenses	131,692
Grants	11,613,465
Total	11,986,570
Source of funds	
Special funds	11,986,570
Total	11,986,570
Sec. B.327 Department for children and families - Wood center	dside rehabilitation
Personal services	4,092,905
Operating expenses	632,294
· -	

Total	4,725,199
Source of funds	
General fund	891,786
Global Commitment fund	3,778,521
Interdepartmental transfers	<u>54,892</u>
Total	4,725,199
Sec. B.328 Department for children and families - disability services	y determination
Personal services	4,493,121
Operating expenses	1,138,949
Total	5,632,070
Source of funds	3,032,070
Federal funds	5,385,553
Global Commitment fund	
	<u>246,517</u>
Total	5,632,070
Sec. B.329 Disabilities, aging, and independent living - adsupport	Iministration &
Personal services	26,187,084
Operating expenses Total	3,871,829
	30,058,913
Source of funds	7.705.111
General fund	7,785,111
Special funds	1,390,457
Federal funds	12,027,023
Global Commitment fund	6,322,467
Interdepartmental transfers	<u>2,533,855</u>
Total	30,058,913
Sec. B.330 Disabilities, aging, and independent living - independent living grants	advocacy and
Grants	21,431,825
Total	21,431,825
Source of funds	21, 131,023
General fund	8,258,815
Federal funds	
	7,640,264
Global Commitment fund	5,377,121
Interdepartmental transfers	155,625
Total	21,431,825

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

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Grants Total	1,481,457 1,481,457
Source of funds	264.064
General fund	364,064
Special funds Federal funds	223,450
Global Commitment fund	648,943
Total	245,000 1,481,457
Sec. B.332 Disabilities, aging, and independent living rehabilitation	- vocational
Grants	<u>8,795,971</u>
Total	8,795,971
Source of funds	, ,
General fund	1,535,695
Special funds	70,000
Federal funds	4,062,389
Global Commitment fund	7,500
Interdepartmental transfers	3,120,387
Total	8,795,971
Sec. B.333 Disabilities, aging, and independent living - develop	mental services
Grants	169,880,574
Total	169,880,574
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	169,292,129
Interdepartmental transfers	<u>58,000</u>
Total	169,880,574
Sec. B.334 Disabilities, aging, and independent living - community based waiver	TBI home and
Grants	4,861,903
Total	4,861,903
Source of funds	
Global Commitment fund	<u>4,861,903</u>
Total	4,861,903
Sec. B.335 Corrections - administration	
Personal services	2,097,495
Operating expenses	226,070

Total	2,323,565
Source of funds	
General fund	2,323,565
Total	2,323,565
Sec. B.336 Corrections - parole board	
Personal services	257,161
Operating expenses	70,819
Total	327,980
Source of funds	,
General fund	327,980
Total	327,980
Sec. B.337 Corrections - correctional education	
Personal services	3,794,353
Operating expenses	<u>530,774</u>
Total	4,325,127
Source of funds	
Education fund	3,929,242
Interdepartmental transfers	395,885
Total	4,325,127
Sec. B.338 Corrections - correctional services	
Personal services	103,240,653
Operating expenses	19,147,376
Grants	8,703,309
Total	131,091,338
Source of funds	
General fund	123,930,845
Special funds	483,963
Federal funds	470,962
Global Commitment fund	5,809,253
Interdepartmental transfers	<u>396,315</u>
Total	131,091,338
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	10,507,763
Total	10,507,763
Source of funds	
General fund	10,507,763
Total	10,507,763

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Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	466,118
Operating expenses	345,501
Total	811,619
Source of funds	,
Special funds	811,619
Total	811,619
Sec. B.341 Corrections - Vermont offender work program	
Personal services	954,670
Operating expenses	548,231
Total	1,502,901
Source of funds	
Internal service funds	<u>1,502,901</u>
Total	1,502,901
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	16,395,081
Operating expenses	5,107,960
Total	21,503,041
Source of funds	
General fund	1,344,225
Special funds	12,145,964
Federal funds	7,601,866
Global Commitment fund	410,986
Total	21,503,041
Sec. B.343 Commission on women	
Personal services	287,700
Operating expenses	<u>71,135</u>
Total	358,835
Source of funds	
General fund	353,835
Special funds	<u>5,000</u>
Total	358,835
Sec. B.344 Retired senior volunteer program	
Grants	<u>151,096</u>
Total	151,096
Source of funds	
General fund	151,096
Total	151,096

Personal services         6,608,296           Operating expenses         289,175           Total         6,897,471           Source of funds         473,118           General fund         473,118           Special funds         1,010,428           Global Commitment fund         2,360,462           Interdepartmental transfers         3,053,463           Total         6,897,471           Sec. B.346 Total human services         590,507,696           Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         3,054,572           Special funds         3,363,869           <	Sec. B.345 Green Mountain Care Board		
Operating expenses         289,175           Total         6,897,471           Source of funds         473,118           General fund         473,118           Special funds         1,010,428           Global Commitment fund         2,360,462           Interdepartmental transfers         3,053,463           Total         6,897,471           Sec. B.346 Total human services         500,507,696           Source of funds         89,631,251           General fund         590,507,696           Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Interdepartmental transfers         25,378,027           Permanent trust funds         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         3,054,572           <	Personal services	6,608,296	
Source of funds   General fund   473,118   Special funds   1,010,428   Global Commitment fund   2,360,462   Interdepartmental transfers   3,053,463   Total   6,897,471	Operating expenses	289,175	
General fund         473,118           Special funds         1,010,428           Global Commitment fund         2,360,462           Interdepartmental transfers         3,053,463           Total         6,897,471           Sec. B.346 Total human services           Source of funds           General fund         590,507,696           Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         Personal services           Operating expenses         5,293,630           Grants         1,781,436           Total         31,328,400           Source of funds         3,054,572           Special funds         3,363,869           Federal funds         23,846,533           Interdepartmen		6,897,471	
Special funds	Source of funds		
Global Commitment fund Interdepartmental transfers Total         2,360,462 3,053,463 3,053,463 6,897,471           Sec. B.346 Total human services         Source of funds           General fund         590,507,696 Special funds           Special funds         89,631,251 Tobacco fund           State health care resources fund         267,531,579 Education fund           Education fund         3,929,242 Federal funds           Federal funds         1,186,473,782 Global Commitment fund           Global Commitment fund         1,224,791,971 Internal service funds           Interdepartmental transfers         25,378,027 Permanent trust funds           Permanent trust funds         25,000 3,429,817,880           Sec. B.400 Labor - programs           Personal services         24,253,334 Operating expenses           Grants         1,781,436 Total           Total         31,328,400           Source of funds         3,363,869 Federal funds           Federal funds         23,846,533 Interdepartmental transfers         1,063,426 Total           Total         31,328,400           Sec. B.401 Total labor         Source of funds General fund           General fund         3,054,572 Special funds           Special funds         3,363,869	General fund	473,118	
Interdepartmental transfers         3,053,463           Total         6,897,471           Sec. B.346 Total human services         Source of funds           General fund         590,507,696           Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         Personal services           Personal services         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         31,328,400           Source of funds         23,846,533           Interdepartmental transfers         1,063,426           Total         31,328,400           Sec. B.401 Total labor         Source of funds           General fund         3,054,572           Special funds         3,363,	Special funds		
Total         6,897,471           Sec. B.346 Total human services           Source of funds           General fund         590,507,696           Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         31,328,400           Source of funds         3,054,572           Special funds         33,363,869           Federal funds         23,846,533           Interdepartmental transfers         1,063,426           Total         31,328,400           Sec. B.401 Total labor <td colspa<="" td=""><td>Global Commitment fund</td><td></td></td>	<td>Global Commitment fund</td> <td></td>	Global Commitment fund	
Sec. B.346 Total human services	<u> </u>		
Source of funds         590,507,696           Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         31,328,400           Source of funds         3,054,572           Special funds         3,363,869           Federal funds         23,846,533           Interdepartmental transfers         1,063,426           Total         31,328,400           Sec. B.401 Total labor         Source of funds           General fund         3,054,572           Special funds         3,363,869	Total	6,897,471	
General fund       590,507,696         Special funds       89,631,251         Tobacco fund       40,046,431         State health care resources fund       267,531,579         Education fund       3,929,242         Federal funds       1,186,473,782         Global Commitment fund       1,224,791,971         Internal service funds       1,502,901         Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor         Source of funds       3,054,572         Special funds       3,054,572         Special funds       3,363,869	Sec. B.346 Total human services		
Special funds         89,631,251           Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         31,328,400           Source of funds         3,054,572           Special funds         3,363,869           Federal funds         23,846,533           Interdepartmental transfers         1,063,426           Total         31,328,400           Sec. B.401 Total labor         Source of funds           General fund         3,054,572           Special funds         3,363,869			
Tobacco fund         40,046,431           State health care resources fund         267,531,579           Education fund         3,929,242           Federal funds         1,186,473,782           Global Commitment fund         1,224,791,971           Internal service funds         1,502,901           Interdepartmental transfers         25,378,027           Permanent trust funds         25,000           Total         3,429,817,880           Sec. B.400 Labor - programs         24,253,334           Operating expenses         5,293,630           Grants         1,781,436           Total         31,328,400           Source of funds         3,054,572           Special funds         3,363,869           Federal funds         23,846,533           Interdepartmental transfers         1,063,426           Total         31,328,400           Sec. B.401 Total labor         Source of funds           General fund         3,054,572           Special funds         3,363,869			
State health care resources fund       267,531,579         Education fund       3,929,242         Federal funds       1,186,473,782         Global Commitment fund       1,224,791,971         Internal service funds       1,502,901         Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       30,54,572         Source of funds       31,328,400         Sec. B.401 Total labor       30,54,572         Special funds       3,054,572         Special funds       3,363,869	<u> </u>	, ,	
Education fund       3,929,242         Federal funds       1,186,473,782         Global Commitment fund       1,224,791,971         Internal service funds       1,502,901         Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,054,572         Special funds       3,363,869			
Federal funds       1,186,473,782         Global Commitment fund       1,224,791,971         Internal service funds       1,502,901         Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special fund       3,054,572         Special funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       3054,572         Special funds       3,054,572         Special funds       3,054,572         Special funds       3,054,572         Special funds       3,363,869		, , , , , , , , , , , , , , , , , , ,	
Global Commitment fund       1,224,791,971         Internal service funds       1,502,901         Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,054,572         Special funds       3,363,869			
Internal service funds       1,502,901         Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,054,572         Special funds       3,363,869			
Interdepartmental transfers       25,378,027         Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869			
Permanent trust funds       25,000         Total       3,429,817,880         Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869			
Total       3,429,817,880         Sec. B.400 Labor - programs         Personal services       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor         Source of funds       3,054,572         Special funds       3,054,572         Special funds       3,363,869	•		
Sec. B.400 Labor - programs       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869		· · · · · · · · · · · · · · · · · · ·	
Personal services       24,253,334         Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869	Total	3,429,817,880	
Operating expenses       5,293,630         Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869	Sec. B.400 Labor - programs		
Grants       1,781,436         Total       31,328,400         Source of funds       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869	Personal services	24,253,334	
Total 31,328,400  Source of funds  General fund 3,054,572  Special funds 3,363,869  Federal funds 23,846,533  Interdepartmental transfers 1,063,426  Total 31,328,400  Sec. B.401 Total labor  Source of funds  General fund 3,054,572  Special funds 3,363,869	Operating expenses	5,293,630	
Source of funds       3,054,572         General funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869	Grants	<u>1,781,436</u>	
General fund       3,054,572         Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869	Total	31,328,400	
Special funds       3,363,869         Federal funds       23,846,533         Interdepartmental transfers       1,063,426         Total       31,328,400         Sec. B.401 Total labor       Source of funds         General fund       3,054,572         Special funds       3,363,869	Source of funds		
Federal funds 23,846,533 Interdepartmental transfers 1,063,426 Total 31,328,400  Sec. B.401 Total labor  Source of funds General fund 3,054,572 Special funds 3,363,869	General fund	3,054,572	
Interdepartmental transfers Total Total Sec. B.401 Total labor  Source of funds General fund Special funds 3,054,572 Special funds 3,363,869	Special funds	3,363,869	
Total 31,328,400  Sec. B.401 Total labor  Source of funds General fund 3,054,572 Special funds 3,363,869	Federal funds	23,846,533	
Sec. B.401 Total labor  Source of funds General fund Special funds 3,054,572 3,363,869	Interdepartmental transfers		
Source of funds General fund 3,054,572 Special funds 3,363,869	Total	31,328,400	
General fund         3,054,572           Special funds         3,363,869	Sec. B.401 Total labor		
Special funds 3,363,869	Source of funds		
•	General fund	3,054,572	
Federal funds 23,846,533	Special funds	3,363,869	
	Federal funds	23,846,533	

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Interdepartmental transfers Total	1,063,426 31,328,400
Sec. B.500 Education - finance and administration	
Personal services Operating expenses Grants Total Source of funds	7,072,845 2,019,419 <u>12,591,200</u> 21,683,464
General fund Special funds Education fund Federal funds Global Commitment fund Total	3,007,875 13,293,157 892,795 3,624,185 <u>865,452</u> 21,683,464
Sec. B.501 Education - education services	
Personal services Operating expenses Grants Total Source of funds General fund Special funds Federal funds Total  Sec. B.502 Education - special education: formula grants Grants Total Source of funds Education fund	12,643,713 1,434,792 <u>124,242,308</u> 138,320,813 6,203,344 2,578,228 <u>129,539,241</u> 138,320,813 <u>163,454,037</u> 163,454,037
Total  Sec. B.503 Education - state-placed students	163,454,037 163,454,037
Grants Total Source of funds Education fund	15,100,000 15,100,000 15,100,000
Total	15,100,000
Sec. B.504 Education - adult education and literacy	<b></b>
Grants	7,351,468

Total	7,351,468
Source of funds	
General fund	787,995
Education fund	5,800,000
Federal funds	<u>763,473</u>
Total	7,351,468
Sec. B.505 Education - adjusted education payment	
Grants	1,223,114,508
Total	1,223,114,508
Source of funds	
Education fund	<u>1,223,114,508</u>
Total	1,223,114,508
Sec. B.506 Education - transportation	
Grants	16,726,497
Total	16,726,497
Source of funds	
Education fund	16,726,497
Total	16,726,497
Sec. B.507 Education - small school grants	
Grants	7,491,286
Total	7,491,286
Source of funds	,,,,,,,,,,
Education fund	<u>7,491,286</u>
Total	7,491,286
Sec. B.508 Education - capital debt service aid	.,.,-,
Grants	130,000
Total	130,000
Source of funds	130,000
Education fund	<u>130,000</u>
Total	130,000
	130,000
Sec. B.509 Education - tobacco litigation	
Personal services	145,029
Operating expenses	45,378
Grants	576,134
Total	766,541
Source of funds	<b>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</b>
Tobacco fund	<u>766,541</u>

TUESI	DAY, MAY 14, 2013	1953
Total		766,541
Sec. B.510 Education - essential early	education grant	
Grants Total Source of funds		6,141,155 6,141,155
Education fund Total		6,141,155 6,141,155
Sec. B.511 Education - technical educ	ation	
Grants Total Source of funds Education fund Total		13,274,423 13,274,423 13,274,423 13,274,423
		13,274,423
Sec. B.512 Education - Act 117 cost comperating expenses Operating expenses Grants Total Source of funds Special funds Total Sec. B.513 Appropriation and transfer Grants Total Source of funds General fund Total		1,080,553 154,437 91,000 1,325,990 1,325,990 1,325,990 288,921,564 288,921,564 288,921,564
Sec. B.514 State teachers' retirement s	vetem	288,921,304
Personal services Operating expenses Grants Total Source of funds General fund Pension trust funds Total	, occini	7,291,783 27,671,276 71,783,200 106,746,259 71,783,200 34,963,059 106,746,259

Sec. B.515 Total general education

Source of funds	
General fund	370,703,978
Special funds	17,197,375
Tobacco fund	766,541
Education fund	1,452,124,701
Federal funds	133,926,899
Global Commitment fund	865,452
Pension trust funds	34,963,059
Total	2,010,548,005
Sec. B.600 University of Vermont	
Grants	42,469,032
Total	42,469,032
Source of funds	
General fund	38,462,876
Global Commitment fund	<u>4,006,156</u>
Total	42,469,032
Sec. B.601 Vermont Public Television	
Grants	<u>547,683</u>
Total	547,683
Source of funds	
General fund	<u>547,683</u>
Total	547,683
Sec. B.602 Vermont state colleges	
Grants	<u>24,300,464</u>
Total	24,300,464
Source of funds	
General fund	<u>24,300,464</u>
Total	24,300,464
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,149,998</u>
Total	1,149,998
Source of funds	
General fund	744,591
Global Commitment fund	<u>405,407</u>
Total	1,149,998
Sec. B.604 Vermont interactive technology	
Grants	809,249
Total	809,249

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Source of funds General fund Total		809,249 809,249
Sec. B.605 Vermont student a	assistance corporation	
Grants Total Source of funds		<u>19,414,515</u> 19,414,515
General fund Total		19,414,515 19,414,515
Sec. B.606 New England high	ner education compact	
Grants Total Source of funds		84,000 84,000
General fund Total		84,000 84,000
Sec. B.607 University of Ver	mont - Morgan Horse Farm	
Grants Total Source of funds		1 1
General fund Total		<u>1</u> 1
Sec. B.608 Total higher education	ation	
Source of funds General fund Global Commitm Total	ent fund	84,363,379 <u>4,411,563</u> 88,774,942
Sec. B.700 Natural resources - agency of natural resources - administration		
Personal services Operating expens Grants Total Source of funds	es	3,176,914 799,518 45,510 4,021,942
General fund Special funds Federal funds Interdepartmental Total	transfers	3,739,109 55,343 30,000 <u>197,490</u> 4,021,942

Sec. B.701 Natural resources - state land local property tax ass	essment
Operating expenses Total	2,153,733 2,153,733
Source of funds	
General fund	1,732,233
Interdepartmental transfers Total	<u>421,500</u> 2,153,733
	2,133,733
Sec. B.702 Fish and wildlife - support and field services	
Personal services	14,603,485
Operating expenses	4,946,802
Grants	<u>650,000</u>
Total	20,200,287
Source of funds General fund	4 229 025
Special funds	4,328,935 20,000
Fish and wildlife fund	8,914,102
Federal funds	6,742,250
Interdepartmental transfers	195,000
Total	20,200,287
Sec. B.703 Forests, parks and recreation - administration	
Personal services	1,266,011
Operating expenses	550,951
Grants	<u>1,806,971</u>
Total	3,623,933
Source of funds	
General fund	1,057,402
Special funds	1,307,878
Federal funds	1,169,535
Interdepartmental transfers	89,118
Total	3,623,933
Sec. B.704 Forests, parks and recreation - forestry	
Personal services	4,947,666
Operating expenses	649,757
Grants	<u>521,500</u>
Total	6,118,923
Source of funds	2 51 4 152
General fund	3,514,173
Special funds Federal funds	975,000 1,500,000
reuciai iulius	1,300,000

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Interdepartmental transfers	<u>129,750</u>	
Total	6,118,923	
Sec. B.705 Forests, parks and recreation - state pa	rks	
Personal services	6,251,094	
Operating expenses	<u>2,299,709</u>	
Total	8,550,803	
Source of funds		
General fund	805,451	
Special funds	7,745,352	
Total	8,550,803	
Sec. B.706 Forests, parks and recreation - lands ac	dministration	
Personal services	449,568	
Operating expenses	<u>1,213,158</u>	
Total	1,662,726	
Source of funds		
General fund	403,521	
Special funds	179,205	
Federal funds	1,050,000	
Interdepartmental transfers	<u>30,000</u>	
Total	1,662,726	
Sec. B.707 Forests, parks and recreation - youth co	onservation corps	
Grants	<u>522,702</u>	
Total	522,702	
Source of funds		
General fund	50,320	
Special funds	188,382	
Federal funds	94,000	
Interdepartmental transfers	<u>190,000</u>	
Total	522,702	
Sec. B.708 Forests, parks and recreation - forest h	ighway maintenance	
Personal services	95,000	
Operating expenses	<u>84,925</u>	
Total	179,925	
Source of funds		
General fund	<u>179,925</u>	
Total	179,925	
Sec. B.709 Environmental conservation - management and support services		
Personal services	4,745,461	

Operating expenses	1,256,590
Grants	<u>113,780</u>
Total	6,115,831
Source of funds	
General fund	1,070,011
Special funds	167,258
Federal funds	192,691
Interdepartmental transfers	4,685,871
Total	6,115,831
Sec. B.710 Environmental conservation - air and waste manag	gement
Personal services	10,067,224
Operating expenses	8,246,278
Grants	2,131,238
Total	20,444,740
Source of funds	, ,
General fund	683,446
Special funds	16,330,510
Federal funds	3,230,784
Interdepartmental transfers	200,000
Total	$20,\overline{444,740}$
Sec. B.711 Environmental conservation - office of water prog	rams
Personal services	14,753,079
Operating expenses	4,695,933
Grants	1,929,702
Total	21,378,714
Source of funds	
General fund	7,674,248
Special funds	6,028,489
Federal funds	6,828,349
Interdepartmental transfers	847,628
Total	$21,\overline{378,714}$
Sec. B.712 Environmental conservation - tax-loss Connection control	cticut river flood
Operating expenses	<u>34,700</u>
Total	34,700
Source of funds	, -
General fund	3,470
Special funds	31,230
Total	34,700
	•

Sec. B.713 Natural resources board	
Personal services	2,431,059
Operating expenses	364,618
Total	2,795,677
Source of funds	
General fund	829,791
Special funds	<u>1,965,886</u>
Total	2,795,677
Sec. B.714 Total natural resources	
Source of funds	
General fund	26,072,035
Special funds	34,994,533
Fish and wildlife fund	8,914,102
Federal funds	20,837,609
Interdepartmental transfers	<u>6,986,357</u>
Total	97,804,636
Sec. B.800 Commerce and community development - agen community development - administration	cy of commerce and
Personal services	2,095,805
Operating expenses	656,454
Grants	<u>1,404,570</u>
Total	4,156,829
Source of funds	
General fund	2,986,829
Federal funds	1,100,000
Interdepartmental transfers	<u>70,000</u>
Total	4,156,829
Sec. B.801 Economic development	
Personal services	2,908,179
Operating expenses	801,097
Grants	2,108,179
Total	5,817,455
Source of funds	
General fund	4,456,655
Special funds	605,350
Federal funds	751,550
Interdepartmental transfers	<u>3,900</u>
Total	5,817,455

Sec. B.802 Housing & community development	
Personal services	6,353,668
Operating expenses	782,325
Grants	2,454,341
Total	9,590,334
Source of funds	
General fund	2,266,663
Special funds	3,754,534
Federal funds	3,510,337
Interdepartmental transfers Total	58,800 9,590,334
Sec. B.803 Historic sites - special improvements	7,570,554
Operating expenses	13,000
Total	13,000
Source of funds	15,000
Special funds	<u>13,000</u>
Total	13,000
Sec. B.804 Community development block grants	
Grants	25,449,135
Total	25,449,135
Source of funds	
Federal funds	<u>25,449,135</u>
Total	25,449,135
Sec. B.805 Downtown transportation and capital improvement fu	ınd
Personal services	86,884
Grants	<u>297,082</u>
Total	383,966
Source of funds	202.044
Special funds	<u>383,966</u>
Total	383,966
Sec. B.806 Tourism and marketing	
Personal services	1,079,788
Operating expenses	1,909,597
Grants	238,500
Total	3,227,885
Source of funds General fund	2 127 005
Interdepartmental transfers	3,137,885 <u>90,000</u>
Total	3,227,885
ισιαι	3,441,003

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Sec. B.807 Vermont life		_
Personal services Operating expense Total Source of funds	es	761,087 <u>65,916</u> 827,003
Enterprise funds Total		827,003 827,003
Sec. B.808 Vermont council of	on the arts	
Grants Total Source of funds		<u>641,607</u> 641,607
General fund Total		641,607 641,607
Sec. B.809 Vermont symphor	ny orchestra	
Grants Total Source of funds		<u>141,214</u> 141,214
General fund Total		141,214 141,214
Sec. B.810 Vermont historica	l society	
Grants Total Source of funds		882,219 882,219
General fund Total		882,219 882,219
Sec. B.811 Vermont housing	and conservation board	
Grants Total Source of funds		28,203,945 28,203,945
Special funds Federal funds Total		14,180,600 14,023,345 28,203,945
Sec. B.812 Vermont humaniti	es council	
Grants Total Source of funds		217,959 217,959
General fund		217,959

Total	217,959
Sec. B.813 Total commerce and community development	
Source of funds General fund Special funds Federal funds Interdepartmental transfers Enterprise funds Total	14,731,031 18,937,450 44,834,367 222,700 <u>827,003</u> 79,552,551
Sec. B.900 Transportation - finance and administration	
Personal services Operating expenses Grants Total	9,952,251 1,973,579 <u>245,000</u> 12,170,830
Source of funds Transportation fund Federal funds Total	11,246,130 <u>924,700</u> 12,170,830
Sec. B.901 Transportation - aviation	
Personal services Operating expenses Grants Total Source of funds Transportation fund Federal funds	3,628,764 8,158,027 <u>185,000</u> 11,971,791 4,542,791 7,429,000
Total	11,971,791
Sec. B.902 Transportation - buildings	
Operating expenses Total Source of funds	2,873,000 2,873,000
Transportation fund TIB fund Total	993,000 <u>1,880,000</u> 2,873,000
Sec. B.903 Transportation - program development	
Personal services Operating expenses Grants	38,955,555 261,230,552 23,614,529

TUESDAY,	MAY	14,	2013
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	TUESDAY, MAY 14, 2013	1963
Total		323,800,636
Source of funds		, ,
Transportation fund		35,403,238
TIB fund		15,162,888
Federal funds		257,658,307
Interdepartmental tr	ransfers	4,019,000
Local match		1,169,703
TIB proceeds fund		10,387,500
Total		323,800,636
Sec. B.904 Transportation - rest	areas construction	
Personal services		170,000
Operating expenses		1,275,753
Total		1,445,753
Source of funds		
Transportation fund		50,000
TIB fund		174,476
Federal funds		1,221,277
Total		1,445,753
Sec. B.905 Transportation - mai	intenance state system	
Personal services		39,744,134
Operating expenses		48,877,536
Grants		<u>75,000</u>
Total		88,696,670
Source of funds		
Transportation fund		78,151,670
Federal funds		10,445,000
Interdepartmental tr	ransfers	<u>100,000</u>
Total		88,696,670
Sec. B.906 Transportation - pol	icy and planning	
Personal services		4,179,113
Operating expenses		1,610,228
Grants		4,969,497
Total		10,758,838
Source of funds		
Transportation fund		2,057,947
Federal funds		8,387,344
Interdepartmental tr	ransfers	<u>313,547</u>
Total		10,758,838

Sec. B.907 Transportation - rail

Personal services	4,883,127
Operating expenses	28,446,710
Grants	<u>1,600,000</u>
Total	34,929,837
Source of funds	
Transportation fund	12,432,950
TIB fund	2,970,667
Federal funds	<u>19,526,220</u>
Total	34,929,837
Sec. B.908 Transportation - public transit	
Personal services	1,148,922
Operating expenses	125,062
Grants	27,296,244
Total	28,570,228
Source of funds	
Transportation fund	7,528,574
Federal funds	<u>21,041,654</u>
Total	28,570,228
Sec. B.909 Transportation - central garage	
Personal services	3,931,872
Operating expenses	16,388,084
Total	20,319,956
Source of funds	
Internal service funds	20,319,956
Total	20,319,956
Sec. B.910 Department of motor vehicles	
Personal services	15,927,083
Operating expenses	9,035,884
Grants	158,000
Total	25,120,967
Source of funds	
Transportation fund	23,085,000
Federal funds	<u>2,035,967</u>
Total	25,120,967
Sec. B.911 Transportation - town highway structures	
Grants	6,333,500
Total	6,333,500
Source of funds	3,555,500
Transportation fund	6,333,500

TUESDAY, MAY 14, 2013	1965
Total	6,333,500
Sec. B.912 Transportation - town highway Vermont local roads	
Grants	400,000
Total	400,000
Source of funds	
Transportation fund	235,000
Federal funds	<u>165,000</u>
Total	400,000
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	<u>7,248,750</u>
Total	7,248,750
Source of funds	
Transportation fund	7,248,750
Total	7,248,750
Sec. B.914 Transportation - town highway bridges	
Personal services	3,800,000
Operating expenses	12,127,597
Grants	639,000
Total	16,566,597
Source of funds	
Transportation fund	1,123,394
TIB fund	933,963
Federal funds	13,495,630
Local match Total	1,013,610
	16,566,597
Sec. B.915 Transportation - town highway aid program	
Grants	25,982,744
Total	25,982,744
Source of funds	
Transportation fund	<u>25,982,744</u>
Total	25,982,744
Sec. B.916 Transportation - town highway class 1 supplemental grants	
Grants	128,750
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
Grants Total	1,150,000 1,150,000
Source of funds Transportation fund Total	1,150,000 1,150,000
Sec. B.918 Transportation - town highway: state aid for federal	disasters
Grants Total	3,600,000 3,600,000
Source of funds Transportation fund	400,000
Federal funds Total	3,200,000 3,600,000
Sec. B.919 Transportation - municipal mitigation grant program	
Grants Total Source of funds	1,551,000 1,551,000
Transportation fund Federal funds Total	440,000 <u>1,111,000</u> 1,551,000
Sec. B.920 Transportation - public assistance grant program	1,551,000
Grants Total Source of funds	29,235,250 29,235,250
Special funds Federal funds Total	2,235,250 <u>27,000,000</u> 29,235,250
Sec. B.921 Transportation board	
Personal services Operating expenses Total Source of funds Transportation fund	181,114 <u>18,886</u> 200,000 <u>200,000</u>
Total Sec. B.922 Total transportation	200,000

Sec. B.922 Total transportation

Source of funds

10255111, 11111 111, 2015	1701
Transportation fund	218,733,438
TIB fund	21,121,994
Special funds	2,235,250
Federal funds	373,641,099
Internal service funds	20,319,956
Interdepartmental transfers	4,432,547
Local match	2,183,313
TIB proceeds fund	10,387,500
Total	653,055,097
Sec. B.1000 Debt service	
Operating expenses	77,216,569
Total	77,216,569
Source of funds	
General fund	70,521,584
Transportation fund	2,414,979
TIB debt service fund	2,397,816
Special funds	628,910
ARRA funds	1,253,280
Total	77,216,569
Sec. B.1001 Total debt service	
Source of funds	
General fund	70,521,584
Transportation fund	2,414,979
TIB debt service fund	2,397,816
Special funds	628,910
ARRA funds	1,253,280
Total	77,216,569
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Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2014, \$3,293,000 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed below:

# (1) Workforce development. The amount of \$1,377,500 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of \$817,500 is transferred to the Vermont Workforce Education and Training Fund created in 10 V.S.A. § 543 and subsequently appropriated to the Department of Labor for workforce development. Up to seven percent of the funds may be used for administration of the program. Of this amount, \$350,000 shall be allocated for the Vermont Career Internship Program

# pursuant to 10 V.S.A. § 544.

- (B) Adult Technical Education Programs. The amount of \$360,000 is appropriated to the Department of Labor working with the Workforce Development Council. This appropriation is for the purpose of awarding grants to regional technical centers and comprehensive high schools to provide adult technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults.
- (C) The amount of \$200,000 is appropriated to the Agency of Commerce and Community Development to issue performance grants to the University of Vermont and the Vermont Center for Emerging Technologies for patent development and commercialization of technology and to enhance the development of high technology businesses and Next Generation employment opportunities throughout Vermont.

# (2) Loan repayment. The amount of \$330,000 as follows:

- (A) Health care loan repayment. The amount of \$300,000 is appropriated to the Agency of Human Services Global Commitment for the Department of Health to use for health care loan repayment. The department shall use these funds for a grant to the Area Health Education Centers (AHEC) for repayment of commercial or governmental loans for postsecondary health-care-related education or training owed by persons living and working in Vermont in the health care field.
- (B) Large animal veterinarians' loan forgiveness. The amount of \$30,000 is appropriated to the Agency of Agriculture, Food and Markets for a loan forgiveness program for large animal veterinarians pursuant to 6 V.S.A. § 20.

# (3) Scholarships and grants. The amount of \$1,444,500 as follows:

- (A) Nondegree VSAC grants. The amount of \$494,500 is appropriated to the Vermont Student Assistance Corporation. These funds shall be for the purpose of providing nondegree grants to Vermonters to improve job skills and increase overall employability, enabling them to enroll in a postsecondary education or training program, including adult technical education that is not part of a degree or accredited certificate program. A portion of these funds shall be used for grants for indirect educational expenses to students enrolled in training programs. The grants shall not exceed \$3,000 per student. None of these funds shall be used for administrative overhead.
- (B) National Guard Educational Assistance. The amount of \$150,000 is appropriated to Military administration to be transferred to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856.

- (C) Dual enrollment programs. The amount of \$800,000 is appropriated to the Vermont State Colleges for dual enrollment programs. The State Colleges shall develop a voucher program that will allow Vermont students to attend programs at a postsecondary institution other than the state college system when programs at the other institutions are better academically or geographically suited to student need.
- (4) Science Technology Engineering and Math (STEM) Incentive. The amount of \$141,000 is appropriated to the Agency of Commerce and Community Development for an incentive payment pursuant to 2011 Acts and Resolves No. 52, Sec. 6.

# Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR FISCAL YEAR 2015 NEXT GENERATION FUND DISTRIBUTION

(a) The Department of Labor, in coordination with the Agency of Commerce and Community Development, the Agency of Human Services, and the Agency of Education, and in consultation with the Workforce Development Council, shall recommend to the Governor no later than November 1, 2013 how \$3,293,000 from the Next Generation Fund should be allocated or appropriated in fiscal year 2015 to provide maximum benefit to workforce development, participation in postsecondary education by underrepresented groups, and support for promising economic sectors in Vermont. The Department of Labor shall actively and publically promote the availability of these funds to eligible entities that have not previously been funded.

#### Sec. B.1101 UNEMPLOYMENT INSURANCE INTEREST

(a) The amount of \$202,009 in general funds is appropriated in fiscal year 2014 to the Department of Labor for unemployment insurance interest payments to the federal government.

#### Sec. B.1102 WORKING LANDSCAPE APPROPRIATION

(a) The amount of \$1,425,000 in General Funds is appropriated in fiscal year 2014 to the Agency of Agriculture, Food and Markets for transfer to the Vermont Working Lands Enterprise Special Fund established in 6 V.S.A. § 4605 for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for direct grants and investments in food and forest systems pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5, including grants that enable farmers' markets to accept electronic benefit transfer funds, and to continue to fund two (2) limited service working landscape staff positions in the Agency.

Sec. B.1103 DEPOSIT OF MORTGAGE PROCESSING SERVICES SETTLEMENT; APPROPRIATIONS TO THE DEPARTMENT OF FINANCIAL REGULATION

- (a) The amount of \$371,000 received from Lender Processing Services, Inc., et al., relating to improperly executed mortgage loan documents and deposited into the Fees and Reimbursement Special Fund (#21638) in the Office of the Attorney General, shall be transferred to the General Fund in fiscal year 2014.
- (b) The amount of \$125,000 in General Funds is appropriated in fiscal year 2014 to the Department of Financial Regulation Banking Division for grants providing continued support of the Home Ownership Centers, which provide foreclosure intervention, homeowner counseling, assistance to mobile home owners, and similar services.
- (c) The amount of \$75,000 in General Funds is appropriated in fiscal year 2014 to the Department of Financial Regulation Banking Division for a grant to Vermont Legal Aid to fund legal services for homeowners facing foreclosure.
- Sec. B.1104 FISCAL YEAR 2014 SURPLUS CONTINGENT RESERVE TRANSFERS AND APPROPRIATIONS
- (a) Of the amount reserved in the General Fund Balance Reserve also known as the "rainy day reserve" at the close of fiscal year 2014:
- (1) One-quarter of that amount is unreserved for transfer to the Education Fund in fiscal year 2015.
- (2) One-quarter of that amount is unreserved and appropriated in fiscal year 2015 to the Secretary of Administration to be used only upon Emergency Board action to transfer these funds to appropriations to offset selected reduced federal funding.
- Sec. B.1201 GENERAL FUND REDUCTION; AUTHORIZED POSITION COUNT
- (a) The Secretary of Administration shall reduce appropriations and make transfers to the General Fund for a total of \$200,000, within the Executive Branch of state government as a result of budgeted positions not being authorized in fiscal year 2014.
- Sec. B.1202 SECRETARY OF ADMINISTRATION; FISCAL YEAR 2014 MANAGEMENT INITIATIVE SAVINGS
- (a) The Secretary of Administration shall reduce appropriations and make transfers to the General Fund for a total of \$2,500,000, within the Executive Branch of state government from management savings initiatives.
- Sec. C.100 2012 Acts and Resolves, No. 162, Sec. B.1101 is amended to read:

# Sec. B.1101 ONE-TIME ELECTIONS <u>EXPENSE APPROPRIATION</u> AND AUTOMATED BUSINESS REGISTRATION SYSTEM EXPENSES APPROPRIATIONS

(a) In fiscal year 2013, there is appropriated to the secretary of state Secretary of State for 2012 primary and general elections:

General fund \$135,000

Special fund \$375,000 \$240,000

(b) In fiscal year 2013, notwithstanding 17 V.S.A. § 2856(a), there is appropriated to the Secretary of State from the Vermont Campaign Fund for expenses related to automating its business registration system:

Special fund \$135,000

Sec. C.100.1 SECRETARY OF STATE; VERMONT CAMPAIGN FUND DEPOSIT; EXPENDITURES

- (a) The amount of \$30,000 in civil penalties received by the Attorney General from the Republican Governors' Association and \$10,000 in other receipts from the parties pursuant to a settlement with the Attorney General during 2013 shall be deposited into the Vermont Campaign Fund.
- (b) The Secretary of State is authorized to expend up to \$50,000 from the Vermont Campaign Fund during fiscal year 2013 for development costs for campaign finance system development expenditures. The Secretary of State shall report to the Joint Fiscal Committee at its September 2013 meeting on the use of these funds.

Sec. C.101 2012 Acts and Resolves No. 162, Sec. B.200, as amended by 2013 Acts and Resolves No. 1, Sec. 8, is further amended to read:

Sec. B.200 Attorney general		
Personal services	7,660,981	7,660,981
Operating expenses	<u>977,285</u>	<u>977,285</u>
Total	8,638,266	8,638,266
Source of funds		
General fund	3,943,997	3,943,997
Special funds	<del>1,278,455</del>	1,389,455
Tobacco fund	4 <del>59,000</del>	348,000
Federal funds	745,364	745,364
Interdepartmental transfers	<u>2,211,450</u>	2,211,450
Total	8,638,266	8,638,266

Sec. C.102 2012 Acts and Resolves No. 162, Sec. B.240, as amended by 2013 Acts and Resolves No. 1, Sec. 15, is further amended to read:

Sec. B.240 Total protection to persons and property

	282,833,185	282,833,185
Source of funds		
General fund	109,237,894	109,237,894
Transportation fund	25,238,498	25,238,498
Special funds	<del>67,957,274</del>	68,068,274
Tobacco fund	<del>790,816</del>	679,816
Federal funds	58,191,789	58,191,789
ARRA funds	5,160,681	5,160,681
Global Commitment fund	1,138,944	1,138,944
Interdepartmental transfers	8,701,945	8,701,945
Enterprise funds	<u>6,415,344</u>	6,415,344
Total	282,833,185	282,833,185

Sec. C.103 2012 Acts and Resolves No. 162, Sec. B.903 as amended by 2013 Acts and Resolves No. 1, Sec. 51.1, is further amended to read:

Sec. B.903 Transportation - program dev	elopment	
Personal services	36,309,069	36,309,069
Operating expenses	247,904,463	247,904,463
Grants	<u>37,369,326</u>	37,369,326
Total	321,582,858	321,582,858
Source of funds		
Transportation fund	34,178,585	34,178,585
TIB fund	16,673,911	16,673,911
Federal funds	256,588,181	256,588,181
Interdepartmental transfers	3,770,000	3,770,000
Transportation local fund	1,372,181	1,372,181
TIB proceeds fund		9,000,000
Total	312,582,858	321,582,858

Sec. C.104 2012 Acts and Resolves No. 162, Sec. D.101(a)(3) is amended to read:

(3) from the transportation infrastructure bond fund established by 19 V.S.A. § 11f to the transportation infrastructure bonds debt service fund for the purpose of funding fiscal year 2014 transportation infrastructure bonds debt service: \$1,764,213 \$1,702,378.

Sec. C.105 2012 Acts and Resolves No. 162, Secs. B.1000 and B.1001 are amended to read:

Sec. B.1000 Debt service

	11,2018	1778
Operating expenses	<del>72,111,263</del>	71,962,178
Total	<del>72,111,263</del>	71,962,178
Source of funds		
General fund	63,667,340	63,667,340
General obligation bonds debt service fund	2,321,565	2,321,565
Transportation fund	2,482,442	2,482,442
TIB debt service fund	<del>1,758,486</del>	1,609,401
Special funds	628,150	628,150
ARRA funds	1,253,280	1,253,280
Total	<del>72,111,263</del>	71,962,178
Sec. B.1001 Total debt service		
Source of funds		
General fund	63,667,340	63,667,340
General obligation bonds debt service fund	2,321,565	2,321,565
Transportation fund	2,482,442	2,482,442
TIB debt service fund	<del>1,758,486</del>	1,609,401
Special funds	628,150	628,150
ARRA funds	1,253,280	1,253,280
Total	72,111,263	71,962,178

# Sec. C.106 ADMINISTRATION OF IRENE RECOVERY CDBG GRANT; LIMITED SERVICE POSITION

(a) The establishment of one (1) new classified limited service position – Grants Specialist – is authorized in fiscal year 2013 in the Agency of Commerce and Community Development.

# Sec. C.107 TRANSFER; TOURISM AND MARKETING

(a) The Commissioner of Finance and Management is authorized to transfer up to \$50,000 in General Funds in fiscal year 2013 from the Vermont Information Centers program to the Department of Tourism and Marketing.

# Sec. C.108 CRISIS FUEL TRANSFER AUTHORITY

(a) Notwithstanding any other law to the contrary, the Commissioner of Finance and Management shall have the authority to transfer funds from the Energy and Regulation Fund (#21698) of the Public Service Department to meet fiscal year 2013 LIHEAP crisis fuel needs.

# Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

- (1) The sum of \$518,000 is appropriated from the Property Valuation and Review Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$518,000 from the property transfer tax that are deposited into the Property Valuation and Review Administration Special Fund shall be transferred into the General Fund.
- (2) The sum of \$14,014,000 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Notwithstanding 10 V.S.A. § 312, amounts above \$14,014,000 from the property transfer tax that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.
- (3) The sum of \$3,587,154 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$3,587,154 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,587,154 shall be allocated as follows:
- (A) \$2,758,884 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);
- (B) \$449,570 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b);
  - (C) \$378,700 to the Vermont Center for Geographic Information.

# Sec. D.101 FUND TRANSFERS AND RESERVES

- (a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:
  - (1) from the General Fund to the:
- (A) Communications and Information Technology Internal Service Fund established by 22 V.S.A. § 902a: \$735,000.
- (B) Next Generation Initiative Fund established by 16 V.S.A. § 2887: \$3,293,000.
- (C) Facilities Operations Fund established in 29 V.S.A. § 160a: \$1,862,785.
- (D) Clean Energy Development Fund established in 30 V.S.A. § 8015: \$250,000.
- (2) from the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the fund: \$383,966.

- (3) from the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund for the purpose of funding transportation infrastructure bonds debt service for a new bond issue in fiscal year 2014 and to fund fiscal year 2015 transportation infrastructure bonds debt service: \$2,450,788.
- (4) from the Emergency Relief and Assistance Fund established in 20 V.S.A. § 45 to the General Fund: \$6,500,000.
- (5) from the state funds within the Fleet Management Internal Service Fund established pursuant to 29 V.S.A. § 902(f)(6) or from the state funds credited or rebated to state agencies from this fund to the General Fund: \$237,000.
- Sec. D.102 TOBACCO LITIGATION SETTLEMENT FUND BALANCE
- (a) Notwithstanding 18 V.S.A. § 9502(b), the actual balances at the end of fiscal year 2013 in the Tobacco Litigation Settlement Fund shall remain for appropriation in fiscal year 2014.
- Sec. D.103 TRANSFER OF TOBACCO TRUST FUNDS
- (a) Notwithstanding 18 V.S.A. § 9502(a)(3) and (4), the actual amount of investment earnings of the Tobacco Trust Fund at the end of fiscal year 2014 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2014 is not negative shall be transferred from the Tobacco Trust Fund to the Tobacco Litigation Settlement Fund in fiscal year 2014.
- Sec. D.104 DEPOSIT OF WITHHELD TOBACCO SETTLEMENT FUNDS
- (a) Notwithstanding any other provision of law, any payments to the State of Vermont, including principal and interest, that have been withheld beginning in fiscal year 2003, by the tobacco manufacturing companies pursuant to the Master Tobacco Settlement, shall be deposited in the Tobacco Trust Fund for the purpose of sustaining the Vermont Tobacco Prevention and Control Programs.
- Sec. D.105 AMERICAN ELECTRIC POWER (AEP) SETTLEMENT TO THE CLEAN ENERGY DEVELOPMENT FUND
- (a) Any funds recovered by the Attorney General as a result of the American Electric Power Service Corporation settlement shall be deposited into the Clean Energy Development Fund established by 30 V.S.A. § 8015.

Sec. D.106 [DELETED]

Sec. D.107 CLARIFICATION OF FISCAL YEAR 2014 REQUIRED TRANSFERS

- (a) 32 V.S.A. § 6075(b) requires a calculation of the increase in the amount of General Fund forecasted for fiscal year 2014 comparing the last official forecast to the forecast made in July 2013. Any increase in the forecasted available General Fund under this calculation shall further be reduced by revenue growth attributable to changes in federal tax law such as contemplated under the Marketplace Fairness Act of 2013.
- Sec. D.108 GENERAL FUND BALANCE RESERVE; UNRESERVED
- (a) Amounts in the General Fund Balance Reserve established in 32 V.S.A. § 308c(a), also known as the "Rainy Day Reserve," are hereby unreserved at the close of fiscal year 2014 to the extent needed to offset any General Fund deficit prior to the use of the General Fund Budget Stabilization Reserves as provided for in 32 V.S.A. § 308(c).
  - \* \* \* GENERAL GOVERNMENT \* \* \*
- Sec. E.100 EXECUTIVE BRANCH POSITIONS AUTHORIZED IN FISCAL YEAR 2014
- (a) The establishment of the following new classified positions is authorized in fiscal year 2014 as follows:
- (1) In the Department of Information and Innovation one (1) Enterprise Architect position for work on the Judiciary's information technology project.
  - (2) In the Treasurer's Office one (1) Financial Specialist.
- (3) In the Agency of Agriculture, Food and Markets one (1) Chief Policy Enforcement Officer.
- (4) In the Department of Health one (1) Hub and Spoke Program Manager.
- (5) In the Department of Mental Health seventeen (17) positions for work at the new state hospital anticipated to be operational by April 2014. The specific position titles are to be established by the Department with approval by the Commissioner of Human Resources.
- (6) In the Department for Children and Families Fifteen (15) positions: Fourteen (14) Benefits Program Specialist and one (1) Continuous Quality Improvement (CQI) Specialist.
- (7) In the Department of Forests, Parks and Recreation one (1) Forester II.
- (8) In the Department of Housing and Community Development one (1) Housing Program Coordinator.

- (9) Fourteen (14) positions are established in the position pool of the Executive Branch of state government. The Secretary of Administration in consultation with the Commissioner of Human Resources may assign pool positions to executive branch entities provided the requesting entities demonstrate both need for the position and the fiscal capacity to fund the requested positions. The administration may convert one of these positions to an exempt position if needed.
- (b) The establishment of the following new limited service positions is authorized in fiscal year 2014 as follows:
- (1) In the Department of Buildings and General Services four (4) classified positions for engineering-related work. The specific position titles are to be established by the Department with approval by the Commissioner of Human Resources.
- (2) In the Department of Public Safety two (2) classified positions and one (1) exempt position for grant management and public assistance. The specific position titles are to be established by the Department with approval by the Commissioner of Human Resources. These positions shall be for a term of five years.
- (3) In the Department of Environmental Conservation three (3) classified positions relating to the Department reengineering initiative. The specific position titles are to be established by the Department with approval by the Commissioner of Human Resources.
- (c) The Secretary of Administration and the Commissioner of Human Resources shall provide a written report to the Joint Fiscal Committee at its November 2013 meeting on the status of positions authorized in this section and existing pool positions that have been assigned to date.
- Sec. E.100.1 FEDERAL EMERGENCY MANAGEMENT AGENCY REPORTING AND OVERSIGHT
- (a) The Secretary of Administration shall report to the Joint Fiscal Committee at each of its scheduled meetings in fiscal year 2014 on funding received from the Federal Emergency Management Agency (FEMA) Public Assistance Program and associated emergency relief and assistance funds match for the damages due to Tropical Storm Irene. The report shall include:
- (1) a projection of the total funding needs for the FEMA Public Assistance Program and to the extent possible, details about the projected funding by state agency or municipality;

- (2) spending authority (appropriated and excess receipts) granted to date for the FEMA Public Assistance Program and the associated emergency relief and assistance funds match;
- (3) information on any audit findings that may result in financial impacts to the State; and
- (4) actual expenditures to date made from the spending authority granted and to the extent possible, details about the expended funds by state agency or municipality.
- (b) Reports shall be posted on the legislative and administration websites after submission.

Sec. E.100.2 3 V.S.A. § 2222 is amended to read:.

§ 2222. POWERS AND DUTIES; BUDGET AND REPORT

\* \* \*

- (g)(1) The secretary of administration Secretary of Administration shall obtain independent expert review of any recommendation for any information technology activity initiated after July 1, 1996, as information technology activity is defined by subdivision (a)(10) of this section, when its total cost is \$500,000.00 \$1,000,000.00 or greater or when required by the state chief information officer State Chief Information Officer. Documentation of this independent review shall be included when plans are submitted for review pursuant to subdivisions (a)(9) and (10) of this section. The independent review shall include:
  - (A) an acquisition cost assessment;
  - (B) a technology architecture review;
  - (C) an implementation plan assessment;
  - (D) a cost analysis and a model for benefit analysis; and
  - (E) a procurement negotiation advisory services contract-; and
- (F) an impact analysis on net operating costs for the agency carrying out the activity.

\* \* \*

Sec. E.101 29 V.S.A. § 1401 is amended to read:

# § 1401. PURCHASE OF INSURANCE

The commissioner of buildings and general services Secretary of Administration shall secure insurance coverage for the benefit of the state State and its employees while performing official duties, in fire and casualty

companies authorized to do business in this state State in such amounts and such coverages as deemed for the best interests of the state State. Insurance policies covering the state State shall provide that loss, if any, shall be payable to the state State. All policies shall be filed and kept in the office of the commissioner of buildings and general services Secretary of Administration. The cost of all insurance purchased and the cost of managing such purchases shall be borne by the department or board for whose benefit it is purchased.

Sec. E.101.1 REPEAL

(a) 29 V.S.A. § 1402 (preference to Vermont companies, agents) is repealed.

Sec. E.101.2 29 V.S.A. § 1405 is amended to read:

# § 1405. INVENTORIES OF STATE PROPERTY

State departments, institutions, and agencies having property belonging to the state State or in their charge on or before February 1 in each even numbered even-numbered year shall render an inventory to the commissioner of buildings and general services Secretary of Administration of all such property, and its value, on hand on January 1 preceding, on such forms and in such detail as the commissioner of buildings and general services Secretary of Administration may require.

Sec. E.101.3 29 V.S.A. § 1406 is amended to read:

# § 1406. LIABILITY INSURANCE

- (a) The commissioner of buildings and general services Secretary of Administration, on behalf of the state State, may contract or enter into agreements with any insurance company or companies or insurance corporation or corporations licensed to do business within the state State for the purpose of insuring the state State against liability or may self-insure self-insure against liability.
- (b) The commissioner of buildings and general services Secretary of Administration is directed to charge back against individual departmental appropriations in all funds the proper amounts necessary to pay the cost of the insurance or self-insurance self-insurance referred to in subsection (a) of this section.
- (c) The state liability self insurance fund State Liability Self-Insurance Fund is created to provide a program of self insuring self-insuring liability coverages for all state agencies, legislature, departments, state colleges, judiciary, quasi-state agencies, boards, commissions, and employees, as defined in 3 V.S.A. § 1101. All covered entities shall participate in the program and shall contribute to the fund Fund. The fund Fund shall be

administered by the commissioner of buildings and general services Secretary of Administration to adjust claims, to pay judgments, and to reimburse contractors and state agencies for services rendered.

\* \* \*

Sec. E.101.4 29 V.S.A. § 1408 is amended to read:

## § 1408. WORKERS' COMPENSATION INSURANCE

- (a) The state employees' workers' compensation fund State Employees' Workers' Compensation Fund is created to provide a program for self-insurance coverage for all officers and state employees, as defined in section 3 V.S.A. § 1101 of Title 3, of all state agencies, departments, boards, and commissions pursuant to chapters 21V.S.A. chapter 9 and 11 of Title 21. All state agencies, departments, boards, and commissions shall participate in the program and contribute to the fund Fund. The fund Fund shall be administered by the commissioner of buildings and general services Secretary of Administration who:
- (1) shall authorize payments from the <u>fund</u> in accordance with the provisions of this section and <del>chapters</del> 21 V.S.A. chapter 9 and 11 of Title 21;

\* \* \*

- (c) On February 1, 1990, the commissioner shall assess each program participant an amount to be deposited in the fund. The assessment shall be the greater of:
- (1) 115 percent of the yearly average workers' compensation losses suffered by the program participant during the preceding four years, or during the years, not to exceed four, which are documented in the insurance section of the department of buildings and general service; or
- (2) 50 percent of the standard workers' compensation premium based on the National Council on Compensation Insurance rate classifications for Vermont in effect on the first day of the preceding fiscal year for that program participant. [Repealed.]
- (d) In subsequent years, the commissioner The Secretary shall annually assess each program participant an amount to be deposited in the state employees' workers' compensation fund State Employees' Workers' Compensation Fund. The commissioner Secretary may adjust the annual assessment to assure that the debts and obligations of the program are adequately funded.

\* \* \*

Sec. E.101.5 23 V.S.A. § 3214 is amended to read:

§ 3214. ALLOCATION OF FEES AND PENALTIES; LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT SERVICES

\* \* \*

(b) VAST shall purchase a trails' liability insurance policy in the amount of \$1,000,000.00. The <u>state State</u> of Vermont shall be named an additional insured. The policy shall extend to all VAST affiliated snowmobile clubs and their respective employees and agents to provide for trails' liability coverage for development and maintenance of the statewide snowmobile trails program including groomer use and operation. The <u>department of buildings and general services Office of the Secretary of Administration</u> shall assist VAST with the procurement of trails liability and other related insurance.

\* \* \*

Sec. E.101.6 23 V.S.A. § 3217 is amended to read:

# § 3217. LIABILITY INSURANCE; TRAIL MAINTENANCE

The state State may extend coverage of its liability insurance to parties under contract with the department of forests, parks and recreation Department of Forests, Parks and Recreation for development and maintenance of the snowmobile trail system. Insurance coverage shall match the state's State's current financial liability limits and shall be limited to those activities defined by the development and maintenance contract. The department of buildings and general services Secretary of Administration shall pay for this extended coverage with funds from snowmobile registration receipts.

Sec. E.101.7 23 V.S.A. § 3513 is amended to read:

§ 3513. LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT SERVICES

\* \* \*

(b) The department of buildings and general services Office of the Secretary of Administration shall assist VASA with the procurement of trail liability and other related insurance.

\* \* \*

Sec. E.101.8 29 V.S.A. § 1902 is amended to read:

§ 1902. DUTIES OF COMMISSIONER OF BUILDINGS AND GENERAL SERVICES

\* \* \*

(b) The commissioner of buildings and general services shall purchase state insurance as provided in chapter 55 of this title.

\* \* \*

- Sec. E.105 Information and innovation communications and information technology
- (a) Of this appropriation, \$735,000 is for a grant to the Vermont Telecommunications Authority established in 30 V.S.A. § 8061.

Sec. E.105.1 22 V.S.A. § 901 is amended to read:

§ 901. DEPARTMENT OF INFORMATION AND INNOVATION

\* \* \*

(4)(C) to review and approve in accordance with agency of administration Agency of Administration policies the assignment of appropriate project managers for information technology activities within state government with a cost in excess of \$100,000.00 \$500,000.00; and

\* \* \*

Sec. E.106 32 V.S.A. § 305a(a) is amended to read:

(a) On or about January 15 and again by July 31 of each year, and at such other times as the emergency board Emergency Board or the governor Governor deems proper, the joint fiscal office Joint Fiscal Office and the secretary of administration Secretary of Administration shall provide to the emergency board Emergency Board their respective estimates of state revenues in the general, transportation, transportation infrastructure bond, education, and state health care resources funds, and revenues from the gross receipts tax under 33 V.S.A. § 2503. The January revenue estimate shall be for the current and next two succeeding fiscal years, and the July revenue estimate shall be for the current and immediately succeeding fiscal years. Federal fund estimates shall be provided at the same times for the current fiscal year. Global Commitment fund estimates shall be provided in January for the current and immediately succeeding fiscal year and in July for the current fiscal year.

# Sec. E.111 Tax – administration/collection

- (a) Of this appropriation, \$30,000 is from the Current Use Application Fee Special Fund and shall be appropriated for programming changes to the CAPTAP software used by municipalities for establishing property values and administering their grand lists.
- (b) The Department shall allocate resources as needed to increase the collection of taxes due the State. The Tax Commissioner shall provide a report to the House and Senate Committees on Appropriations, the House Committee

- on Ways and Means, and the Senate Committee on Finance on or before January 15, 2014 on compliance program revenue targets, collection trends, and program activities. The report shall include program outcomes and measures to evaluate program activity.
- Sec. E.113 Buildings and general services engineering
- (a) The \$2,982,132 interdepartmental transfer in this appropriation shall be from the General Bond Fund appropriation in the Capital Appropriations Act of the 2013 session.
- Sec. E.114 Buildings and general services information centers
- (a) In fiscal year 2014, the amount of \$125,000 in General Funds appropriated to the Department of Buildings and General Services information centers shall revert to the General Fund.
- Sec. E.118 2010 Acts and Resolves No. 156, Sec. E.114(a), as amended by 2011 Acts and Resolves No. 3, Sec. 60 is further amended to read:
- (a) The commissioner of the department of buildings and general services Commissioner of Buildings and General Services shall submit a report to the house and senate committees on appropriations House and Senate Committees on Appropriations by January 15th of each year through fiscal year 2015 detailing the number of state employees, by department, that exceeded a \$14,000 11,400 mileage reimbursement amount for use of their private vehicle during the previous fiscal year.
- Sec. E.118.1 Buildings and general services fleet management services
- (a) Any state employee that uses the standard mileage reimbursement rate for use of their private vehicle shall be required to use a state-owned or -leased vehicle if the mileage that is submitted for reimbursement exceeds 11,400 on a fiscal year basis. Exceptions may be made if the employee receives approval from his or her agency secretary or department head to exceed the 11,400 limit on mileage that is eligible for reimbursement for use of a private vehicle.
- Sec. E.123 Geographic information system
- (a) No transfer of functions of the Geographic Information System (GIS) program shall occur in fiscal year 2014 without legislative approval. The Executive Director of the GIS program shall report on or before November 30, 2013 to the Joint Fiscal Committee on potential options for administrative and business office functions to be supported by an appropriate state entity and any other recommendations for long-term financial sustainability of the program.

Sec. E.125 Legislative council

(a) Notwithstanding any other provision of law, from fiscal year 2013 funds appropriated to the Legislative Council and carried forward into fiscal year 2014, the amount of \$25,000 shall revert to the General Fund.

# Sec. E.126 Legislature

- (a) Notwithstanding any other provision of law, from fiscal year 2013 funds appropriated to the Legislature and carried forward into fiscal year 2014, the amount of \$375,000 shall revert to the General Fund.
- (b) It is the intent of the General Assembly that funding for the Legislature in fiscal year 2015 be included at a level sufficient to support an 18-week legislative session.

## Sec. E.126.1 LAKE SHORELAND PROTECTION COMMISSION

- (a) There is created a Lake Shoreland Protection Commission to:
- (1) provide information regarding current laws or regulations in place to protect the waters of the State that are held in trust for the public.
- (2) take testimony regarding the regulation of disturbance, clearing, and creation of impervious surfaces in the shorelands of lakes.
  - (b) The Commission shall be composed of:
- (1) The current members of the Senate Committee on Natural Resources and Energy; and
- (2) Five members from the House Committee on Fish, Wildlife and Water Resources, two of whom shall be the Chair and Vice Chair of the Committee and three of whom shall be appointed by the Chair of the Committee on Fish, Wildlife and Water Resources, provided that the Chair shall appoint different committee members to attend different meetings of the Commission in order to provide Commission membership that reflects the geographic region of the State where a public meeting of the Commission will be held under subsection (c) of this section.
- (c) The Commission may conduct five public meetings in the State to provide information and collect public input regarding the proposed regulation of activities in the shorelands of lakes. The Commission shall collaborate with regional and municipal planning organizations. The Commission shall hold four of the five meetings in different regions of the State. The fifth meeting shall be held in Montpelier.
- (d) The Commission, with the assistance of the Agency of Natural Resources, shall:
- (1) summarize the scope and requirements of existing regulation of activities that preserve and improve water quality and avoid degradation,

including a summary of the proposed rules to implement the antidegradation policy and the programs and requirements the State may need to implement in order to meet the Total Maximum Daily Load plan for Lake Champlain;

- (2) summarize the findings of the Agency of Natural Resources' State Water Quality Remediation, Implementation, and Funding Report of 2012, as required by 2012 Acts and Resolves No. 138, Sec. 19, including how Vermont ranks in relation to other states with regard to clean water protection;
- (3) summarize the need for regulation in the shorelands of lakes as part of an integrated policy to preserve and protect clean water in the State;
- (4) summarize how other states regulate activities in shoreland areas of lakes, including:
  - (A) what activities are regulated;
- (B) how development, construction, or creation of nonvegetated surface in shoreland areas of lakes is regulated;
- (C) whether activities in shoreland areas of lakes are regulated by the state, a local authority, or some combination of state and local authority;
- (D) whether a buffer or other area of vegetated surface is required within a specified distance of a lake; and
- (E) what activities in shoreland areas of lakes are exempt from regulation.
- (5) provide educational materials regarding shoreland protection, including copies of the Agency of Natural Resources' draft standards for the regulation of the shorelands of lakes and vegetation management; and
- (6) shall solicit and hear input and proposals from the public regarding, in response to the information provided under subdivisions (1)-(5) of this subsection, how the State of Vermont should protect water quality, aquatic habitat, and shoreland habitat while also preserving reasonable use of the property.
- (e) For purposes of fulfilling its charge under this section, the Commission shall have technical services of the Agency of Natural Resources. The Office of Legislative Council shall provide legal and administrative services to the Commission. The Commission may request financial services from the Joint Fiscal Office.
- (f) The Commission shall consider the public input and proposals provided under subsection (d) of this section and shall publish a report of the Commission's recommendations for legislative action for the protection of the shorelands of the lakes of the State. The Commission may make

recommendations for consideration by the General Assembly. The report of the Commission shall be posted to the website of the General Assembly on or before January 15, 2014.

- (g) In addition to the public meetings required under subsection (c) of this section, the Commission may meet no more than three times, and shall cease to exist on July 1, 2014.
- (h) For attendance at meetings during adjournment of the General Assembly, legislative members of the Commission shall be entitled to compensation and reimbursement for expenses as provided in 2 V.S.A. § 406.
- (i) There is created a Lake Shoreland Protection Commission Working Group to develop, prior to July 15, 2013, the information and educational materials to be presented or provided at the public meetings of the Lake Shoreland Protection Commission under subsection (d) of this section. The Working Group shall consist of the Chair and Vice Chair of the Senate Committee on Natural Resources and Energy, the Chair and Vice Chair of the House Committee on Fish, Wildlife and Water Resources, and the Commissioner of Environmental Conservation or his or her designee. The Working Group shall have the same services as provided to the Lake Shoreland Protection Commission under subsection (e) of this section.

Sec. E.126.2 32 V.S.A. § 1053 is amended to read:

# § 1053. OFFICERS OF THE GENERAL ASSEMBLY

For each week of each session, the <u>The</u> clerk of the house, the first assistant clerk of the house, the second assistant clerk of the house, the secretary of the senate and the assistant secretary of the senate shall be entitled to their necessary expenses and salaries as determined by the rules committee of the house or senate, as the case may be.

Sec. E.127 Joint fiscal committee

- (a) Notwithstanding any other provision of law, from fiscal year 2013 funds appropriated to the Joint Fiscal Committee and carried forward into fiscal year 2014, the amount of \$75,000 shall revert to the General Fund.
- (b) The amount of \$85,000 shall be transferred from the fiscal year 2013 Legislature budget to the Joint Fiscal Committee budget to help fund expected costs for a contract for evaluation of the health care exchange proposal, financial analysis for a Health Care Advisory group, and increased Joint Fiscal Office revenue analysis staff capacity.

Sec. E.130 AUDITOR RECOMMENDATION ON SPECIAL EDUCATION PERFORMANCE AUDIT

- (a) The State Auditor shall review the feasibility of conducting a performance audit of special education in Vermont. The Office of the State Auditor shall consider whether a performance audit could:
- (1) identify differences and causes thereof in special education services provided among Vermont school districts and other jurisdictions;
- (2) identify opportunities to improve special education planning, budgeting, and financial controls;
  - (3) evaluate educational outcomes for special education students;
- (4) provide strategies for delivery of cost-effective special education services without compromising service quality.
- (b) The State Auditor shall report to the Joint Fiscal Committee at its September 2013 meeting on the items identified in subsection (a) of this section and define a scope and plan that could be used to guide the performance audit process if one is determined to be feasible.

Sec. E.131 [DELETED]

#### Sec. E.131.1 VERMONT COMMUNITY LOAN FUND INVESTMENT

(a) Notwithstanding 32 V.S.A. § 433, the State Treasurer is authorized to invest up to \$500,000 of short-term operating or restricted funds in the Vermont Community Loan Fund on terms acceptable to the Treasurer and consistent with 32 V.S.A. § 433(b).

# Sec. E.131.2 24 V.S.A. § 1759(a) is amended to read:

(a) Any bond issued under this subchapter shall draw interest at a rate not to exceed the rate approved by the voters of the municipal corporation in accordance with section 1758 of this title, or if no rate is specified in the vote under that section, at a rate approved by the legislative branch of the municipal corporation, such interest to be payable semiannually. Such bonds or bond shall be payable serially, the first payment to be deferred not later than from one to five years after the issuance of the bonds and subsequent payments to be continued annually in equal or diminishing amounts so that the entire debt will be paid in not more than 20 years from the date of issue. In the case of bonds issued for the purchase or development of a municipal forest, the first payment may be deferred not more than 30 years from the date of issuance thereof. Thereafter such bonds or bond shall be payable annually in equal or diminishing amounts so that the entire debt will be paid in not more than 60 years from the date of issue. In the case of bonds issued for improvements on public highways any capital project that have has a useful life of at least 30 years and that involve bridge construction or roadway reconstruction, including a bridge component, the entire debt will be paid in not more than 30 years from the date of issue.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2014, investment fees shall be paid from the corpus of the fund.

# Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

- (a) The towns currently engaged in litigation regarding grand list appeals of the assessment of TransCanada hydroelectric property may submit to the Attorney General legal expenditures made by those towns as a result of this litigation, as those values were established by reference to information from the Department of Taxes, Division of Property Valuation and Review. The Attorney General shall review the submitted bills and, if reasonable, approve reimbursement up to the amount transferred in subsection (b) of this section.
- (b) As the litigation may have a substantial impact on the education grand list, \$50,000 of the appropriation in Sec. B.139 of this act shall be transferred to the Attorney General and reserved for payment of expenses incurred by towns in defense of grand list appeals as provided herein. Expenditures for this purpose shall be considered qualified expenditures under 16 V.S.A. § 4025(c).

#### Sec. E.141 Lottery commission

- (a) Of this appropriation, the Lottery Commission shall transfer \$150,000 to the Department of Health, Office of Alcohol and Drug Abuse Programs, to support the gambling addiction program.
- (b) The Vermont State Lottery shall provide assistance and work with the Vermont Council on Problem Gambling on systems and program development.
- (c) The Executive Director of the Vermont State Lottery Commission shall report to the Joint Fiscal Committee at its November 2013 meeting on the operational, fiscal, and public policy issues of allowing Keno games in Vermont.
- (d) The Executive Director of the Lottery Commission and the Secretary of Human Services shall submit recommendations to the House and Senate Committees on Appropriations on or before January 15, 2014 on the advisability of transferring the Problem Gambling Program from a grant program to a program performed by state employees.

# Sec. E.142 Payments in lieu of taxes

(a) This appropriation is for state payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in

addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act.

Sec. E.143 Payments in lieu of taxes – Montpelier

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 Payments in lieu of taxes – correctional facilities

- (a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.
  - \* \* \* PROTECTION TO PERSONS AND PROPERTY \* \* \*

Sec. E.200 Attorney general

- (a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the state share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the state share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.
- (b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$725,000 is appropriated in Sec. B.200 of this act.

Sec. E.204 4 V.S.A. § 28(e) is added to read:

(e) Upon completion of the agreements authorized by this section, the remaining balance in the Fund shall be deposited in the Court Technology Special Fund pursuant to section 27 of this title.

Sec. E.207 32 V.S.A. § 1591 is amended to read:

§ 1591. SHERIFFS AND OTHER OFFICERS

\* \* \*

(2)(A) For necessary assistance in arresting or transporting prisoners, juveniles, or persons with mental illness the sum of \$15.40 \$18.00 per hour for each deputy sheriff or assistant so required if the sheriff or constable makes oath that the deputy sheriff, assistant, or assistants were required giving the name of the assistant or assistants if there were more than one; provided, however, a full-time law enforcement officer shall not receive compensation under this subsection if otherwise compensated for the hours during which such transportation is performed. In addition to the rate established in this section, the sheriffs' department shall be reimbursed for the costs of the employers' contribution to Social Security and workers' compensation

insurance attributable to services provided under this section. Reimbursement shall be calculated on an hourly basis; the sheriff's department shall also be reimbursed for the costs of employer contributions for unemployment compensation, when a claim is filed and the percentage owed from the sheriff's department to the state State can be accounted for under this section;

\* \* \*

Sec. E.207.1 [DELETED]

Sec. E.208 Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.209 Public safety – state police

- (a) Of this appropriation, \$35,000 in Special Funds shall be available for snowmobile law enforcement activities and \$35,000 in General Funds shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.
- (b) Of this appropriation, \$405,000 is allocated for grants in support of the Drug Task Force and the Gang Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force and to support the efforts of the Mobile Enforcement Team (Gang Task Force), or carried forward.

Sec. E.209.1 VERMONT TROOPERS' ASSOCIATION BARGAINING AGREEMENT; FUNDING

(a) The State of Vermont and Vermont Troopers' Association, Inc. (VTA) agreed to terms for a new two-year collective bargaining agreement to commence on July 1, 2013. The VTA membership does not have a reasonable opportunity to ratify the agreement before the General Assembly adjourns. Accordingly, pursuant to 3 V.S.A. § 982(c), the Governor submitted the tentative agreement to the General Assembly pending ratification, to request sufficient funds to implement the agreement should VTA ratify. Contingent upon VTA ratification, the funds appropriated by the General Assembly are

considered sufficient to fund the collective bargaining agreement between the State and VTA effective at the beginning of fiscal year 2014.

Sec. E.211 [DELETED]

Sec. E.212 Public safety – fire safety

(a) Of this General Fund appropriation, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.214 Radiological emergency response plan

- (a) Of the funds appropriated in Sec. B.214 of this act, the Division of Emergency Management and Homeland Security (Emergency Management) may use up to \$250,000 for the American Red Cross as a subgrantee of the Radiological Emergency Response Program Special Fund (the Special Fund) in order to enhance sheltering capacity in response to any potential future incident involving the Vermont Yankee Nuclear Power Plant (the Plant).
- (b) The sheltering capacity shall be not less than 20 percent of the population in the emergency planning zone. Prior to entering into any agreement with or disbursing funds to the American Red Cross under this section, Emergency Management shall negotiate with the owner of the Plant to reach an agreement on the appropriate cost and level of sheltering capacity above this 20-percent minimum. If no such agreement is reached on or before September 1, 2013, Emergency Management shall determine the appropriate cost and the appropriate level of additional sheltering capacity based on the best available information.
- (c) Regardless of the operational or ownership status of the Plant, this appropriation is the first in a multi-year plan of appropriations to the Special Fund for the purpose of enhancing sheltering capacity in response to an incident involving the Plant.

Sec. E.215 Military – administration

(a) The amount of \$250,000 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856. Of this amount, \$100,000 shall be General Funds from this appropriation, and \$150,000 shall be Next Generation Special Funds, as appropriated in Sec. B.1100(a)(3)(B) of this act.

Sec. E.219 Military – veterans' affairs

(a) Of this appropriation, \$5,000 shall be used for continuation of the Vermont Medal Program, \$4,800 shall be used for the expenses of the Governor's Veterans' Advisory Council, \$7,500 shall be used for the Veterans'

Day parade, \$5,000 shall granted to the Vermont State Council of the Vietnam Veterans of America to fund the Service Officer Program, and \$5,000 shall be used for the Military, Family, and Community Network.

(b) Of this General Fund appropriation, \$16,484 shall be deposited into the Armed Services Scholarship Fund established in 16 V.S.A. § 2541.

Sec. E.219.1 16 V.S.A. § 2538 is amended to read:

## § 2538. AMOUNT, DURATION, RESIDENCE

- (a) An Subject to subsection (c) of this section, an armed services scholarship shall pay tuition for an approved program academic credit at a Vermont postsecondary institution eligible for student assistance funds under Title IV of the Higher Education Act of 1965 and leading to a an undergraduate certificate or degree other than a postgraduate degree as follows:
- (1) at a Vermont university, college, or technical institute supported in whole or in part by public funds appropriated from the state treasury; or If the person attends the University of Vermont, the scholarship shall pay an amount equal to the actual tuition charged by the University to the person.
- (2) tuition expenses at a Vermont postsecondary institution up to an amount equal to the in state tuition fee for that year at the Vermont state colleges If the person attends a Vermont State College, the scholarship shall pay an amount equal to the actual tuition charged by the institution to the person.
- (3) If the person attends any other postsecondary institution located in Vermont, the scholarship shall pay an amount equal to the actual tuition charged by the institution to the person, or an amount equal to that which the scholarship would have paid if the person attended the University of Vermont pursuant to subdivision (1) of this subsection, whichever is less.
- (b) An armed services scholarship shall be tenable <u>may</u> be used for a maximum of 130 academic credits or less as may be necessary to complete requirements for graduation an undergraduate certificate or degree.
- (c) A person eligible and applying for an armed forces scholarship shall apply for a Federal Pell Grant. The amount of the armed services scholarship awarded shall be the remaining tuition eosts to be paid pursuant to subsection (a) of this section, following receipt of a Pell Grant.
- (d) A person who has obtained a bachelor's degree is not eligible for an armed services scholarship.

Sec. E.219.2 16 V.S.A. § 2539(b) and (c) are amended to read:

- (b) On being notified of the an eligible applicant's matriculation at an institution as specified in subsection 2538(a) of this title, the adjutant general or office of veterans' affairs shall certify eligibility to the commissioner of finance and management who Adjutant and Inspector General or the Office of Veterans' Affairs shall provide funds from the special fund established in section 2541 of this title to the Vermont Student Assistance Corporation, which, upon verifying enrollment, shall disburse the scholarship award to the institution from the armed services scholarship fund established in section 2541 of this title.
- (c) Application for renewal of an armed services scholarship shall be made annually with written endorsement by the proper officer of the institution attended that the holder of the scholarship has maintained satisfactory scholastic standing. On receipt of this certification, the adjutant general or office of veterans' affairs shall forward it to the commissioner of finance and management who Adjutant and Inspector General or the Office of Veterans' Affairs shall provide funds from the special fund established in section 2541 of this title to the Vermont Student Assistance Corporation, which, upon verifying enrollment, shall disburse the scholarship award to the institution from the armed services scholarship fund established in section 2541 of this title.

Sec. E.219.3 16 V.S.A. § 2541 is amended to read:

#### § 2541. ARMED SERVICES SCHOLARSHIP FUND

- (a) An armed services scholarship fund Armed Services Scholarship Fund is established in the office of the state treasurer to comprise appropriations made by the general assembly General Assembly. The fund shall be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and shall be available to the Military Department for the armed services scholarships established in section 2537 of this title.
  - (b) The state treasurer may invest the monies in the fund.
- (c) Monies in the fund shall be used to fund armed services scholarships established in section 2537 of this title.
- (d) All balances in the <u>fund</u> at the end of any fiscal year shall be carried forward and used only for the purposes set forth in this section. Earnings of the <u>fund</u> Which are not withdrawn pursuant to this section shall remain in the <u>fund</u> Fund.

Sec. E.219.4 20 V.S.A. § 1548 is amended to read:

§ 1548. VERMONT VETERANS' FUND

- (a) There is created a special fund to be known as the Vermont veterans' fund Veterans' Fund. This fund Fund shall be administered by the state treasurer Military Department and shall be paid out in grants on the recommendations of a nine-member committee comprising:
  - (1) The adjutant general Adjutant and Inspector General or designee;
- (2) The Vermont veterans home administrator Veterans' Home Administrator or designee;
- (3) The commissioner of the department of labor Commissioner of Labor or designee;
- (4) The secretary of the agency of human resources Secretary of Human Services or designee;
- (5) The <u>director Director</u> of the White River Junction VA medical center or designee;
- (6) The director <u>Director</u> of the White River Junction VA benefits office, or designee; and
- (7) Three members of the governor's veterans' council Governor's Veterans' Council to be appointed by that council Council.
- (b) The purpose of this fund Fund shall be to provide grants or other support to individuals and organizations:
  - (1) For the long-term care of veterans.
  - (2) To aid homeless veterans.
  - (3) For transportation services for veterans.
  - (4) To fund veterans' service programs.
  - (5) To recognize veterans.
- (c) The Vermont veterans' fund Veterans' Fund shall consist of revenues paid into it from the Vermont veterans' fund Veterans' Fund checkoff established in 32 V.S.A. § 5862e and from any other source. The Fund shall be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and shall be available to the Military Department for the purposes in subsection (b) of this section.
- (d) For purposes of <u>As used in</u> this section, "veteran" means a resident of Vermont who served on active duty in the United States <u>armed forces Armed Forces</u> or the Vermont <u>national guard National Guard</u> or Vermont <u>air national guard Air National Guard</u> and who received an honorable discharge.
- Sec. E.220 Center for crime victims' services

- (a) Of the funds appropriated in Sec. B.220 of this act, \$30,000 is from the Domestic and Sexual Violence Special Fund created in 13 V.S.A. § 5360 to be used as a grant from the Center for Crime Victims Services to the Vermont Network Against Domestic and Sexual Violence for the acquisition of a data collection system.
- Sec. E.220.1 STUDY COMMITTEE ON FUTURE FUNDING FOR THE VERMONT CENTER FOR CRIME VICTIMS SERVICES
- (a) There is created a Study Committee on Future Funding for the Vermont Center for Crime Victims Services (CCVS). The purpose of the Committee is to address an anticipated decrease in available revenue for CCVS and to develop a financial plan of action that will ensure that CCVS will be able to continue to provide the services that victims of crime need in order to recover from the physical, emotional, and financial aftermath of criminal victimization.
  - (b) The Committee shall be composed of:
- (1) One Representative from each of the House Committees on Appropriations, on Judiciary, and on Ways and Means appointed by the Speaker of the House.
- (2) One Senator from each of the Senate Committees on Appropriations, on Judiciary, and on Finance appointed by the Committee on Committees.
- (3) One representative from the Agency of Administration, appointed by the Secretary of Administration.
- (4) The Executive Director of the Vermont Center for Crime Victims Services.
- (c) The members of the Committee shall elect a Chair, who shall convene meetings and set meeting agendas.
  - (d) The Committee shall:
- (1) analyze the factors that affect the revenue generated by 13 V.S.A. § 7282 and deposited into the Victims' Compensation Fund and the Crime Victims' Restitution Fund;
- (2) assess the trends that are affecting the revenue of these funds, and develop revenue projections for fiscal year 2015 and beyond, based on these trends;
- (3) identify strategies the State can engage in that will maximize revenue from these funding sources;
- (4) identify alternative or new funding sources, including the State's General Fund;

- (5) review how other states fund victim services;
- (6) review federal grant programs, identify impending cuts to federal funding, and develop a plan of action for implementing these cuts; and
- (7) analyze victim service programs mandated by state statute and funded with state special funds and make recommendations that contain costs and achieve greater efficiencies.
- (e) For purposes of its study of these issues, the Committee shall have the assistance of the Office of Legislative Council, the Joint Fiscal Office, the Department of Finance and Management, and the Center for Crime Victims Services.
- (f) By January 15, 2014, the Committee shall report to the House Committees on Appropriations, on Judiciary, and on Ways and Means and Senate Committees on Appropriations, on Judiciary, and on Finance on its findings and any legislative or administrative recommendations.
- (g) The Committee shall meet no more than six times, and shall cease to exist upon filing its report. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to compensation and reimbursement for expenses under 2 V.S.A. § 406.
- Sec. E.221 Criminal justice training council
- (a) Notwithstanding any other provision of law, from the fiscal year 2013 funds appropriated to the Criminal Justice Training Council and carried forward into fiscal year 2014, the amount of \$40,000 shall revert to the General Fund.
- Sec. E.223 Agriculture, food and markets food safety and consumer protection
- (a) The Agency of Agriculture, Food and Markets shall use the Global Commitment Funds appropriated in this section for the Food Safety and Consumer Protection Division to provide public health approaches and other innovative programs to improve the health outcomes, health status, and quality of life for uninsured, underinsured, and Medicaid-eligible individuals in Vermont.
- Sec. E.225 Agriculture, food and markets laboratories, agricultural resource management and environmental stewardship
- (a) The Agency of Agriculture, Food and Markets shall use the Global Commitment Funds appropriated in this section for the Administration Division to provide public health approaches and other innovative programs to

improve the health outcomes, health status, and quality of life for uninsured, underinsured, and Medicaid-eligible individuals in Vermont.

Sec. E.228 Financial regulation – insurance

(a) The Department of Financial Regulation shall use the Global Commitment Funds appropriated in this section for the Insurance Division for the purpose of funding certain health-care-insurance-related Department of Financial Regulation programs, projects, and activities to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

# Sec. E.233 PUBLIC SERVICE DEPARTMENT; ELECTRIC GENERATION SITING

- (a) On or before July 1, 2013, the Department of Public Service (the Department) shall submit to the House and Senate Committees on Natural Resources and Energy:
- (1) a summary review of the report of the Governor's Energy Generation Siting Policy Commission, entitled Siting Generation in Vermont: Analysis and Recommendations (April 2013) (the Report). The summary review shall identify and include the specific recommendations in the Report that correspond to or address:
- (A) establishing a comprehensive planning process for the siting of electric generation plants that integrates state energy planning with local and regional land use planning and strengthens the role of local and regional plans in the siting review process;
- (B) increasing the accessibility of the siting review process for electric generation plants to local and regional governments and concerned citizens, including recommended statutory revisions to improve notice of proposed plants and the siting review process; and
- (C) creating a publicly accessible inventory of peer-reviewed research on any impacts of electric generation plants on public health, the environment, and land use, and establishing specific standards applicable to electric generation plants to address any such impacts, including noise limits and setback requirements; and
- (2) a recommendation on issues related to the curtailment of in-state electric generation plants.
- (b) There is created the Electric Generation Advisory Committee (the Advisory Committee) to consist of the Chairs and Vice Chairs of the House and Senate Committees on Natural Resources and Energy (the Committees). On or before September 15, 2013, the Advisory Committee shall propose to

the Committees a process for reviewing the Report and for completing their tasks under S.30 of 2013 and may recommend draft legislation on electric generation plants for consideration by the Committees. The Advisory Committee shall cease to exist on February 1, 2014. For attendance at meetings of the Advisory Committee, members of the Advisory Committee shall be entitled to compensation and reimbursement for expenses as provided in 2 V.S.A. § 406.

Sec. E.235 Enhanced 9-1-1 Board

(a) Up to \$75,000 of the funds appropriated in Sec. B.235 of this act shall be used to ensure that on or before January 15, 2014, the Enhanced 911 Board, in coordination with the Secretary of Education, shall provide technical assistance and guidance to school districts to comply with the requirement in 30 V.S.A. § 7057 that accurate location information is associated with each landline telephone installed in a school. The General Assembly anticipates the Board will seek a budget adjustment if insufficient funds are available within this appropriation.

Sec. E.236 9 V.S.A. § 4504 is amended to read:

§ 4504. RENTAL OF HOUSING; EXEMPTIONS

\* \* \*

(2) if the dwelling unit is in a building with three or fewer units and the owner or a member of the owner's immediate family resides in one of the units, provided any notice, statement, or advertisement with respect to the unit complies with subdivision 4503(a)(3) of this title;

\* \* \*

## \* \* \* HUMAN SERVICES \* \* \*

Sec. E.300 HOUSING SUBSIDY; AGENCY EVALUATION; REPORT

- (a) Agency of Human Services' spending, represented in the Agency's Housing Inventory, initiated in 2011 contains 193 discrete funding lines. It is in the interest of the State to systematically review the State's spending on all State housing subsidies funded in whole or in part by the General Fund.
- (b) The Agency of Human Services shall continue its work on the Housing Inventory. As part of the review, the Secretary shall evaluate the eligibility criteria, duration of the subsidy, expected outcomes for those receiving financial support, and the possible overlaps in the programs.
- (c) On or before November 15, 2013, the Secretary shall report findings to the Joint Fiscal Committee, the House Committees on Human Services and on General, Housing and Military Affairs and the Senate Committees on Health

and Welfare and Economic Development, Housing and General Affairs accompanied with recommendations to maximize the State's investment of funds and other supports that enhance the ability of Vermonters to achieve stability and independence in their living arrangements.

Sec. E.300.1 AGENCY OF HUMAN SERVICES PROGRAMS AND SUBSTANCE ABUSE CONTINUUM OF SERVICES; REVIEW AND RECOMMENDATION

(a) To ensure Agency programs serve persons with substance abuse and persons with co-occurring substance abuse, medical, and mental health conditions, the Secretary of Human Services shall report on the capacity of the system, including outpatient, inpatient, residential treatment, and recovery substance abuse, medical, and mental health services to address these needs. In addition to the resources of the Agency, the Secretary may seek the advice and consultation of independent persons with clinical case management and public policy expertise to assess current policies and resources available within the Agency and make recommendations to change current policies, change the allocations of resources, restructure payment systems, and prioritize future additional resources. The Secretary of Education, the Commissioner of Labor, the Administrative Judge in the Judiciary, and leaders in the State's law enforcement agencies are expected to be available as needed for consultation in this effort as well as the report on opioid addiction required in H.522 of the 2013 legislative session. The Secretary of Human Services shall report to the General Assembly with this assessment and recommendations by January 15, 2014.

Sec. E.301 Secretary's office – Global Commitment

- (a) The Agency of Human Services shall use the funds appropriated in this section for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver ("Global Commitment") approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.
- (b) In addition to the state funds appropriated in this section, a total estimated sum of \$27,761,422 is anticipated to be certified as state matching funds under the Global Commitment as follows:
- (1) \$17,641,800 certified state match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$22,858,200 of Federal Funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$40,500,000. An amount equal to the amount of the federal

matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

- (2) \$3,901,341 certified state match available from local education agencies for direct school-based health services, including school nurse services, that increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.
- (3) \$2,179,180 certified state match available from local education agencies for eligible services as allowed by federal regulation for early periodic screening, diagnosis, and treatment programs for school-aged children.
- (4) \$1,852,303 certified state match available via the University of Vermont's Child Health Improvement Program for quality improvement initiatives for the Medicaid program.
- (5) \$2,186,798 certified state match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

Sec. E.301.1 2011 Acts and Resolves No. 60, Sec. 3 is amended to read:

# Sec. 3. REQUEST FOR A WAIVER

By no later than July 1, 2012, the agency of human services Agency of Human Services shall include as a part of its application request for a demonstration project from the Centers for Medicare and Medicaid Services to integrate care for dual eligible individuals the additional proposal of allowing the state State to provide for an "enhanced hospice access" benefit, whereby the definition of "terminal illness" is expanded from six months' life expectancy to that of 12 months and participants may access hospice without being required to first discontinue curative therapy. Also, by no later than July 1, 2013, the agency of human services Agency of Human Services shall submit a Global Commitment Medicaid waiver amendment renewal application to provide funding for the same enhanced hospice access benefit.

# Sec. E.302 PAYMENT RATES FOR PRIVATE NONMEDICAL INSTITUTIONS PROVIDING RESIDENTIAL CHILD CARE SERVICES

(a) Notwithstanding any other provision of law, for the first quarter of state fiscal year 2014, the Division of Rate Setting shall calculate payment rates for private nonmedical institutions (PNMI) providing residential child care services as 100 percent of each program's final per diem rate in effect on June 30, 2013.

- (1) For programs whose final per diem rate as of June 30, 2013 includes an approved rate adjustment, the per diem rate for the first quarter of state fiscal year 2014 will include provisions from the Division of Rate Setting's rate adjustment order.
- (2) For programs whose final per diem rate as of June 30, 2013 is categorized as a start-up rate, the per diem rate for the first quarter of state fiscal year 2014 will include provisions from the Division of Rate Setting's final order on the start-up rate.
- (b) The Division of Rate Setting shall propose a rule to set rates effective on October 1, 2013 for PNMI facilities providing residential child care services based on actual historical costs in a base year.

Sec. E.306 32 V.S.A. § 305a(c) is amended to read:

(c) The January estimates shall include estimated caseloads and estimated per member per month per-member per-month expenditures for the current and next succeeding fiscal years for each Medicaid enrollment group as defined by the agency Agency and the joint fiscal office Joint Fiscal Office for state health care assistance programs or premium assistance programs supported by the state health care resources and Global Commitment funds, for VermontRx, and for the programs under the Choices for Care any Medicaid Section 1115 waiver. For Board consideration, there shall be provided two versions of the next succeeding fiscal year's estimated per-member per-month expenditures: one shall include an increase in Medicaid provider reimbursements in order to ensure that the expenditure estimates reflect amounts attributable to health care inflation as required by subdivisions 307(d)(5) and (d)(6) of this title and one shall be without the inflationary adjustment. For VPharm, the January estimates shall include estimated caseloads and estimated per-member per-month expenditures for the current and next succeeding fiscal years by income category. The January estimates shall include the expenditures for the current and next succeeding fiscal years for the Medicare Part D phased-down state contribution payment and for the disproportionate share hospital payments. In July, the administration Administration and the joint fiscal office Joint Fiscal Office shall make a report to the emergency board Emergency Board on the most recently ended fiscal year for all Medicaid and Medicaid-related programs, including caseload and expenditure information for each Medicaid eligibility group. Based on this report, the emergency board Emergency Board may adopt revised estimates for the current fiscal year and estimates for the next succeeding fiscal year.

Sec. E.306.1 32 V.S.A. § 307(d) is amended to read:

(d) The governor's Governor's budget shall include his or her recommendations for an annual budget for Medicaid and all other health care

assistance programs administered by the agency of human services Agency of Human Services. The governor's Governor's proposed Medicaid budget shall include a proposed annual financial plan, and a proposed five-year financial plan, with the following information and analysis:

\* \* \*

- (5) health care inflation trends <u>consistent with provider reimbursements</u> <u>approved under 18 V.S.A. § 9376 and hospital budgets approved by the Green Mountain Care Board under 18 V.S.A. chapter 221, subchapter 7;</u>
- (6) recommendations for funding provider reimbursement at levels sufficient to ensure reasonable access to care, and at levels at least equal to Medicare reimbursement:

\* \* \*

Sec. E.307 33 V.S.A. § 1802(9) is added to read:

(9) "Modified adjusted gross income" shall have the same meaning as in 26 U.S.C. § 36B(d)(2)(B).

Sec. E.307.1 33 V.S.A. § 1812 is added to read:

#### § 1812. FINANCIAL ASSISTANCE TO INDIVIDUALS

- (a)(1) An individual or family eligible for federal premium tax credits under 26 U.S.C. § 36B with income less than or equal to 300 percent of federal poverty level shall be eligible for premium assistance from the State of Vermont.
- (2) The Department of Vermont Health Access shall establish a premium schedule on a sliding scale based on modified adjusted gross income for the individuals and families described in subdivision (1) of this subsection. The Department shall reduce the premium contribution for these individuals and families by 1.5 percent below the premium amount established in 26 U.S.C. § 36B.
- (3) Premium assistance shall be available for the same qualified health benefit plans for which federal premium tax credits are available.
- (b)(1) An individual or family with income at or below 300 percent of the federal poverty guideline shall be eligible for cost-sharing assistance, including a reduction in the out-of-pocket maximums established under Section 1402 of the Affordable Care Act.
- (2) The Department of Vermont Health Access shall establish cost-sharing assistance on a sliding scale based on modified adjusted gross income for the individuals and families described in subdivision (1) of this subsection. Cost-sharing assistance shall be established as follows:

- (A) for households with income at or below 150 percent of the federal poverty level (FPL): 94 percent actuarial value;
- (B) for households with income above 150 percent FPL and at or below 200 percent FPL: 87 percent actuarial value;
- (C) for households with income above 200 percent FPL and at or below 250 percent FPL: 77 percent actuarial value;
- (D) for households with income above 250 percent FPL and at or below 300 percent FPL: 73 percent actuarial value.
- (3) Cost-sharing assistance shall be available for the same qualified health benefit plans for which federal cost-sharing assistance is available and administered using the same methods as set forth in Section 1402 of the Affordable Care Act.
- (c) To the extent feasible, the Department shall use the same mechanisms provided in the Affordable Care Act to establish financial assistance under this section in order to minimize confusion and complication for individuals, families, and health insurers.

#### Sec. E.307.2 REDUCTION IN MEDICAID COST-SHIFT

- (a) Beginning on November 1, 2013, the Agency of Human Services shall increase Medicaid reimbursements to participating providers for services provided by an amount equal to three percent of fiscal year 2012 expenditures for those services.
- (b) It is the intent of the General Assembly that the Agency of Human Services increase Medicaid reimbursement methodologies in fiscal year 2014 across all programs and services, except as follows:
- (1) providers with an existing process for rate inflation, such as nursing homes and private nonmedical institutions (PNMI), should not receive an additional increase;
- (2) managed care organization (MCO) investments will be reviewed individually by the appropriate Department within the Agency of Human Services; and
- (3) the Department of Vermont Health Access will not implement increases to primary care case management payments until the Department creates a new attribution model that more accurately identifies which providers should receive these payments.
- (c) The Department of Vermont Health Access shall establish a mechanism that connects increases to payments for inpatient and outpatient hospital services with achieving high-quality outcomes.

- (d) The Agency of Human Services shall allocate inflation increases to Medicaid reimbursement rates for fiscal years after 2014 in a manner that is consistent with Vermont's payment reform strategic plan.
- (e) The Department of Vermont Health Access shall implement a new attribution model for primary care case management payments to ensure that providers seeing Medicaid patients for primary care receive those payments.

# Sec. E.307.3 POTENTIAL INVESTMENT TO HELP WITH HIGH OUT-OF-POCKET HEALTH CARE COSTS

- (a) It is the intent of the General Assembly to ensure that low- and middle-income individuals purchasing health insurance through the Vermont Health Benefit Exchange (Exchange) have financial protection from large out-of-pocket costs. The Department shall provide a report on the waiver renewal and the capacity for managed-care entity investments to the General Assembly when renewal-specific provisions are available. In the event that such capacity is available, the Department shall consider proposals to reduce high out-of-pocket health care costs for Vermonters, including but not limited to the following:
- (1) modification of the cost-sharing subsidy established in 33 V.S.A. § 1812(b);
- (2) other strategies that may include establishing a high risk pool or reinsurance or both;
- (3) methods to mitigate the financial impact of low- and middle-income individuals purchasing health insurance through the Exchange who transition to Medicare coverage.

Sec. E.307.4 33 V.S.A. § 1901d is amended to read:

## § 1901d. STATE HEALTH CARE RESOURCES FUND

(a) The state health care resources fund State Health Care Resources Fund is established in the treasury State Treasury as a special fund to be a source of financing for health care coverage for beneficiaries of the state health care assistance programs under the Global Commitment to health Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act and for the Catamount Health assistance program under subchapter 3A of chapter 19 of this title and a source of financing for the Vermont Health Benefit Exchange established in chapter 18, subchapter 1 of this title.

\* \* \*

(d) All monies received by or generated to the fund Fund shall be used only as allowed by appropriation of the general assembly General Assembly for the administration and delivery of health care covered through state health care assistance programs administered by the agency Agency under the Global Commitment for Health Medicaid Section 1115 waiver, the Catamount Health assistance program under subchapter 3A of chapter 19 of this title, employer-sponsored insurance premium assistance under section 1974 of this title, the Vermont Health Benefit Exchange established in chapter 18, subchapter 1 of this title, immunizations under 18 V.S.A. § 1130, and the development and implementation of the Blueprint for Health under 18 V.S.A. § 702.

# Sec. E.307.5 NOTIFICATIONS TO PHARMACY PROGRAM BENEFICIARIES

(a) The Department shall ensure that at least once a year a notification is included in a written correspondence to beneficiaries of pharmacy programs to inform the beneficiary that it may be advisable to consult with local community service organizations or state program eligibility officials to review the financial advisability of continuing enrollment in the program. The Department shall submit the notification for review to the Health Care Oversight Committee and the Joint Fiscal Committee not later than November 1, 2013.

Sec. E.307.6 2012 Acts and Resolves No. 162, Sec. E.307.2 is amended to read:

#### Sec. E.307.2 VHAP AND MEDICAID CO-PAYS

- (a) The following co-payments for individuals enrolled in the VHAP and Medicaid programs are hereby authorized and set by the general assembly, pursuant to 33 V.S.A. § 1901(b), and may be promulgated in rules by the secretary of human services or designee, in accordance with 33 V.S.A. § 1901(a)(1), and are effective upon adoption of rules pursuant to Sec. E.307.10 of this act:
- (1) co-payments that apply to prescriptions and durable medical equipment/supplies: enrolled individuals shall contribute a co-payment of not more than \$1.00 for prescriptions or durable medical equipment/supplies costing less than \$30.00, a co-payment of \$2.00 for prescriptions or durable medical equipment/supplies costing \$30.00 or more but less than \$50.00, and a co-payment of \$3.00 for prescriptions or durable medical equipment/supplies costing \$50.00 or more; [Repealed.]

\* \* \*

Sec. E.308 CHOICES FOR CARE; SAVINGS, REINVESTMENTS, AND SYSTEM ASSESSMENT

- (a) In the Choices for Care program, "savings" means the difference between the annual amount of funds appropriated for Choices for Care, excluding allocations for the provision of acute care services, and the sum of expended and obligated funds remaining at the conclusion of the fiscal year.
- (b)(1) Any funds appropriated for long-term care under the long-term care waiver authorized by this section shall be used for long-term services and supports to recipients. In using these funds, the Department of Disabilities, Aging, and Independent Living shall give priority for services to individuals assessed as having high and highest needs and meeting the terms and conditions of the waiver as approved by the Centers for Medicare and Medicaid Services.
- (2) Priority for the use of any savings from the long-term care appropriation after the needs of all individuals meeting the terms and conditions of the waiver have been met shall be given to home- and community-based services. Savings may be used for quality improvement purposes in nursing homes. Savings either shall be allocated and spent in ways that are sustainable into the future and that do not create an unsustainable base budget or shall be spent as one-time reinvestments that do not require sustainability into the future. Excluding appropriations allocated for the provision of acute services, any unexpended and unobligated state General or Special Fund appropriation at the close of a fiscal year shall be carried over to the next fiscal year. The Department of Disabilities, Aging, and Independent Living shall not obligate funds to reduce the calculation of savings in any fiscal year or reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year.
- (c) The Department in collaboration with long-term care providers shall conduct an annual assessment of the adequacy of the provider system for delivery of home- and community-based services and nursing home services. On or before October 1 of each year, the Department of Disabilities, Aging and Independent Living shall report the results of this assessment to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare for the purpose of informing the reinvestment of savings during the budget adjustment process.
- (d) Annually on or before January 15, the Department of Disabilities, Aging, and Independent Living shall propose reinvestment of savings as calculated pursuant to this section to the General Assembly as part of the Department's proposed budget adjustment presentation.

(e) Concurrent with the procedures set forth in 32 V.S.A. § 305a, the Joint Fiscal Office and the Secretary of Administration shall provide to the Emergency Board their respective estimates of caseloads and expenditures for programs under the Choices for Care Medicaid Section 1115 waiver.

Sec. E.308.1 FISCAL YEAR 2104 ACCELERATED CHOICES FOR CARE REINVESTMENT

(a) In fiscal year 2014, as a result of federal action or emergency system funding needs, the Commissioner may present proposals for reinvestment of choices for care savings to the Joint Fiscal Committee at its September 2013 meeting. Upon approval of the Joint Fiscal Committee, such reinvestments shall be authorized, notwithstanding Sec. E.308 of this act.

Sec. E.312 Health – public health

#### (a) AIDS/HIV funding:

- (1) In fiscal year 2014 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000, of which \$135,000 is state General Funds and \$340,000 is AIDS Medication Rebates Special Funds to the Vermont AIDS service and peer-support organizations for client-based support services. It is the intent of the General Assembly that if the AIDS Medication Rebates Special Funds appropriated in this subsection are unavailable, the funding for Vermont AIDS service and peer-support organizations for client-based support services shall be maintained through the General Fund or other state-funding sources. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated as follows:
  - (A) AIDS Project of Southern Vermont, \$120,281;
  - (B) HIV/HCV Resource Center, \$38,063;
  - (C) VT CARES, \$219,246;
  - (D) Twin States Network, \$45,160;
  - (E) People with AIDS Coalition, \$52,250.
- (2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by state General Funds.
- (3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with

persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

- (B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of no less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.
- (4) In fiscal year 2014, the Department of Health shall provide grants in the amount of \$100,000 in General Funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. No more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.
- (b) Funding for the tobacco programs in fiscal year 2014 shall consist of the \$2,393,377 in Tobacco Funds and \$302,507 in Global Commitment Funds appropriated in Sec. B.312 of this act. The Tobacco Evaluation and Review Board shall determine how these funds are allocated to tobacco cessation, community-based, media, public education, surveillance, and evaluation activities. This allocation shall include funding for tobacco cessation programs that serve pregnant women.

Sec. E.312.1 33 V.S.A. § 2004 is amended to read:

§ 2004. MANUFACTURER FEE

\* \* \*

(b) Fees collected under this section shall fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633, analysis of prescription drug data needed by the attorney general's office Office of the Attorney General for enforcement activities, the Vermont prescription monitoring system established in 18 V.S.A. chapter 84A, and the evidence based evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2, and any opioid-antagonist education and training program operated by the Department of Health or its agents. The fees shall be

collected in the evidence-based education and advertising fund established in section 2004a of this title.

Sec. E.312.2 33 V.S.A. § 2004a is amended to read:

#### § 2004a. EVIDENCE-BASED EDUCATION AND ADVERTISING FUND

(a) The evidence-based education and advertising fund Evidence-Based Education and Advertising Fund is established in the treasury State Treasury as a special fund to be a source of financing for activities relating to fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633, for analysis of prescription drug data needed by the attorney general's office Office of the Attorney General for enforcement activities, for the Vermont prescription monitoring system established in 18 V.S.A. chapter 84A, and for the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2, and for the support of any opioid-antagonist education and training program operated by the Department of Health or its agents. Monies deposited into the fund Fund shall be used for the purposes described in this section.

Sec. E.312.3 18 V.S.A. § 9708 is amended to read:

§ 9708. AUTHORITY AND OBLIGATIONS OF HEALTH CARE PROVIDERS, HEALTH CARE FACILITIES, AND RESIDENTIAL CARE FACILITIES REGARDING DO-NOT-RESUSCITATE ORDERS AND CLINICIAN ORDERS FOR LIFE SUSTAINING TREATMENT

\* \* \*

(f) The department of health Department of Health shall adopt by rule no later than March 1, 2013 July 1, 2014, criteria for individuals who are not the patient, agent, or guardian, but who are giving informed consent for a DNR/COLST order. The rules shall include the following:

\* \* \*

(h) A clinician who issues a DNR order shall authorize issuance of a DNR identification to the patient. Uniform minimum requirements for DNR identification shall be determined by rule by the department of health Department of Health no later than March 1, 2012 July 1, 2014.

\* \* \*

Sec. E.312.4 Sec. 4 (organ and tissue donation working group) of H.178 of 2013, as enacted, is amended as follows:

(a) In subsection (b), subdivisions (5) and (6), by inserting before the respective semicolon ", appointed by the Governor".

- Sec. E.313 Health alcohol and drug abuse programs
- (a) For the purpose of meeting the need for outpatient substance abuse services when the preferred provider system has a waiting list of five days or more or there is a lack of qualified clinicians to provide services in a region of the State, a state-qualified alcohol and drug abuse counselor may apply to the Department of Health, Division of Alcohol and Drug Abuse Programs, for time-limited authorization to participate as a Medicaid provider to deliver clinical and case coordination services, as authorized.
- (b)(1) In accordance with federal law, the Division of Alcohol and Drug Abuse Programs may use the following criteria to determine whether to enroll a state-supported Medicaid and uninsured population substance abuse program in the Division's network of designated providers, as described in the state plan:
- (A) The program is able to provide the quality, quantity, and levels of care required under the Division's standards, licensure standards, and accreditation standards established by the Commission on Accreditation of Rehabilitation Facilities, the Joint Commission on Accreditation of Health Care Organizations, or the Commission on Accreditation for Family Services.
- (B) Any program that is currently being funded in the existing network shall continue to be a designated program until further standards are developed, provided the standards identified in this subdivision (b)(1) are satisfied.
- (C) All programs shall continue to fulfill grant or contract agreements.
- (2) The provisions of subdivision (1) of this subsection shall not preclude the Division's "request for bids" process.
- (c) The Department of Health shall compile and maintain a waitlist containing the unduplicated number of individuals in the State who are in need of substance abuse treatment.
- (d) Of the funds appropriated in Sec. B.313 of this act, \$100,000 in General Funds is intended for increasing the capacity across the continuum of substance abuse prevention and treatment services. The use of these funds shall be determined by the Secretary of Human Services subsequent to the report required in Sec. E.300.1 (Substance Abuse Continuum) of this act. The proposed use of these funds shall be included with the fiscal year 2014 budget adjustment proposal made by the Agency.
- (e) The appropriation of funds in Sec. B.313 of this act for an expansion of substance abuse treatment beds shall not abrogate or interfere with the

statutory requirements for a certificate of need in 18 V.S.A. § 9434. If the Green Mountain Care Board does not approve a certificate of need under 18 V.S.A. § 9434, the appropriated amount shall be reserved for reallocation by the General Assembly in the fiscal year 2014 budget adjustment process or the fiscal year 2015 budget process.

Sec. E.314 [DELETED]

Sec. E.314.1 REDUCTION IN FORCE OF VERMONT STATE HOSPITAL EMPLOYEES

(a) The reduction in force rights of employees formerly employed at the Vermont State Hospital are governed by 2012 Acts and Resolves No. 79, Sec. 37a.

#### Sec. E.314.2 LEVEL 1 PSYCHIATRIC CARE EVALUATION

- (a)(1) The Mental Health Oversight Committee and the Health Care Oversight Committee shall hold a joint meeting in November 2013 for the purpose of evaluating the capacity needed to treat patients in the care and custody of the Commissioner of Mental Health, specifically regarding the capacity needed within the Level 1 system of care as established in 2012 Acts and Resolves No. 79. The evaluation shall include:
- (A) an assessment of the census trends for the Level 1 system of care during the last fiscal year;
- (B) the status of the census capacity at Rutland Regional Medical Center and Brattleboro Retreat's Level 1 unit;
- (C) the status of the construction at the state-owned and -operated psychiatric hospital in Berlin;
- (D) the status of the census capacity at the intensive and secure residential recovery programs; and
- (E) an assessment of whether the budget provides adequate capacity for Level 1 treatment through the end of the 2014 fiscal year and the estimated budget need for the duration of the 2015 fiscal year.
- (2) The evaluation shall include a projection of the daily census need for Level 1 inpatient care in excess of the six beds projected to operate at the Rutland Regional Medical Center and the 14 beds projected to operate at the Brattleboro Retreat as of April 1, 2014. The Committees shall solicit input from those hospitals providing Level 1 care that will be discontinued once the state-owned and -operated hospital is opened. The Committees' evaluation shall be submitted to the House and Senate Committees on Appropriations on or before December 15, 2013.

- (3) The evaluation shall assess the number and type of personnel necessary to staff the state-owned and -operated hospital in Berlin as of April 1, 2014. On or before December 15, 2013, the Mental Health Oversight Committee and the Health Care Oversight Committee shall make a recommendation to the Joint Fiscal Committee as to the number and type of personnel needed to operate the state-owned and -operated hospital on April 1, 2014.
- (4) It is the intent of the General Assembly that the 2015 fiscal year budget provide adequate resources to fund fully the community programs as funded in fiscal year 2014 and inpatient capacity established in 2012 Acts and Resolves No. 79, including the 25 beds at the state-owned and -operated hospital in Berlin. If the Mental Health Oversight Committee and the Health Care Oversight Committee in their evaluation and recommendation to the Joint Fiscal Committee find that less need exists than anticipated, the Joint Fiscal Committee may recommend reconsideration by the General Assembly.
- (b) Each month between June and December 2013, the Department of Mental Health shall provide the following information to the Mental Health Oversight Committee and the Health Care Oversight Committee:
- (1) The number of Level 1 patients receiving acute inpatient care in a hospital setting other than the renovated unit at Rutland Regional Medical Center, the renovated unit at the Brattleboro Retreat, and the Green Mountain Psychiatric Center in Morrisville, including the number of individuals treated in each setting and the single combined one-day highest number each month;
- (2) The number of individuals waiting for admission to a Level 1 psychiatric inpatient unit after the determination of need for admission to emergency departments, correctional facilities, or any other identified settings is made and the number of days individuals are waiting;
- (3) The total census capacity and average daily census of new intensive recovery residence beds opened in accordance with 2012 Acts and Resolves No. 79, and the annual daily census of the secure residential recovery facility in Middlesex. The census capacity shall not include a duplicate count for beds that replace those currently in operation elsewhere.

## Sec. E.314.3 SUICIDE PREVENTION

(a) The funds appropriated to the Department of Mental Health for suicide prevention shall be used in accordance with best practices to enhance coordination in youth and adult suicide prevention programs, including the creation of a unified grant process for a single entity with prior experience implementing statewide prevention initiatives.

Sec. E.314.4 STANDARDIZED LEVEL OF CARE

(a) Contracts with designated hospitals participating in the no refusal system, as defined in 18 V.S.A. § 7101, for the treatment of Level 1 patients shall include standards of care equivalent to those developed and provided at the state-owned and -operated hospital.

Sec. E.314.5 RATE INCREASE

(a) Revenue generated from the Medicaid rate increases in this act shall be used by designated agencies and specialized service agencies to provide a commensurate increase in compensation for direct care workers. Each designated and specialized service agency shall report to the Agency of Human Services how it has complied with this provision.

Sec. E.316 [DELETED]

Sec. E.317 [DELETED]

Sec. E.321 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM

- (a) For state fiscal year 2014, the Agency of Human Services may continue a housing assistance program within the General Assistance program to create flexibility to provide these General Assistance benefits. The purpose of the program is to mitigate poverty and serve applicants more effectively than they are currently being served with the same amount of General Assistance funds. The program shall operate in a consistent manner within existing statutes and rules and new policies to be effective on July 1, 2013 and may create programs and provide services consistent with these policies. Eligible activities shall include, among others, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.
- (b) The program may operate in up to 12 districts designated by the Secretary of Human Services. The Agency shall establish outcomes and procedures for evaluating the program overall, and for each district in which the Agency operates the program, it shall establish procedures for evaluating the district program and its effects.
- (c) The Agency shall continue to engage interested parties, including both statewide organizations and local agencies, in the design, implementation, and evaluation of the General Assistance flexibility program.

Sec. E.321.1 GENERAL ASSISTANCE EMERGENCY HOUSING

- (a) Up to \$1,500,000 of the funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2014 may be used for emergency housing in catastrophic situations, for the cold weather exemption, and, with supervisory approval, for vulnerable populations as defined in subsection (d) of this section, except in instances when:
  - (A) appropriate shelter space is available; and
- (B) the recipient is responsible for his or her eviction, whether court-ordered or constructive, due to circumstances over which the individual had control.
- (b) Except as described in subsections (a) and (c) of this section, the Agency may only provide General Assistance emergency housing benefits in catastrophic situations as defined in rules adopted pursuant to 3 V.S.A. chapter 25. All emergency and temporary housing policies and guidelines issued by the Agency in effect as of June 30, 2013 shall be rescinded, except that the cold weather exemption issued by the Department for Children and Families' Economic Services Division dated October 25, 2012, and any succeeding amendments to it, shall remain in effect.
- (c) The Department for Children and Families shall adopt emergency rules pursuant to 3 V.S.A. § 844 to take effect July 1, 2013 that implement an eligibility system for emergency housing based on the physical health of and safety risks to vulnerable populations that do not have a catastrophic need. Emergency housing under the eligibility system shall be subject to available funds, supervisory review, and approval.
- (d)(1) As used in this section, "vulnerable populations" means households with a member who is:
  - (A) 65 years of age or older;
- (B) in receipt of or an applicant for either Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI);
  - (C) a child under six years of age; or
  - (D) in the third trimester of pregnancy.
- (2) Eligibility for vulnerable populations shall be limited to 28 calendar days.
- (3) Subdivision (1) of this subsection shall remain in effect until the eligibility system for emergency housing based on the physical health of and safety risks to vulnerable populations is adopted by the Department for Children and Families by rule pursuant to subsection (c) of this section.
- Sec. E.321.2 EMERGENCY HOUSING; REPORTS

- (a) The Agency of Human Services shall develop the following systems with respect to General Assistance emergency housing services:
- (1) an intake system for individuals and families receiving emergency housing services, including collecting basic statistical information about the clients served;
  - (2) a system to track payments to motels; and
- (3) a system for ensuring the safety and health of clients who are housed in motels.
- (b) On or before January 15, 2014, the Agency of Human Services shall report to the House Committee on General, Housing and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Appropriations regarding the development and implementation of the systems required by subsection (a) of this section.
- (c) On or before January 15 and July 15 of each year beginning in 2014, the Agency of Human Services shall report statewide statistics related to the use of emergency housing vouchers during the preceding calendar half-year, including demographic information, deidentified client data, shelter and motel usage rates, clients' primary stated cause of homelessness, average lengths of stay in emergency housing by demographic group and by type of housing, and such other relevant data as the Secretary deems appropriate. When the General Assembly is in session, the Agency shall provide its report to the House Committee on General, Housing and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Appropriations. When the General Assembly is not in session, the Agency shall provide its report to the Joint Fiscal Committee.

Sec. E.323 33 V.S.A. § 1107 is amended to read:

# § 1107. CASE MANAGEMENT; FAMILY DEVELOPMENT PLANS; COORDINATED SERVICES

(a)(1) The commissioner Commissioner shall provide all Reach Up services to participating families through a case management model informed by knowledge of the family's home, community, employment, and available resources. Services may be delivered in the district office, the family's home, or community in a way that facilitates progress toward accomplishment of the family development plan. Case management may be provided to other eligible families. The case manager, with the full involvement of the family, shall recommend, and the commissioner Commissioner shall modify as necessary a family development plan established under the Reach First or Reach Up program for each participating family, with a right of appeal as provided by

section 1132 of this title. A case manager shall be assigned to each participating family as soon as the family begins to receive financial assistance. If administratively feasible and appropriate, the case manager shall be the same case manager the family was assigned in the Reach First program. The applicant for or recipient of financial assistance, under this chapter, shall have the burden of demonstrating the existence of his or her condition.

- (2) In addition to the services provided pursuant to subsection (b) of this section, the Commissioner shall provide for a mandatory case review for each participating family with a program director or the program director's designee when the family reaches 18 and 36 months of enrollment, respectively, in the Reach Up program to assess whether the participating family:
- (A) is in compliance with a family development plan or work requirement;
  - (B) is properly claiming a deferment, if applicable; and
- (C) has any unaddressed barriers to self-sufficiency and, if so, how those barriers may be better addressed by the Department for Children and Families or other state programs.

\* \* \*

Sec. E.323.1 33 V.S.A. § 1108 is amended to read:

# § 1108. OBLIGATION TO ASSIST ELIGIBLE FAMILIES WITH DEPENDENT CHILDREN LIMITS ON 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) Except for grants to children in the care of persons other than their parents, only participating families who have received fewer than 60 cumulative months of financial assistance, including those months in which any type of cash assistance funded by a TANF block grant was received in

other states or territories of the United States, shall be eligible 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 a parent or caretaker who is caring for a child during the first year of a possible two-year deferment pursuant to subdivision 1114(b)(3) of this chapter.
- (3) The participant is affected by domestic violence pursuant to subdivision 1114(b)(9) of this chapter.
- (4) The participant is needed in the home on a full-time basis to care for an ill or disabled parent, spouse, or child pursuant to subdivision 1114(b)(5) of this chapter.
- (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) Notwithstanding subsection (a) of this section, a participating family that does not have a qualifying deferment under section 1114 of this title and that has exceeded the cumulative 60-month lifetime eligibility period set forth in subsection (a) of this section shall qualify for a hardship exemption that allows the adult member of the participating family to receive:
- (1) a wage equivalent to that of the participating family's cash benefit under the Reach Up program for participation in community service employment; or
- (2) supplemental benefits to the wages of the adult member of the participating family if the work requirement is otherwise being met.
- Sec. E.323.2 33 V.S.A. § 1114 is amended to read:
  - § 1114. DEFERMENTS, MODIFICATIONS, AND REFERRAL

\* \* \*

(b) The work requirements shall be either modified or deferred for:

\* \* \*

(5) A participant who is needed in the home on a full or part-time basis in order to care for an ill or disabled parent, spouse, or child. In granting deferments, the department Department shall fully consider the participant's preference as to the number of hours the participant is able to leave home to participate in work activities. A deferral or modification of the work

requirement exceeding 60 days due to the existence of illness or disability pursuant to this subdivision shall be confirmed by the independent medical review of one or more physicians designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

\* \* \*

(d) Absent an apparent condition or claimed physical, emotional, or mental condition, participants are presumed to be able-to-work. A participant shall have the burden of demonstrating the existence of the circumstances or condition asserted as the basis for a deferral or modification of the work requirement. A deferral or modification of the work requirement exceeding 60 days due to the existence of conditions rendering the participant unable-to-work shall be confirmed by the independent medical review of one or more physicians designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

\* \* \*

#### Sec. E.323.3 INTERIM REACH UP CASE MANAGEMENT

- (a) During the interim between passage of this act and the implementation of the cumulative 60-month lifetime eligibility period pursuant to section E.323.1 of this act on May 1, 2014, the Commissioner for Children and Families shall:
- (1) ensure that each participating family has a designated case manager who is primarily accountable for the family's progress in the Reach Up program; and
- (2) conduct a case review of each participating family that has reached the cumulative 60-month lifetime eligibility period pursuant to section E.323.1 of this act, beginning with families under sanction, to understand better the profile of families receiving long-term assistance.
- (b) On or before January 15, 2014, the Commissioner shall submit a written report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare regarding:
- (1) the Department's preparedness to implement the cumulative 60-month lifetime eligibility period pursuant to Sec. E.323.1 of this act;
- (2) the aggregated profile of participating families receiving long-term assistance from the Reach Up program pursuant to subdivision (a)(2) of this section, including any common barriers that prevent participating families from moving to self-sufficiency;

- (3) the anticipated impact on participating families reaching the cumulative 60-month lifetime eligibility period pursuant to section E.323.1 of this act; and
- (4) the fiscal impact of changes made to the Reach Up program in accordance with this act.
- (c) On or before February 15, 2015, the Commissioner shall report to the General Assembly on the status of families 60 days after the family becomes ineligible for the Reach Up program pursuant to subsection E.323.1(a) of this act.
- Sec. E.323.4 33 V.S.A. § 1116(e) is amended to read:
- (e) Any family that has received 60 or more cumulative months of financial assistance that also has one or more adult participants who have been sanctioned for 12 or more cumulative months, and who are currently being sanctioned shall have their grant reduced by \$225.00 per month for each adult sanctioned under this subsection. [Repealed.]
- Sec. 323.5 33 V.S.A. § 1122(i) is added to read:
- (i) The Department shall offer written and verbal information pertaining to postsecondary education to an appropriate Reach Up participant based on the participant's assessment.
- Sec. E.323.6 REACH UP POLICY WORK GROUP
  - (a) It is the policy of the State of Vermont that:
- (1) parents and guardians take primary responsibility for the care and financial support of their children;
- (2) parents and guardians model self-sufficient behavior and personal responsibility for their children by availing themselves of employment and educational opportunities when possible; and
- (3) the system of aid and services to needy families with children shall recognize clearly defined reciprocal responsibilities and obligations on the part of both parents and government.
- (b) The Commissioner for Children and Families shall convene a work group to examine public policy options for restructuring the Reach Up program in a manner that emphasizes participant responsibility for receipt of benefits. The Work Group shall:
- (1) assess the effectiveness of the Reach Up program in meeting the purposes outlined in 33 V.S.A. § 1102;

- (2) identify programmatic strengths or weaknesses in the Reach Up program, including a review of and recommendations pertaining to the State's existing sanction policies, work requirements for two-parent families, and deferment standards to ensure statewide consistency in application;
- (3) assess the effectiveness of the State and providers under contract with the State in administering the Reach Up program;
- (4) identify the average caseload per case manager and assess the efficacy of case management services provided to Reach Up participants, including the training provided to case managers and requisite skills for performing case management responsibilities;
- (5) evaluate whether the skills of the Department of Labor's Reach Up case managers would be better used in providing job placement and workforce development services to Reach Up participants;
- (6) examine the Reach Up program's alignment with the Agency of Human Services' Integrated Family Services initiative;
- (7) assess the availability and adequacy of education and training programs for Reach Up participants;
- (8) survey successful models used by other states' Temporary Assistance for Needy Families (TANF) programs that emphasize participant responsibility;
- (9) consider the feasibility and effectiveness of incorporating restorative justice principles into the Reach Up program through the involvement of Vermont's community justice centers;
- (10) assess whether the State should maintain the exemption to 21 U.S.C. § 862a (denial of assistance and benefits for certain drug-related convictions) in 33 V.S.A. § 1103; and
- (11) evaluate the coordination between the Reach Up program and other state and community services that provide assistance pertaining to housing, employment, transportation, or mental health and substance abuse.
- (c)(1) The Commissioner, who shall serve as Chair, shall select individuals with policy expertise related to TANF, child welfare, child development, substance abuse, and workforce development issues to serve on the Work Group, as well as a current or former participating parent of the Reach Up program. The Commissioner may also select national consultants or experts to serve on or assist the Work Group. The Work Group shall seek input from Vermont advocates for children and families prior to finalizing its findings and recommendations.

- (2) The Commissioner shall convene the first meeting of the Work Group on or before July 15, 2013.
- (d) On or before November 1, 2013, the Work Group shall submit a written report to the General Assembly containing its findings and recommendations on each of the issues identified in subsection (b) of this section. The report shall also contain a proposal for restructuring the Reach Up Program in a manner that is cost-effective, is consistent with federal law, and empowers participants to attain self-sustaining employment. Thereafter, the Work Group shall cease to exist.
- (e) Members of the Work Group who are not state employees and who are not otherwise compensated by their employment or association for their participation shall be entitled to per diem compensation as provided in 32 V.S.A. § 1010.

#### Sec. E.323.7 REACH UP; REALLOCATION OF RESOURCES

(a) Up to \$300,000 of the funds formerly budgeted within the Reach Up program for transfer to Vocational Rehabilitation and subsequently to the Department of Labor may be reallocated, including a transfer through the Global Commitment waiver by the Commissioner for Children and Families with the approval of the Secretary of Human Services and the Commissioner of Finance. The funds shall be used to address substance abuse and mental health as a barrier to employment for Reach Up participants. Commissioner for Children and Families shall report to the Joint Fiscal Committee in November 2013 on the proposed use of these funds, specifically with regard to the amount allocated for treatment, therapy, and case management. The Department for Children and Families shall report on the number and status of families served with these funds. The Department for Children and Families may seek further reallocation of these funds in the budget adjustment process if doing so comports with the recommendations required by Secs. E.300.1 (Substance Abuse Continuum) and E.323.6 (Reach Up Policy Work Group) of this act.

#### Sec. E.324 HOME HEATING FUEL ASSISTANCE/LIHEAP

(a) For the purpose of a crisis set-aside, for seasonal home heating fuel assistance through December 31, 2013, and for program administration, the Commissioner of Finance and Management shall transfer \$2,550,000 from the Home Weatherization Assistance Trust Fund to the Home Heating Fuel Assistance Fund to the extent that federal LIHEAP or similar federal funds are not available. An equivalent amount shall be returned to the Home Weatherization Trust Fund from the Home Heating Fuel Assistance Fund to the extent that federal LIHEAP or similar federal funds are received. Should a transfer of funds from the Home Weatherization Assistance Trust Fund be

necessary for the 2013–2014 crisis set-aside and for seasonal home heating fuel assistance through December 31, 2013 and if LIHEAP funds awarded as of December 31, 2013 for fiscal year 2014 do not exceed \$2,550,000, subsequent payments under the Home Heating Fuel Assistance Program shall not be made prior to January 30, 2014. Notwithstanding any other provision of law, payments authorized by the Office of Home Heating Fuel Assistance shall not exceed funds available, except that for fuel assistance payments made through December 31, 2013, the Commissioner of Finance and Management may anticipate receipts into the Home Weatherization Assistance Trust Fund.

Sec. E.324.1 33 V.S.A. § 2502(d) is amended to read:

(d) Amounts raised by the gross receipts tax on retail sales of fuel imposed Subject to budgetary approval by the General Assembly, or approval by the Emergency Board, amounts in the Home Weatherization Assistance Trust Fund created by section 2503 2501 of this title may be transferred to the Home Heating Fuel Assistance Trust Fund created by section 2603 of this title, and used for energy assistance to low income persons, provided that such transfer does not reduce the fiscal capacity of the state office of economic opportunity State Office of Economic Opportunity to meet the budgetary obligations of the weatherization program as set forth in this chapter, and that in the event of approval by the Emergency Board, the Emergency Board so certifies.

Sec. E.324.2 REPEAL

(a) 33 V.S.A. § 2502(e) (use of amounts raised by the gross receipts tax, for home heating fuel assistance) is repealed.

Sec. E.324.3 REDESIGNATION BY LEGISLATIVE COUNCIL

(a) The Legislative Council is directed to remove the word "trust" from the name "home weatherization assistance trust fund" and from the name "home heating fuel assistance trust fund" wherever it appears in the Vermont Statutes Annotated.

Sec. E.324.4 33 V.S.A. § 2602 is amended to read:

§ 2602. ADMINISTRATION

\* \* \*

(d) The Secretary shall require that an applicant to the Home Heating Fuel Assistance Program submit the approximate number of square feet and bedroom count of the household's dwelling unit. For those households that receive a Home Heating Fuel Assistance benefit, the Secretary shall provide the dwelling unit's square footage and bedroom count and each household's heating fuel consumption for the previous year to the Administrator of the

Home Weatherization Assistance Program established under chapter 25 of this title.

Sec. E.324.5 33 V.S.A. § 2604 is amended to read:

§ 2604. ELIGIBLE BENEFICIARIES; REQUIREMENTS

\* \* \*

(b) Fuel cost requirements. The secretary of human services Secretary of Human Services or designee shall by procedure establish a table that contains amounts that will function as a proxy for applicant households' annual heating fuel cost for the previous year. The seasonal fuel expenditure estimates contained within such table shall closely approximate the actual home heating costs experienced by participants in the home heating fuel assistance program Home Heating Fuel Assistance Program. Data on actual heating costs collected pursuant to subsection 2602(d) of this title shall be used in lieu of the proxy table when available. Such table shall be revised no less frequently than every three years based on data supplied by certified fuel suppliers, the department of public service Department of Public Service, and other industry sources to the office of home heating fuel assistance. The secretary or designee shall provide a draft of the table to the home energy assistance task force Home Energy Assistance Task Force established pursuant to subsection 2501a(c) of this title and solicit input from the task force prior to finalizing the table.

\* \* \*

Sec. E.324.6 33 V.S.A. § 2605 is amended to read:

## § 2605. BENEFIT AMOUNTS

(a) The secretary of human services Secretary of Human Services or designee shall by rule establish a table that specifies maximum percentages of applicant households' annual heating fuel costs, based on the proxy table established pursuant to subsection 2604(b) of this title and, when available, the data collected pursuant to subsection 2602(d) of this title, that can be authorized for payment as annual home heating fuel assistance benefits for the following year. The maximum percentages contained within this table shall vary by household size and annual household income. In no instance shall the percentage exceed 90 percent.

\* \* \*

Sec. E.324.7 33 V.S.A. § 2608 is amended to read:

§ 2608. WEATHERIZATION PROGRAM AGREEMENTS

The director Director of the home energy assistance program Home Energy Assistance Program shall inform the administrator Administrator of the home weatherization assistance program Home Weatherization Assistance Program, established under chapter 25 of this title, of all participants in the home heating fuel assistance program Home Heating Fuel Assistance Program and of the information required by subsection 2602(d) of this title. The agency of human services Agency of Human Services shall provide all participants in the home heating fuel assistance program Home Heating Fuel Assistance Program with information regarding the efficiency utility established under 30 V.S.A. § 209. All participants in the home heating fuel assistance program Home Heating Fuel Assistance Program shall be deemed to comply with any income requirements of the home weatherization program Home Weatherization Program, but to receive weatherization services, recipients shall be required to meet any other eligibility requirements of the weatherization program Home Weatherization Program. As a condition of receipt of benefits under the home heating fuel assistance program Home Heating Fuel Assistance Program, a recipient shall consent to receive services of the home weatherization assistance program Home Weatherization Assistance Program. The Home Weatherization Assistance Program shall use the information required by subsection 2602(d) of this title to determine the number of British thermal units (Btus) needed to heat a square foot of space for each participant in the Home Energy Assistance Program. The home weatherization assistance program The Home Weatherization Assistance Program shall give the highest priority to providing services to participants with high energy consumption within the Home Heating Fuel Assistance Program and, among those participants, to those who require the most Btus to heat a square foot of space.

Sec. E.324.8 FUEL PURCHASING; HOME HEATING FUEL ASSISTANCE

- (a) Under 33 V.S.A. chapter 26 (home heating fuel assistance), a system of fuel purchasing shall be developed that ensures that the recipients of such assistance are offered the lowest possible fuel prices. To participate in the LIHEAP program, certified petroleum fuel suppliers shall choose one or more of the following options:
  - (1) Margin Over Rack pricing; or
- (2) Fixed discount in addition to dealer's regular cash or prompt payment discount; or
- (3) Summer fuel contract with a capped maximum per gallon price and downside protection.

- (b) On or before August 1, 2013, the Secretary of Human Services shall adopt a revised system of fuel purchasing under 33 V.S.A. chapter 26 that meets the standard set forth in subsection (a) of this section.
- (c) This section shall supersede Sec. 21 (fuel purchasing; home heating fuel assistance) of H.520 of 2013.

Sec. E.324.9 33 V.S.A. § 2609 is amended to read:

## § 2609. CRISIS RESERVES; ELIGIBILITY AND ASSISTANCE

- (a) Annually, the secretary of human services Secretary of Human Services or designee shall determine an appropriate amount of funds in the home heating fuel assistance fund to be set aside for expenditure for the crisis fuel assistance component of the home heating fuel program. The secretary Secretary or designee shall also adopt rules to define crisis situations for the expenditure of the home heating fuel crisis funds, and to establish the income and asset eligibility requirements of households for receipt of crisis home heating fuel assistance, provided that no household shall be eligible whose gross household income is greater than 200 percent of the federal poverty level or is in excess of income maximums established by LIHEAP based on the income of all persons residing in the household. To the extent allowed by federal law, the secretary Secretary or designee shall establish by rule a calculation of gross income based on the same rules used in 3SquaresVT, except that the secretary Secretary or designee shall include additional deductions or exclusions from income required by LIHEAP.
- (b) Crisis fuel grants shall be limited per winter heating season to one grant for households that are income-eligible and have received a seasonal fuel assistance grant and meet all eligibility requirements for crisis fuel assistance, or to two grants for households that are not income-eligible for seasonal fuel assistance and meet all eligibility requirements for crisis fuel assistance.
- Sec. E.325 Department for children and families office of economic opportunity
- (a) Of the General Fund appropriation in Sec. B.325 of this act, \$792,000 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal McKinney Emergency Shelter Funds. Grant decisions shall be made with assistance from the Vermont Coalition to End Homelessness.

Sec. E.326 Department for children and families – OEO – weatherization assistance

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.326.1 33 V.S.A. § 2502 is amended to read:

#### § 2502. HOME WEATHERIZATION ASSISTANCE PROGRAM

- (a) The director Director of the state office of economic opportunity State Office of Economic Opportunity shall administer a home weatherization assistance program Home Weatherization Assistance Program under such rules, regulations, funding, and funding requirements as may be imposed by federal law.
- (b) In addition, the <u>director Director</u> shall supplement, or supplant, any federal program with a <u>state home weatherization assistance program State Home Weatherization Assistance Program</u>.
- (1) The state program shall provide an enhanced weatherization assistance amount exceeding the federal per unit limit allowing amounts up to an average of \$6,000.00 \$8,000.00 per unit allocated on a cost-effective basis. In units where costs exceed the allowable average by more than 25 percent, prior approval of the director Director of the state economic opportunity office State Economic Opportunity Office shall be required before work commences. This amount shall be adjusted annually by increasing the last year's amount by the percentage increase in the Consumer Price Index for the previous year.
- (2) The state program shall provide amounts for <del>low income</del> low-income customers utilizing any high operating cost fuel, to convert to another fuel source under rules adopted by the <del>director</del> <u>Director</u> based on the cost effectiveness of the converted facility over the life cycle of the equipment.
- (3) The <u>director Director</u>, in collaboration with the weatherization service providers and other stakeholders, shall develop the state program so that it will include:
- (A) Facilitating the development and implementation of a statewide common energy-audit tool or tools that work well on all Vermont housing, including multi-family buildings.
- (B) With regard to multi-family buildings, requiring either of the following requirements to be met:
- (i) at least 25 percent or more of the tenants in the building are eligible for the weatherization program Program; or
- (ii) at least 50 percent of the units are weatherization affordable, and at least one tenant of the building has applied for the weatherization program Program and has been determined to be eligible. For purposes of this

subdivision, "weatherization affordable" means a unit having a rent that is established at less than 30 percent of the income level established by computing  $60 \ \underline{80}$  percent of the area median income level or  $60 \ \underline{80}$  percent of the state State median income level, whichever is higher, for the relevant household size. Relevant household size means the number of bedrooms in the unit, plus one.

(C) Establishing program Program eligibility levels at 60 80 percent of the area median income, or 60 80 percent of the state State median income, whichever is higher. Subject to the priority under section 2608 of this title given to participants in the Home Heating Fuel Assistance Program, the state program shall, when weighing factors to assign priority to buildings or units eligible for weatherization assistance, assign the greatest weight to those buildings and units that require the most Btus to heat a square foot of space.

\* \* \*

(G) With respect to multi-family buildings housing recipients of home heating fuel assistance under chapter 26 of this title, targeting outreach efforts to ensure the highest weatherization participation rates by owners of such buildings.

\* \* \*

Sec. E.328 [DELETED]

Sec. E.329 VERMONT VETERANS' HOME; REGIONAL BED CAPACITY

- (a) The Agency of Human Services shall not include the bed count at the Vermont Veterans' Home when recommending and implementing policies that are based on or intended to impact regional nursing home bed capacity in the State.
- Sec. E.333 Disabilities, aging, and independent living developmental services
- (a) The Department of Disabilities, Aging, and Independent Living, the Agency of Human Services, the Department of Finance and Management, and the Joint Fiscal Office shall:
- (1) After review of preliminary fiscal year 2013 close out of the developmental services appropriation unit, present an estimate to the Joint Fiscal Committee at its July 2013 meeting regarding the amount, if any, of the fiscal year 2014 Developmental Services program budget that needs to be addressed through administrative or operational changes in order to manage the service needs within the appropriated funds;

- (2) Review the methodology for forecasting both the caseload and utilization for developmental disabilities programs and shall report any recommendations for changing this methodology to the Joint Fiscal Committee at its September 2013 meeting;
- (3) Recommend a consensus estimate for the fiscal year 2015 developmental services caseload, utilization, and budget to the Emergency Board at its January 2014 meeting.
- (b) In anticipation that there will be some fiscal year 2014 amount of administrative or operational changes needed to manage the service needs within the appropriated funds, the Secretary of Human Services, or designee shall convene a Work Group to:
- (1) assess whether the methods of developmental service case planning and oversight should be revised;
- (2) assess whether alternate practices could be identified, resulting in more cost-effective use of the resources available for developmental services;
- (3) determine what changes could be reasonably implemented in fiscal year 2014 to manage the service needs within the appropriated funds and identify the fiscal year 2014 amount, if any, of budgetary management that will be accomplished through existing System of Care Plan rescission processes based upon the estimate provided in subdivision (a)(1) of this section;
- (4) report to the Joint Fiscal Committee at its September 2013 meeting on subdivisions (b)(1)-(3) of this section;
- (5) identify cost-effective, innovative models of care and develop recommendations as to how these models could be implemented in Vermont; and
- (6) inform participants working to update the System of Care Plan for June 2014 on these findings and recommendations.
  - (c) There is created a Work Group composed of the following members:
    - (1) the Secretary of Human Services or designee, who shall be chair;
- (2) the Commissioner of Disabilities, Aging, and Independent Living or designee;
  - (3) the Director of Developmental Services or designee;
- (4) two members appointed by the Vermont Council of Developmental and Mental Health Services;

- (5) two members appointed by the Developmental Disabilities Council who may be any combination of a parent of, a family member of, or a person living with a disability; and
- (6) up to three additional members appointed by the Secretary or designee deemed desirable for policy expertise or stakeholder input.
- (d) For fiscal year 2014, no modifications or rescissions to the System of Care Plan shall be initiated until September 1, 2013.
- (e) The members of the Work Group created in subsection (c) of this section, shall be appointed as soon as is practicable following the effective date of this section. Members of the Work Group who are not employees of the State of Vermont and who are not otherwise compensated by their employer or association for their participation in the Work Group shall be reimbursed at the per diem rate set forth in 32 V.S.A. § 1010.

# Sec. E.335 JOINT CORRECTIONS OVERSIGHT COMMITTEE; HOME DETENTION; HOME CONFINEMENT

- (a) The Joint Committee on Corrections Oversight, in consultation with the Commissioner of Corrections and other stakeholders, shall develop a proposal to increase the use of home detention and home confinement in lieu of incarceration in a correctional facility. The Committee shall consider the following:
- (1) establishment of a unit that provides 24-hour electronic monitoring of detainees and offenders, the costs associated with such a unit, including any costs to communities, and whether services could be contracted with another state or entity currently operating a similar program;
- (2) revisions to the statutes concerning bail and conditions of release; and
- (3) alternatives to detention or incarceration for persons charged with nonviolent misdemeanors.
- (b) The Committee shall report its recommendations to the Joint Fiscal Committee prior to its regularly scheduled November meeting for consideration for inclusion in the Budget Adjustment Act.

# Sec. E.335.1 DEPARTMENT OF CORRECTIONS; FISCAL YEAR 2013 CARRYFORWARD APPROPRIATIONS REPORT

(a) The Department shall report to the Joint Committee on Corrections Oversight in September 2013 on the amount of General Fund appropriations that have been carried forward from fiscal year 2013 into fiscal year 2014. The Department shall identify the amount of these funds that are unobligated, and

of that unobligated amount, the amount of funds that could be available for ongoing justice reinvestment initiatives and the amount of funds that could be available for one-time expenditures. If such funds are available for ongoing or one-time investment, the Committee shall include its recommendations for such expenditure in the fiscal year 2014 budget adjustment process and or in the fiscal year 2015 budget process.

Sec. E.338 Corrections – correctional services

(a) The Steering Committee of the Vermont Community Justice Network and the Association of Vermont Court Diversion Programs, in consultation with their funders, stakeholders, and other providers of community-based restorative justice, shall report to the Joint Committee on Corrections Oversight by October 15, 2013, on the work they are doing to strengthen the coordination of and access to the community-based restorative justice delivery system.

Sec. E.342 Vermont veterans' home – care and support services

(a) The Vermont Veterans' Home will use the Global Commitment Funds appropriated in this section for the purpose of increasing the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.342.1 20 V.S.A. § 1714 is amended to read:

### § 1714. POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Except as otherwise provided in this chapter, the <u>board Board</u> shall have all powers necessary and convenient for governing the home, providing services to veterans <u>and other residents</u>, and otherwise performing its duties under this chapter, including the authority to:

\* \* \*

(12) Admit and care for veterans and other residents whose admission does not interfere with the Board's ability to serve its core mission of caring for veterans. No resident shall be admitted whose admission precludes federal funding or otherwise violates federal law or regulation governing the Vermont Veterans' Home.

Sec. E.345 Green mountain care board

(a) The Green Mountain Care Board shall use the Global Commitment Funds appropriated in this section to encourage the formation and maintenance of public-private partnerships in health care, including initiatives to support and improve the health care delivery system.

### Sec. E.345.1 COST SHIFT ACCOUNTABILITY

- (a)(1) In fiscal year 2014 the amount of \$14,300,000 in Global Commitment Funds is appropriated in this act to the Agency of Human Services to address health care inflation and reduce costs shifted to private insurers due to the underpayment of health care providers by Medicaid and Medicaid waiver programs. This amount annualizes to over \$21,000,000. As part of the report required by 2000 Acts and Resolves No. 152, Sec. 117b on or before December 15, 2015, the Department of Vermont Health Access shall report on the impact of investments on the cost shift.
- (2) The Green Mountain Care Board (GMCB) shall develop consistent, reportable measures to account for the impact on the cost shift of this and future investments as required by 2000 Acts and Resolves No. 152, Sec. 117b. The GMCB shall report to the General Assembly on or before March 15, 2014 on the impact to hospital budgets and health insurer rates due to the investment in fiscal year 2014, including the difference between Medicare and Medicaid reimbursement rates.

\* \* \* K-12 EDUCATION \* \* \*

Sec. E.500 Education – finance and administration

(a) The Global Commitment Funds appropriated in this section for school health services, including school nurses, shall be used for the purpose of funding certain health-care-related projects. It is the goal of these projects to reduce the rate of uninsured or underinsured persons, or both, in Vermont and to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.501 Education - education services

(a) Notwithstanding 16 V.S.A. § 4014(f), in fiscal year 2014, the Secretary may use up to \$100,000 of the early education grant appropriation for grants to increase the capacity of districts to start early education programs that do not currently have them.

Sec. E.501.1 16 V.S.A. § 1262a is amended to read:

### § 1262a. AWARD OF GRANTS

- (a)(1) The state board of education Agency may, from funds appropriated for this subsection to the department of education Agency, award grants to:
- (A) supervisory unions for the use of member school boards that establish and operate food programs;
- (B) independent school boards that establish and operate food programs; and

- (C) approved education programs, as defined in subdivision 11(a)(34) of this title and operating under private nonprofit ownership as defined in the National School Lunch Act, that establish and operate food programs for students engaged in a teen parent education program or students enrolled in a Vermont public school.
- (2) The amount of any grant awarded under this subsection shall not be more than the amount necessary, in addition to the charge made for the meal and any reimbursement from federal funds, to pay the actual cost of the meal.
- (b) The state board Agency may, from funds available to the department of education Agency for this subsection, award grants to supervisory unions consisting of one or more school districts that need to initiate or expand food programs in order to meet the requirements of section 1264 of this title and that seek assistance in meeting the cost of initiation or expansion. The amount of the grants shall be limited to 75 percent of the cost deemed necessary by the commissioner Secretary to construct, renovate, or acquire additional facilities and equipment to provide lunches to all pupils students, and shall be reduced by the amount of funds available from federal or other sources, including those funds available under section 3448 of this title. The state board, upon recommendation of the commissioner Agency, shall direct supervisory unions seeking grants under this section to share facilities and equipment within the supervisory union and with other supervisory unions for the provision of lunches wherever more efficient and effective operation of food programs can be expected to result.
- (c) On a quarterly basis, from state funds appropriated to the department of education Agency for this subsection, the state board Agency shall award to each supervisory union, independent school board, and approved education program as described in subsection (a) of this section a sum equal to the amount that would have been the student share of the cost of all breakfasts and lunches actually provided in the district during the previous quarter to students eligible for a reduced price reduced-price breakfast under the federal school breakfast program and students eligible for a reduced-price lunch under the federal school lunch program.

### Sec. E.501.2. 16 V.S.A. § 1264(c) is amended to read:

(c) The <u>state</u> shall be responsible for the student share of the cost of breakfasts provided to all students eligible for a <u>reduced price</u> <u>reduced-price</u> breakfast under the federal school breakfast program <u>and for the student share</u> of the cost of lunches provided to all students eligible for a reduced-price lunch <u>under the federal school lunch program</u>.

Sec. E.502 Education – special education: formula grants

- (a) Of the appropriation authorized in this section, and notwithstanding any other provision of law, an amount not to exceed \$3,447,584 shall be used by the Agency of Education in fiscal year 2014 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d). In addition to funding for 16 V.S.A. § 2967(b)(2)–(6), up to \$176,840 may be used by the Agency of Education for its participation in the higher education partnership plan.
- Sec. E.503 Education state-placed students
- (a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.
- Sec. E.504 Education adult education and literacy
- (a) Of this appropriation, \$4,000,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 1049a(c).
- Sec. E.512 Education Act 117 cost containment
- (a) Notwithstanding any other provision of law, expenditures made from this section shall be counted under 16 V.S.A. § 2967(b) as part of the State's 60 percent of the statewide total special education expenditures of funds which are not derived from federal sources.
- Sec. E.513 Appropriation and transfer to education fund
- (a) Pursuant to Sec. B.513, there is appropriated in fiscal year 2014 from the General Fund for transfer to the Education Fund the amount of \$288,921,564.
- Sec. E.514 State teachers' retirement system
- (a) The annual contribution to the Vermont State Teachers' Retirement System shall be \$73,102,825, of which \$68,352,825 shall be contributed in accordance with 16 V.S.A. § 1944(g)(2) and an additional \$4,750,000 in General Funds.
- (b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$11,259,501 is the "normal contribution," and \$57,093,324 is the "accrued liability contribution."
- (c) A combination of \$71,783,200 in General Funds and an estimated \$1,319,625 of Medicare Part D reimbursement funds is used to achieve

funding at \$4,750,000 above the actuarially recommended level of \$68,352,825.

### \* \* \* HIGHER EDUCATION \* \* \*

Sec. E.600 University of Vermont

- (a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the University of Vermont on or about the 15th day of each calendar month of the year.
- (b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with state matching fund requirements necessary for the receipt of available federal or private funds, or both.
- (c) If Global Commitment Fund monies are unavailable, the total grant funding for the University of Vermont shall be maintained through the General Fund or other state funding sources.
- (d) The University of Vermont will use the Global Commitment Funds appropriated in this section to support Vermont physician training. The University of Vermont prepares students, both Vermonters and out-of-state, and awards approximately 100 medical degrees annually. Graduates of this program, currently representing a significant number of physicians practicing in Vermont, deliver high-quality health care services to Medicaid beneficiaries and to the uninsured or underinsured persons, or both, in Vermont and across the nation.

### Sec. E.600.1 UNIVERSITY OF VERMONT AND VERMONT STATE COLLEGES – INCREASE TO BASE APPROPRIATIONS

(a) The General Fund increase from fiscal year 2013 to fiscal year 2014 to the base appropriations for the University of Vermont and Vermont State Colleges shall be used for financial aid to Vermont students. An amount equal to that increase shall be used for financial aid to Vermont students each subsequent year unless the base appropriation is reduced below the fiscal year 2014 level.

Sec. E.602 Vermont state colleges

- (a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the Vermont State Colleges on or about the 15th day of each calendar month of the year.
- (b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with state

matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.603 Vermont state colleges – allied health

- (a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other state funding sources.
- (b) The Vermont State Colleges shall use the Global Commitment funds appropriated in this section to support the dental hygiene, respiratory therapy, and nursing programs which graduate approximately 250 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries and uninsured or underinsured persons, or both.

Sec. E.605 Vermont student assistance corporation

- (a) Of this appropriation, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation to be deposited into the Trust Fund established in 16 V.S.A. § 2845.
- (b) Except as provided in subsection (a) of this section, not less than 93 percent of grants shall be used for direct student aid.
- (c) Funds available to the Vermont Student Assistance Corporation pursuant to Sec. E.215(a) of this act shall be used for the purposes of 16 V.S.A. § 2856. Any unexpended funds from this allocation shall carry forward for this purpose.

\* \* \* NATURAL RESOURCES \* \* \*

Sec. E.700 30 V.S.A. § 255 is amended to read:

§ 255. REGIONAL COORDINATION TO REDUCE GREENHOUSE GASES

\* \* \*

- (c) Allocation of tradable carbon credits.
- (1) The secretary of natural resources Secretary of Natural Resources, by rule, shall establish a set of annual carbon budgets for emissions associated with the electric power sector in Vermont that are consistent with the 2005 RGGI MOU, including any amendments to that MOU and any reduced carbon cap resulting from a subsequent program review by RGGI, and that are on a reciprocal basis with the other states participating in the RGGI process.

\* \* \*

Sec. E.704 Forests, parks and recreation - forestry

(a) This Special Fund appropriation shall be authorized, notwithstanding the provisions of 3 V.S.A. § 2807(c)(2).

Sec. E.706 Forests, parks and recreation – lands administration

(a) This Special Fund appropriation shall be authorized, notwithstanding the provisions of 3 V.S.A. § 2807(c)(2).

Sec. E.709 [DELETED]

Sec. E.711 [DELETED]

\* \* \* COMMERCE AND COMMUNITY DEVELOPMENT \* \* \*

Sec. E.800 VERMONT TRAINING PROGRAM

(a) Notwithstanding 10 V.S.A. § 531, the Secretary may authorize up to ten percent of the funds allocated within the Vermont Training Program for employers that meet at least one but fewer than three of the criteria specified within 10 V.S.A. § 531(b) and (c)(3). The Secretary shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs by January 15, 2014 on the use or proposed use of funds under this provision.

Sec. E.801 [DELETED]

Sec. E.802 [DELETED]

Sec. E.802.1 32 V.S.A. § 1003(b)(1) is amended to read:

(1) Heads of the following departments and agencies:

Base Salary as of July 1, 2012

\* \* \*

(J) <u>Economic housing</u>, and <u>community development Economic</u> <u>Development</u> 76,953

\* \* \*

(Q) [Repealed] Housing and Community Development 76,953

\* \* \*

Sec. E.804 Community development block grants

(a) Community Development Block Grants shall carry forward until expended.

\* \* \* TRANSPORTATION \* \* \*

- Sec. E.909 Transportation central garage
- (a) Of this appropriation, \$6,688,735 is appropriated from the Transportation Equipment Replacement Account within the Central Garage Fund for the purchase of equipment as authorized in 19 V.S.A. § 13(b).
- Sec. E.915 Transportation town highway aid program
- (a) This appropriation is authorized, notwithstanding the provisions of 19 V.S.A. § 306(a).

### Sec. F.100 EFFECTIVE DATES

- (a) This section and Secs. C.100 (fiscal year 2013 budget adjustment, Secretary of State), C.100.1 (RGA settlement; Secretary of State), C.101 (fiscal year 2013 budget adjustment, Attorney General), C.102 (fiscal year 2013 budget adjustment, protection function total), C.103 (fiscal year 2013 budget adjustment, Transportation program development), C.104 (fiscal year 2013 budget adjustment, Transportation Infrastructure Bonds Debt Service), C.105 (fiscal year 2013 budget adjustment, Debt service and Debt service function total), C.106 (limited service position, ACCD), C. 107 (carry forward reallocation), C.108 (crisis fuel transfer authority), D.102 (tobacco litigation settlement fund balance), E.126.2 (Officers of General Assembly), E.127(b) (Legislative fund transfer to Joint Fiscal), E.233 (Public Service Department-Electric Generation Siting; Report), E.321.1(c) (General Assistance emergency housing), E.323.3 (interim Reach Up case management), E.323.6 (Reach Up Policy Work Group), and E.333 (DAIL-developmental services) of this act shall take effect upon passage.
- (b) Sec. E.802.1 shall take effect upon passage and shall apply as of the effective date of Executive Order No. 01-13.
- (c) Secs. E.307 (modified adjusted gross income) and E.307.1 (exchange financial assistance) of this act shall take effect on October 1, 2013 to allow for their application to insurance plans with coverage beginning on January 1, 2014.
- (d) Sec. E.307.2 (reduction in Medicaid cost-shift) shall take effect on July 1, 2013, except that subsection (e) of that section shall take effect on passage.
- (e) Secs. E.324.4 (Administration) and E.324.8 (fuel purchasing assistance) shall take effect on July 2, 2013.
- (f) Sec. E.323.1 (Reach Up limits on family financial assistance) and E.323.4 (Reach Up sanctions) shall take effect on May 1, 2014.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

M. JANE KITCHEL
RICHARD W. SEARS, JR.
DIANE B. SNELLING
Committee on the part of the Senate

MARTHA P. HEATH MITZI JOHNSON ANNE T. O'BRIEN

Committee on the part of the House

Pending the question, Shall the House adopt the report of the Committee of Conference? **Rep. Heath of Westford** 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 House adopt the report of the Committee of Conference? was decided in the affirmative. Yeas, 128. Nays, 9.

#### Those who voted in the affirmative are:

Ancel of Calais Bartholomew of Hartland Batchelor of Derby Bissonnette of Winooski Botzow of Pownal Branagan of Georgia Brennan of Colchester Burke of Brattleboro Buxton of Tunbridge Campion of Bennington Canfield of Fair Haven Carr of Brandon Cheney of Norwich Christie of Hartford Clarkson of Woodstock Cole of Burlington Connor of Fairfield Conquest of Newbury Consejo of Sheldon Copeland-Hanzas of Bradford Corcoran of Bennington Cross of Winooski Cupoli of Rutland City Dakin of Chester Devereux of Mount Holly Dickinson of St. Albans Town

Donahue of Northfield Donovan of Burlington Ellis of Waterbury **Emmons of Springfield** Evans of Essex Fagan of Rutland City Fay of St. Johnsbury Feltus of Lyndon Fisher of Lincoln Frank of Underhill French of Randolph Gage of Rutland City Gallivan of Chittenden Goodwin of Weston Grad of Moretown Greshin of Warren Haas of Rochester Heath of Westford Helm of Fair Haven Higley of Lowell Hooper of Montpelier Hubert of Milton Huntley of Cavendish Jerman of Essex Jewett of Ripton Johnson of South Hero Johnson of Canaan Juskiewicz of Cambridge

Keenan of St. Albans City Kilmartin of Newport City Kitzmiller of Montpelier Klein of East Montpelier Koch of Barre Town Komline of Dorset Krebs of South Hero Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Lawrence of Lyndon Lenes of Shelburne Lippert of Hinesburg Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marcotte of Coventry Marek of Newfane Martin of Springfield Martin of Wolcott Masland of Thetford McCarthy of St. Albans City McCormack of Burlington McCullough of Williston McFaun of Barre Town Michelsen of Hardwick

Miller of Shaftsbury

Mitchell of Fairfax Ralston of Middlebury Toll of Danville Ram of Burlington Townsend of South Mook of Bennington Moran of Wardsboro Russell of Rutland City Burlington Savage of Swanton Trieber of Rockingham Morrissey of Bennington Mrowicki of Putney Sharpe of Bristol Turner of Milton \* Myers of Essex Shaw of Pittsford Vowinkel of Hartford Nuovo of Middlebury Smith of New Haven Waite-Simpson of Essex Webb of Shelburne O'Brien of Richmond South of St. Johnsbury Wilson of Manchester O'Sullivan of Burlington Spengler of Colchester Partridge of Windham Stevens of Waterbury Winters of Williamstown Pearce of Richford Stuart of Brattleboro Wizowaty of Burlington \* Peltz of Woodbury Sweaney of Windsor Woodward of Johnson Potter of Clarendon Taylor of Barre City Wright of Burlington Pugh of South Burlington Terenzini of Rutland Town Yantachka of Charlotte Quimby of Concord Till of Jericho Young of Glover Rachelson of Burlington Zagar of Barnard Toleno of Brattleboro

### Those who voted in the negative are:

Beyor of Highgate	Davis of Washington	Shaw of Derby
Bouchard of Colchester	Hebert of Vernon	Van Wyck of Ferrisburgh
Burditt of West Rutland	Pearson of Burlington	Weed of Enosburgh

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

Browning of Arlington	Head of South Burlington	Scheuermann of Stowe
Condon of Colchester	Larocque of Barnet	Stevens of Shoreham
Deen of Westminster	Lewis of Berlin	Strong of Albany
Donaghy of Poultney	Poirier of Barre City	Townsend of Randolph

### **Rep. Turner of Milton** explained his vote as follows:

### "Mr. Speaker:

My yes vote is in recognition of the work of the committees to bring a budget with a growth rate that is much more sustainable than that of the budget that passed this body earlier in the session. However, I remain concerned about the use of \$55 million in one-time dollars and not addressing the pension issues in the future. Thank you."

### Rep. Wizowaty of Burlington explained her vote as follows:

### "Mr. Speaker:

I'm voting for the investments we've made with this budget – in mental health services, Choices for Care. Legal Aid, increased reimbursements for Medicaid providers, LIHEAP, and more. We live in an imperfect world and I might wish we could do more, but I'm glad for what we've been able to accomplish."

# Rules Suspended; Action Ordered Messaged to Senate Forthwith and Bills Delivered to the Governor Forthwith

On motion of **Rep. Turner of Milton**, the rules were suspended and action on the bills were ordered messaged to the Senate forthwith and the bills delivered to the Governor forthwith.

H. 240

House bill, entitled

An act relating to Executive Branch fees

H. 295

House bill, entitled

An act relating to technical tax changes

H. 530

House bill, entitled

An act relating to making appropriations for the support of government

H. 538

House bill, entitled

An act relating to making miscellaneous amendments to education funding laws

#### **Joint Resolution Adopted in Concurrence**

J.R.S. 32

By Senator Campbell,

**J.R.S. 32.** Joint resolution relating to final adjournment of the General Assembly in 2013.

### Resolved by the Senate and House of Representatives

That when the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses on the fourteenth or fifteenth day of May, 2013, they shall do so to reconvene on the twenty-first day of June, 2013, at ten o'clock in the forenoon if the Governor should fail to approve and sign any bill and should he return it to the house of origin with his objections in writing after such adjournment, or to reconvene on the seventh day of January, 2014, at ten o'clock in the forenoon, if the Governor should *not* 

Was taken up read and adopted in concurrence.

### **Senate Notified of Completion of House Business**

**Rep. Jewett of Ripton** moved that the House direct the Clerk to inform the Senate that the House has completed the business of the first half of the Biennial session and is ready to adjourn pursuant to the provisions of J.R.S. 32, which was agreed to.

### **Governor Notified of Completion of House Business**

**Rep. Jewett of Ripton** moved that the Speaker appoint a committee of six to inform the Governor that the House has completed the business of the first half of the Biennial session and is ready to adjourn pursuant to the provisions of J.R.S. 32, which was agreed to.

Rep. Jewett of Ripton

Rep. Taylor of Barre City

Rep. Turner of Milton

Rep. Dickinson of St. Albans Town

Rep. Burke of Brattleboro

Rep. Davis of Washington

### **Governor Presented at the Bar of the House**

The committee appointed to wait upon the Governor retired to the Executive Chamber and returned with His Excellency, Governor Peter Shumlin, and presented him at the bar of the House. The governor addressed the House and, having completed his remarks, was escorted from the Hall by the Committee.

### Adjournment

At ten o'clock and twenty-five minutes in the evening, on motion of **Rep. Jewett of Ripton**, the House adjourned pursuant to the provisions of J.R.S. 32.

### FINAL MESSAGES AND COMMUNICATIONS

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter. Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the twentieth day of May, 2013, he approved and signed bills originating in the House of the following titles:

### H. 26 An act relating to technical corrections;

- H. 315 An act relating to group health coverage for same-sex spouses;
- H. 450 An act relating to expanding the powers of regional planning commissions;
- H. 541 An act relating to approval of amendments to the charter of the village of Essex Junction.

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the twenty-second day of May, 2013, he approved and signed a bill originating in the House of the following title:

H. 299 An act relating to amending consumer protection provisions for propane refunds, unsolicited demands for payment, bad faith assertions of patent infringement and failure to comply with civil investigations

### Message from Governor

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the twenty-third day of May, 2013, he approved and signed a bill originating in the House of the following title:

# H. 535 An act relating to the approval of the adoption and to the codification of the charter of the town of Woodford

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the twenty-fourth day of May, 2013, he approved and signed bills originating in the House of the following titles:

# H. 105 An act relating to adult protective services reporting requirements

# H. 537 An act relating to approval of amendments to the charter of the town of Brattleboro

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the twenty-eighth day of May, 2013, he approved and signed a bill originating in the House of the following title:

# H. 530 An act relating to making appropriations for the support of government

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the twenty-ninth day of May, 2013, he approved and signed bills originating in the House of the following titles:

- H. 265 An act relating to the education property tax rates and base education amount for fiscal year 2014
- H. 533 An act relating to capital construction and state bonding
- H. 536 An act relating to the National Guard

### Message from Governor

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the thirtieth day of May, 2013, he approved and signed bills originating in the House of the following titles:

### H. 226 An act relating to the regulation of underground storage tanks

# H. 521 An act relating to making miscellaneous amendments to education law

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the third day of June, 2013, he approved and signed bills originating in the House of the following titles:

- H. 262 An act relating to establishing a program for the collection and recycling of paint
- H. 538 An act relating to making miscellaneous amendments to education funding laws
- H. 377 An act relating to neighborhood planning and development for municipalities with designated centers

### Message from Governor

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the fourth day of June, 2013, he approved and signed bills originating in the House of the following titles:

- H. 523 An act relating to court administration and procedure
- H. 534 An act relating to approval of amendments to the charter of the City of Winooski

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the fifth day of June, 2013, he approved and signed bills originating in the House of the following titles:

- H. 65 An act relating to limited immunity from liability for reporting a drug or alcohol overdose
- H. 240 An act relating to Executive Branch fees
- H. 295 An act relating to technical tax changes
- H. 522 An act relating to strengthening Vermont's response to opioid addiction and methamphetamine abuse

### Message from Governor

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the sixth day of June, 2013, he approved and signed a bill originating in the House of the following title:

### H. 200 An act relating to civil penalties for possession of marijuana

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the fourth day of June, 2013, he approved and signed bills originating in the House of the following titles:

- H. 101 An act relating to hunting, fishing and trapping
- H. 107 An act relating to health insurance, Medicaid, the Vermont Health Benefit Exchange and the Green Mountain Care Board

### Message from Governor

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

### Mr. Speaker:

I am directed by the Governor to inform the House that on the tenth day of June, 2013, he approved and signed bills originating in the House of the following titles:

# H. 169 An act relating to relieving employers' experience-rating records

### H. 515 An act relating to miscellaneous agricultural subjects

### **Message from Governor**

A message was received from His Excellency, the Governor, by Mr. Louis Porter, Secretary of Civil and Military Affairs, as follows:

Mr. Speaker:

I am directed by the Governor to inform the House that on the seventeenth day of June, 2013, he approved and signed bills originating in the House of the following titles:

- H. 395 An act relating to the establishment of the Vermont Clean Energy Loan Fund
- H. 405 An act relating to manure management and anaerobic digesters
- H. 520 An act relating to reducing energy costs and greenhouse gas emissions

### Message from the Senate No. 82

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

### Mr. Speaker:

I am directed to inform the House that:

The Governor has informed the Senate that on the twentieth day of May, 2013, he approved and signed bills originating in the Senate of the following titles:

- **S. 14.** An act relating to payment of agency fees and collective bargaining service fees.
  - **S. 30.** An act relating to siting of electric generation plants.
  - **S. 77.** An act relating to patient choice and control at end of life.
- **S. 88.** An act relating to telemedicine services delivered outside a health care facility.
  - **S. 99.** An act relating to the standard measure of recidivism.
  - **S. 104.** An act relating to expedited partner therapy.

The Governor has informed the Senate that on the twenty-second day of May, 2013, he approved and signed a bill originating in the Senate of the following title:

**S. 11.** An act relating to the Austine School.

The Governor has informed the Senate that on the twenty-fourth day of May, 2013, he approved and signed bills originating in the Senate of the following titles:

- **S. 7.** An act relating to social networking privacy protection.
- **S. 59.** An act relating to independent direct support providers.
- **S. 132.** An act relating to sheriffs, deputy sheriffs, and the service of process.

The Governor has informed the Senate that on the twenty-ninth day of May, 2013, he approved and signed a bill originating in the Senate of the following title:

**S. 152.** An act relating to health care financing.

The Governor has informed the Senate that on the thirtieth day of May, 2013, he approved and signed a bill originating in the Senate of the following title:

**S. 150.** An act relating to miscellaneous amendments to laws related to motor vehicles.

The Governor has informed the Senate that on the third day of June, 2013, he approved and signed bills originating in the Senate of the following titles:

- **S. 1.** An act relating to studies on classification of criminal offenses, development of a cost-benefit model for assessing criminal and juvenile justice programs, and the role of administrative hearing officers.
- **S. 20.** An act relating to increasing the statute of limitations for certain sex offenses against children.
- **S. 31.** An act relating to consideration of interests in revocable estate planning instruments when making a property settlement in a divorce proceeding.
  - **S. 61.** An act relating to alcoholic beverages.
- **S. 73.** An act relating to the moratorium on home health agency certificates of need.
  - **S. 156.** An act relating to home visiting standards.

The Governor has informed the Senate that on the fourth day of June, 2013, he approved and signed bills originating in the Senate of the following titles:

- **S. 4.** An act relating to health and schools.
- **S. 18.** An act relating to automated license plate recognition systems.
- **S. 148.** An act relating to criminal investigation records and the Vermont Public Records Act.

The Governor has informed the Senate that on the fourth day of June, 2013, he approved and signed a bill originating in the Senate of the following title:

**S. 38.** An act relating to expanding eligibility for driving and identification privileges in Vermont.

The Governor has informed the Senate that on the sixth day of June 2013, he approved and signed a bill originating in the Senate of the following title:

**S. 130.** An act relating to encouraging flexible pathways to secondary school completion.

The Governor has informed the Senate that on the seventh day of June, 2013, he approved and signed bills originating in the Senate of the following titles:

- **S. 37.** An act relating to tax increment financing districts.
- **S. 155.** An act relating to creating a strategic workforce development needs assessment and strategic plan.

The Governor has informed the Senate that on the tenth day of June, 2013, he approved and signed a bill originating in the Senate of the following title:

**S. 157.** An act relating to modifying the requirements for hemp production in the State of Vermont.

The Governor has informed the Senate that on the thirteenth day of June, 2013, he approved and signed bills originating in the Senate of the following titles:

- **S. 81.** An act relating to the regulation of octaBDE, pentaBDE, decaBDE, and the flame retardant known as Tris in consumer products.
- **S. 85.** An act relating to workers' compensation for firefighters and rescue or ambulance workers.