# Journal of the House

# Thursday, March 20, 2014

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

# **Devotional Exercises**

Devotional exercises were conducted by the Speaker.

#### Message from the Senate No. 32

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

Mr. Speaker:

I am directed to inform the House that:

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

**S. 195.** An act relating to increasing the penalties for second or subsequent convictions for disorderly conduct, and creating a new crime of aggravated disorderly conduct.

S. 221. An act relating to providing statutory purposes for tax expenditures.

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

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

**J.R.H. 15.** Joint resolution urging Congress to support H.R. 485, The National Nurse Act of 2013.

And has adopted the same in concurrence.

#### **Action on Bill Postponed**

#### **H. 448**

House bill, entitled

An act relating to Act 250 and primary agricultural soils

Was taken up and pending second reading of the bill, on motion of **Rep. Stevens of Shoreham**, action on the bill was postponed until the next legislative day.

#### **Action on Bill Postponed**

#### **H. 876**

House bill, entitled

An act relating to making miscellaneous amendments and technical corrections to education laws

Was taken up and pending second reading of the bill, on motion of **Rep.** Juskiewicz of Cambridge, action on the bill was postponed until the next legislative day.

#### **Action on Bill Postponed**

# H. 878

House bill, entitled

An act relating to prevailing wages

Was taken up and pending second reading of the bill, on motion of **Rep. Moran of Wardsboro**, action on the bill was postponed until Wednesday, March 26, 2014.

#### Third Reading; Bill Passed

#### H. 325

House bill, entitled

An act relating to a bill of rights for children of arrested and incarcerated parents

Was taken up, read the third time and passed.

# **Bill Amended, Read Third Time and Passed**

#### H. 646

House bill, entitled

An act relating to unemployment insurance

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

<u>First</u>: In Sec. 5, 21 V.S.A. § 1343, in subdivision (a)(8), after the words "<u>four weeks</u>" by inserting the following:

or extend beyond the date of separation as provided in the employee's notice to the employer

<u>Second</u>: In Sec. 6, 21 V.S.A. § 1459, by striking out the section in its entirety and inserting in lieu thereof the following:

Sec. 6. 21 V.S.A. § 1459 is amended to read:

# § 1459. CHARGING BENEFITS

STC benefits paid to an employee shall be charged to his or her STC employer's experience rating records the employers in the base period. Reimbursable employers participating in the STC program Program shall be assessed for the STC benefits paid their employees.

<u>Third</u>: In Sec. 7, by striking out the section in its entirety, and inserting in lieu thereof the following:

### Sec. 7. SUNSET

Sec. 4, 21 V.S.A. § 1340a (self-employment assistance program), shall be repealed on January 1, 2017.

<u>Fourth</u>: In Sec. 9, by striking out the section in its entirety and inserting in lieu thereof the following:

### Sec. 9. EFFECTIVE DATES

(a) This section, Secs. 1–3, 4(h) (rulemaking for self-employment assistance program), and 5–7 shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 4(a)–(g) and (i) shall apply retroactively on January 1, 2014.

(c) Sec. 8 shall take effect on July 1, 2014.

Which was agreed to.

Thereupon, the bill was read the third time.

Pending the question, Shall the bill pass? **Rep. Young of Glover** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass? was decided in the affirmative. Yeas, 136. Nays, 0.

Those who voted in the affirmative are:

Ancel of Calais Bartholomew of Hartland Batchelor of Derby Beyor of Highgate Bissonnette of Winooski Botzow of Pownal \* Bouchard of Colchester Branagan of Georgia Brennan of Colchester Browning of Arlington Burditt of West Rutland Burke of Brattleboro Campion of Bennington Canfield of Fair Haven Carr of Brandon Christie of Hartford Clarkson of Woodstock Cole of Burlington Condon of Colchester Connor of Fairfield Conquest of Newbury Consejo of Sheldon Corcoran of Bennington Cross of Winooski Cupoli of Rutland City Dakin of Chester Davis of Washington Deen of Westminster Devereux of Mount Holly Dickinson of St. Albans Town Donaghy of Poultney 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 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 Head of South Burlington Heath of Westford Hebert of Vernon Helm of Fair Haven Higley of Lowell Hooper of Montpelier Hoyt of Norwich

Hubert of Milton Huntley of Cavendish Jerman of Essex Johnson of South Hero Johnson of Canaan Juskiewicz of Cambridge Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Koch of Barre Town Krebs of South Hero Krowinski of Burlington Kupersmith of South Burlington Lanpher of Vergennes Larocque of Barnet Lawrence of Lyndon Lenes of Shelburne Lewis of Berlin Lippert of Hinesburg Macaig of Williston Malcolm of Pawlet Manwaring of Wilmington Marcotte of Coventry Marek of Newfane Martin of Springfield Masland of Thetford McCarthy of St. Albans City McCullough of Williston McFaun of Barre Town Michelsen of Hardwick Miller of Shaftsbury Mitchell of Fairfax Mook of Bennington Moran of Wardsboro Morrissey of Bennington 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 Poirier of Barre City Potter of Clarendon Pugh of South Burlington Ouimby of Concord Rachelson of Burlington Ralston of Middlebury Ram of Burlington Russell of Rutland City Ryerson of Randolph Savage of Swanton Sharpe of Bristol Shaw of Pittsford Smith of New Haven South of St. Johnsbury Stevens of Waterbury Strong of Albany Stuart of Brattleboro Taylor of Barre City Terenzini of Rutland Town Till of Jericho Toleno of Brattleboro Toll of Danville Townsend of South Burlington Trieber of Rockingham Turner of Milton Van Wyck of Ferrisburgh Vowinkel of Hartford Waite-Simpson of Essex Webb of Shelburne Weed of Enosburgh Wilson of Manchester Winters of Williamstown Wizowaty of Burlington Woodward of Johnson Wright of Burlington Yantachka of Charlotte Young of Glover Zagar of Barnard

Those who voted in the negative are: none

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

Buxton of Tunbridge

Copeland-Hanzas of Bradford Fisher of Lincoln Kilmartin of Newport City Komline of Dorset Martin of Wolcott McCormack of Burlington Scheuermann of Stowe Shaw of Derby Smith of Morristown Spengler of Colchester Stevens of Shoreham Sweaney of Windsor

#### Rep. Botzow of Pownal explained his vote as follows:

"Mr. Speaker:

The strong vote for this Unemployment Insurance Bill tells me we are on the right track in addressing an important insurance program for our workers and our employers. I would especially like to thank the Representative from Bristol for his work on the disregarded earnings section."

# Third Reading; Bills Passed

House bills of the following titles were severally taken up, read the third time and passed:

# H. 699

House bill, entitled

An act relating to temporary housing

# **H. 758**

House bill, entitled

An act relating to Worker Adjustment and Retraining Notification

# **H. 866**

House bill, entitled

An act relating to qualifications of judicial officers and judicial selection and retention

# **H. 874**

House bill, entitled

An act relating to consent for admission to hospice care and for DNR/COLST orders

### **H. 875**

House bill, entitled

An act relating to the elimination of a defendant's right to a trial by jury in traffic appeals and fines for driving with license suspended

# Bill Read Second Time; Bill Amended; Third Reading Ordered

# **H. 877**

**Rep. Consejo of Sheldon** spoke for the committee on Government Operations.

House bill entitled

An act relating to repeal of report requirements that are at least five years old

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

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

<u>First</u>: In Sec. 76, 2009 Acts and Resolves No. 43, Sec. 31, by striking out subdivision (f)(3) in its entirety and inserting in lieu thereof the following:

(3) Outside the legislative session, the department of mental health <u>Department of Mental Health</u> shall provide quarterly updates to the joint fiscal committee <u>Joint Fiscal Committee</u> and the mental health oversight committee <u>Mental Health Oversight Committee</u> on the progress toward completing the facility and developing the residential recovery program. <u>The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.</u>

<u>Second</u>: In Sec. 112, subdivision (4), by striking out "<u>580(b) and 1196 (25</u> by <u>25 state goal report</u>)" and inserting in lieu thereof: <u>580(b) (25 by 25 state goal report)</u>, <u>1196 (Connecticut River Watershed Advisory Commission report)</u>

<u>Third</u>: By striking out Secs. 46, 47, 74, 85, and 90 in their entirety and by renumbering the remaining sections of the bill to be numerically correct.

Which was agreed to.

Thereupon, third reading of the bill was ordered.

# **Bill Read Second Time; Third Reading Ordered**

#### H. 879

**Rep. Lippert of Hinesburg** spoke for the committee on Judiciary.

House bill entitled

An act relating to administrative hearing officers

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

#### Joint Assembly

At ten o'clock and thirty minutes in the forenoon, the hour for the Joint Assembly having arrived, pursuant to the provisions of Joint resolution, entitled

J.R.S. 46. Joint resolution providing for a Joint Assembly to vote on the retention of six Superior Judges;

The Senate appeared in the Hall of the House.

Thereupon, the Joint Assembly having concluded its session, at eleven o'clock and fifty minutes in the forenoon, the Speaker resumed the Chair.

# **Favorable Report; Third Reading Ordered**

#### H. 869

**Rep. Connor of Fairfield** spoke for the committee on Agriculture and Forest Products.

**Rep. Johnson of Canaan**, for the committee on Ways and Means, to which had been referred House bill, entitled

An act relating to miscellaneous agricultural subjects

Reported in favor of its passage. The bill, having appeared on the Calendar one day for notice, was taken up, read the second time and third reading ordered.

#### Recess

At twelve o'clock and two minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

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

#### **Favorable Report; Third Reading Ordered**

# **H. 871**

**Rep. Devereux of Mount Holly** spoke for the committee on Government Operations.

**Rep. O'Brien of Richmond**, for the committee on Appropriations, to which had been referred House bill, entitled

An act relating to miscellaneous pension changes

Reported in favor of its passage. The bill, having appeared on the Calendar one day for notice, was taken up, read the second time and third reading ordered.

#### **Bill Amended; Third Reading Ordered**

# **H. 728**

**Rep. French of Randolph**, for the committee on Human Services, to which had been referred House bill, entitled

An act relating to developmental services' system of care

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. chapter 204A is amended to read:

#### CHAPTER 204A. DEVELOPMENTAL DISABILITIES ACT

\* \* \*

#### § 8722. DEFINITIONS

As used in this chapter:

\* \* \*

(2) "Developmental disability" means a severe, chronic disability of a person that is manifested before the person reaches the age of 18 years of age and results in:

(A) mental retardation intellectual disability, autism, or pervasive developmental disorder; and

(B) deficits in adaptive behavior at least two standard deviations below the mean for a normative comparison group.

\* \* \*

# § 8723. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; DUTIES

The department Department shall plan, coordinate, administer, monitor, and evaluate state <u>State</u> and federally funded services for people with developmental disabilities and their families within Vermont. The department of disabilities, aging, and independent living <u>Department</u> shall be responsible for coordinating the efforts of all agencies and services, government and private, on a statewide basis in order to promote and improve the lives of

individuals with developmental disabilities. Within the limits of available resources, the department Department shall:

(1) <u>Promote promote</u> the principles stated in section 8724 of this title and shall carry out all functions, powers, and duties required by this chapter by collaborating and consulting with people with developmental disabilities, their families, guardians, community resources, organizations, and people who provide services throughout the state. <u>State</u>;

(2) <u>Develop and develop</u>, maintain, and monitor an equitably and efficiently allocated statewide system of community-based services that reflect the choices and needs of people with developmental disabilities and their families-;

(3) Acquire and <u>acquire</u>, administer, <u>and exercise fiscal oversight over</u> funding for these <u>community-based</u> services <del>and identify needed resources and legislation.</del>, including the management of State contracts;

(4) <u>identify resources and legislation needed to maintain a statewide</u> <u>system of community-based services;</u>

(5) Establish establish a statewide procedure for applying for services-;

(5)(6) Facilitate <u>facilitate</u> or provide pre-service or in-service training and technical assistance to service providers consistent with the system of care plan-:

(6)(7) Provide quality assessment and quality improvement support for the services provided throughout the state. <u>maintain a statewide system of</u> <u>quality assessment and assurance for services provided to people with</u> <u>developmental disabilities and provide quality improvement support to ensure</u> <u>that the principles of service in section 8724 of this title are achieved;</u>

(7)(8) Encourage encourage the establishment and development of locally administered and locally controlled nonprofit services for people with developmental disabilities based on the specific needs of individuals and their families-;

(8)(9) Promote promote and facilitate participation by people with developmental disabilities and their families in activities and choices that affect their lives and in designing services that reflect their unique needs, strengths, and cultural values-;

(9)(10) Promote promote positive images and public awareness of people with developmental disabilities and their families:

(10)(11) Certify certify services that are paid for by the department. Department; and

(11)(12) Establish establish a procedure for investigation and resolution of complaints regarding the availability, quality, and responsiveness of services provided throughout the state State.

\* \* \*

# § 8725. SYSTEM OF CARE PLAN

\* \* \*

(d) The department Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year, the Department shall report annually to the governor Governor and the general assembly committees of jurisdiction regarding implementation of the plan and shall make annual revisions as needed, the extent to which the principles of service set forth in section 8724 of this title are achieved, and whether people with developmental disabilities have any unmet service needs, including the number of people on waiting lists for developmental services.

\* \* \*

### Sec. 2. SYSTEM OF CARE STUDY COMMITTEE

(a) Creation. There is created a System of Care Study Committee to examine the process by which people with developmental disabilities and their families receive State-funded services, including the manner in which the System of Care Plan is created and reviewed prior to taking effect.

(b) Membership. The Study Committee shall be composed of the following <u>12 members:</u>

(1) a representative of the House Committee on Appropriations, who shall be appointed by the Speaker of the House;

(2) a representative of the House Committee on Human Services, who shall be appointed by the Speaker of the House;

(3) a representative of the Senate Committee on Appropriations, who shall be appointed by the Committee on Committees;

(4) a representative of the Senate Committee on Health and Welfare, who shall be appointed by the Committee on Committees;

(5) the Commissioner of Disabilities, Aging, and Independent Living or a designee;

(6) the Director of the Department of Disabilities, Aging, and Independent Living's Developmental Disabilities Services Division;

(7) a representative of the Vermont Developmental Disabilities Council;

(8) a representative of the Vermont Council on Developmental and Mental Health Services;

(9) a representative of the Green Mountain Self Advocates;

(10) a representative of Vermont Family Network;

(11) a consumer or family member representing the State Program Standing Committee for Developmental Disabilities, who shall be appointed by the Standing Committee; and

(12) a nongovernmental member of the Developmental Disabilities Services Imagine the Future Task Force, who shall be appointed by the Task Force and who shall ensure that the findings and recommendations of the Task Force are included in the discussions of the Study Committee.

(c) Powers and duties. The Study Committee shall examine the process by which people with developmental disabilities and their families receive State-funded services, including the following tasks:

(1) review 18 V.S.A. chapter 204A;

(2) assess how Vermont's existing developmental disability service system compares with other programs administered by the Agency of Human Services in terms of prioritizing who receives services among the population of eligible recipients;

(3) identify concerns or shortcomings in the existing process for serving people with developmental disabilities and their families, if any;

(4) identify opportunities during the development of the System of Care Plan to augment community participation, legislative participation, or both, as necessary; and

(5) identify specific legislative changes to 18 V.S.A. chapter 204A that would ensure equitable distribution of services to people with developmental disabilities and their families, if necessary.

(d) Assistance. The Study Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council.

(e) Recommended Legislation.

(1) On or before December 15, 2014, the Study Committee shall submit a report containing its findings and recommendations, including any proposed legislative changes to 18 V.S.A. chapter 204A, to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare.

(2) Any member or members of the Study Committee who do not support the report submitted by a majority of Study Committee members may prepare and submit a minority report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare.

(f) Meetings.

(1) The house member representing the Committee on Human Services shall call the first meeting of the Study Committee to occur on or before August 15, 2014.

(2) The Study Committee shall select a chair from among its legislative members at the first meeting.

(3)(A) A majority of the members of the Study Committee shall be physically present at the same location to constitute a quorum.

(B) A member may vote only if physically present at the meeting location.

(4) The Study Committee shall cease to exist on January 1, 2015.

(g) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, legislative members of the Study Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than four meetings.

(2) Other members of the Study Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for no more than four meetings.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

**Rep. Manwaring of Wilmington**, for the committee on Appropriations recommended that the bill ought to pass when amended, as recommended by the committee on Human Services.

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

#### **Bill Amended; Third Reading Ordered**

# H. 791

**Rep. Stevens of Waterbury**, for the committee on General, Housing and Military Affairs, to which had been referred House bill, entitled

An act relating to the Housing First Study Committee

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

# Sec. 1. FINDINGS

The General Assembly finds:

(1) The "housing first" approach is a system of services for people living with homelessness, which includes emergency shelters, transitional housing, and permanent supportive housing. The "housing first" approach is premised on the belief that homeless and at-risk people are more responsive to interventions and social services support after they are in their own housing, rather than while living in temporary or transitional housing programs. The "housing first" approach stresses the immediate return to independent living.

(2) Interest in the "housing first" approach has grown recently with the success of the "Utah" model. The "housing first" approach may not be appropriate for every homeless person.

(3) There is a program in Vermont that has developed a rural model and has been considered successful by social and financial measures. The State of Vermont and other states have developed supportive housing programs that may provide similar services for individuals and families whose living conditions are unstable and transitional.

# Sec. 2. HOUSING FIRST STUDY COMMITTEE; REPORT

(a) Creation. There is created a committee to evaluate and investigate the causes and conditions of chronic homelessness, as defined by the federal HEARTH Act of 2009, 42 U.S.C. § 11360, throughout Vermont, and to

propose solutions that will provide stable and safe housing that individuals may afford.

(b) Membership. The Committee shall be composed of the following members:

(1) two members from the House of Representatives, who shall be appointed by the Speaker of the House;

(2) two members from the Senate, who shall be appointed by the Committee on Committees;

(3) a representative of the Vermont Affordable Housing Coalition;

(4) a representative of the Vermont Coalition to End Homelessness;

(5) the Executive Director of the Vermont State Housing Authority or designee;

(6) the Director of Housing for the Agency of Human Services or designee;

(7) a representative from the Vermont Apartment Owners Association;

(8) the Executive Director of the Vermont Housing Finance Agency or designee;

(9) the Commissioner of Mental Health or designee;

(10) the Commissioner of Corrections or designee;

(11) the Executive Director of Pathways Vermont or designee.

(12) the Executive Director of the Vermont Housing and Conservation Board or designee; and

(13) a member of the public who has experienced homelessness, who shall be appointed, following the appointment of the Chair of the Committee, by the Chair of the Committee at the first Committee meeting.

(c) Powers and duties. The Committee shall:

(1) evaluate and investigate the causes and conditions of chronic homelessness in Vermont, and propose solutions to providing stable and safe housing that individuals may afford;

(2) evaluate and investigate the experience and results of existing programs that currently address the needs of individuals who are or have been chronically homeless; and

(3) conduct an analysis of supportive housing programs including:

(A) the service costs of one or more service providers;

(B) the costs associated with creating additional housing units dedicated for these models;

(C) the outcomes to be measured to determine whether the clients served will be better off; and

(D) the costs associated with providing rental subsidies.

(d)(1) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council and the Joint Fiscal Office.

(2) The Joint Fiscal Office, in consultation with the Agency of Human Services and other agencies represented on the Committee, shall prepare an analysis of any projected savings or costs attributed to programs that address chronic homelessness, which shall be presented at the first meeting of the Committee.

(e) Report. On or before December 15, 2014, the Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The members representing the House and Senate shall jointly call the first meeting of the Housing First Study Committee to occur on or before August 1, 2014.

(2) The Committee shall select a chair from among its members at its first meeting.

(3)(A) A majority of the members of the Committee shall be physically present at the same location to constitute a quorum.

(B) A member may vote only if physically present at the meeting location.

(C) Action shall be taken only if there is both a quorum and a majority vote of the members physically present and voting.

(4) The Committee shall meet no more than six times.

(5) The Committee shall cease to exist on December 31, 2014.

(g) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem

compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than six meetings.

(2) Other members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for no more than six meetings.

(h) Appropriation. The General Assembly shall appropriate \$6,500.00 from the fiscal year 2015 General Fund to members of the Committee for per diem compensation and expenses reimbursement.

#### Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

**Rep. O'Brien of Richmond**, for the committee on Appropriations, recommended that the bill ought to pass when amended, as recommended by the committee on General, Housing and Military Affairs and when further amended as follows:

In Sec. 2, by striking subsection (h) in its entirety.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time, report of the committees on General, Housing and Military Affairs and Appropriations agreed to and third reading ordered.

# Senate Proposal of Amendment Concurred in

# H. 702

The Senate proposed to the House to amend House bill, entitled

An act relating to self-generation and net metering

<u>First</u>: In Sec. 1, 30 V.S.A. § 219a, in subdivision (e)(3) (excess generation; single nondemand meter), by striking out subdivision (A) and inserting in lieu thereof a new subdivision (A) to read:

(A) The electric company shall calculate a monetary credit to the customer by multiplying the excess kWh generated during the billing period by the kWh rate paid by the customer for electricity supplied by the company and shall apply the credit to any remaining charges on the customer's bill for that period;. If the applicable rate schedule includes inclining block rates:

(i) for a net metering system that does not use solar energy, the rate used for this calculation shall be a blend of those rates determined by adding together all of the revenues to the company during a recent test year

from kWh sold under those block rates and dividing the sum by the total kWh sold by the company at those rates during that same year; and

(ii) for a solar net metering system, the rate used for this calculation:

(I) during the ten years immediately following the system's installation shall be the highest of those block rates and, after this ten-year period, shall be the blended rate in accordance with subdivision (i) of this subdivision (A); or

(II) if the electric company's highest block rate exceeds the adder sum described in subdivision (h)(1)(K) of this section, then for the first year immediately following the system's installation, the electric company may use the adder sum to calculate the credit in lieu of the highest block rate, provided that during the following nine years, the electric company shall adjust the system's credit by a percentage equal to the percentage of each change in its highest block rate during the same period, and after the first ten years following the system's installation, the rate used to calculate the credit shall be the blended rate in accordance with subdivision (i) of this subdivision (A).

<u>Second</u>: In Sec. 1, 30 V.S.A. § 219a, in subsection (e) (electric energy measurement), by striking out subdivision (4) (excess generation; demand meter or time-of-use meter) and inserting in lieu thereof a new subdivision (4) to read:

(4) For a net metering system serving a customer on a demand or time-of-use rate schedule, the manner of measurement and the application of bill credits for the electric energy produced or consumed shall be substantially similar to that specified in this subsection for use with a single nondemand meter. However, if such a net metering system is interconnected directly to the electric company through a separate meter whose primary purpose is to measure the energy generated by the system:

(A) The bill credits shall apply to all kWh generated by the net metering system and shall be calculated as if the customer were charged the kWh rate component of the interconnecting company's general residential rate schedule that consists of two rate components: a service charge and a kWh rate, excluding time-of-use rates and demand rates.

(B) If a company's general residential rate schedule includes inclining block rates, the residential rate used for this calculation shall be the highest of those block rates a rate calculated in the same manner as under subdivision (3)(A) of this subsection (e).

<u>Third</u>: In Sec. 1, 30 V.S.A. § 219a, in subdivision (h)(1)(K)(i) (solar incentive calculation), by striking out subdivision (III) (inclining block rates) and inserting in lieu thereof a new subdivision (III) to read:

(III) If a company's general residential rate schedule includes inclining block rates, the residential rate shall be the highest of those block rates.

<u>Fourth</u>: In Sec. 1, 30 V.S.A. § 219a, by striking out subsection (m) in its entirety and inserting in lieu thereof a new subsection (m) to read as follows:

(m)(1) A facility for the generation of electricity to be consumed primarily by the Military Department established under 3 V.S.A. § 212 and 20 V.S.A. § 361(a) or the National Guard as defined in 32 U.S.C. § 101(3), and installed on property of the Military Department or National Guard located in Vermont, shall be considered a net metering system for purposes of this section if it has a capacity of 2.2 MW or less and meets the provisions of subdivisions (a)(3)(B)through (E) (a)(6)(B)–(D) of this section.

(2) If the interconnecting electric company agrees, a solar facility or group of solar facilities for the generation of electricity, to be installed by one or more municipalities on a closed landfill, shall be considered a net metering system for purposes of this section if the facility or group of facilities has a total capacity of 5 MW or less and meets the provisions of subdivisions (a)(6)(B)–(D) of this section. The facilities or group of facilities may serve as a group net metering system that includes and is limited to each participating municipality. In this subdivision (2), "municipality" shall have the same meaning as under 24 V.S.A. § 4551.

(3) In addition to facilities authorized under subdivision (2) of this subsection, an interconnecting electric company may agree to one solar facility in its service territory for the generation of electricity to be installed and consumed primarily by a customer or group of customers, which shall be considered a net metering system for purposes of this section if:

(A) the facility has a total capacity of 5 MW or less and meets the provisions of subdivisions (a)(6)(B)–(D) of this section; and

(B) the interconnecting electric company does not undertake a pilot project under subsection (n) of this section.

(4) Such a <u>A</u> facility <u>described in this subsection</u> shall not be subject to and shall not count toward the capacity limits of subdivisions (a)(3)(A)(a)(6)(A) (no more than 500 kW) and (h)(1)(A) (four <u>15</u> percent of peak demand) of this section.

<u>Fifth</u>: In Sec. 1, 30 V.S.A. § 219a(n), in the first sentence, after "<u>facilities</u>" by inserting <u>to produce power</u> and, before "<u>installed</u>," by inserting <u>to be</u>

<u>Sixth</u>: In Sec. 1, 30 V.S.A. § 219a (self-generation and net metering), in subdivision (o)(1) (renewable energy achievement requirements), by striking out subdivision (B) and inserting in lieu thereof a new subdivision (B) to read:

(B) the electric company owns and has retired tradeable renewable energy credits monitored and traded on the New England Generation Information System or otherwise approved by the Board equivalent to 90 percent of the company's total periodic retail sales of electricity calculated on a monthly basis commencing with the effective date of this subsection (o) and switching to an annual basis beginning one year after the effective date of this subsection; and

Seventh: By adding a new Sec. 1a to read as follows:

Sec. 1a. CLOSED LANDFILL; MUNICIPAL SOLAR; PILOT PROJECT

(a) As a pilot project, the Public Service Board shall allow one solar facility or group of solar facilities, to be installed by one or more municipalities on a closed landfill in Windham County and treated as a net metering system under 30 V.S.A. § 219a(m)(2), to serve as a group net metering system that includes not only each participating municipality but also includes members who are not a municipality.

(b) This authority shall apply notwithstanding any provision in 30 V.S.A. § 219a(m)(2) to the contrary.

(c) This authority shall apply only if an application for a certificate of public good under 30 V.S.A. § 248 for the solar facility or group of solar facilities is filed before January 1, 2017.

<u>Eighth</u>: In Sec. 4, 30 V.S.A. § 8010, in subsection (c), by striking out subdivision (3) and inserting in lieu thereof a new subdivision (3) to read:

(3) The rules shall establish standards and procedures governing application for and issuance or revocation of a certificate of public good for net metering systems under the provisions of section 248 of this title. In establishing these standards and procedures, the rules:

(A) may waive the requirements of section 248 of this title that are not applicable to net metering systems, including criteria that are generally applicable to public service companies as defined in this title;

(B) may modify notice and hearing requirements of this title as the Board considers appropriate;

(C) shall seek to simplify the application and review process as appropriate; and

(D) with respect to net metering systems that exceed 150 kW in plant capacity, shall apply the so-called "Quechee" test for aesthetic impact as described by the Vermont Supreme Court in the case of In re Halnon, 174 Vt. 515 (2002) (mem.). The rules and application form shall state the components of this test.

<u>Ninth</u>: After Sec. 9, by inserting reader guides and Sec. 9a and Sec. 9b to read:

\* \* \* Advocacy; Regional Electric System \* \* \*

Sec. 9a. 30 V.S.A.  $\S$  2(f) is added to read:

(f) In all forums affecting policy and decision making for the New England region's electric system, including matters before the Federal Energy Regulatory Commission and the Independent System Operator of New England, the Department of Public Service shall advance positions that are consistent with the statutory policies and goals set forth in 10 V.S.A. §§ 578, 580, and 581 and sections 202a, 8001, and 8005 of this title. In those forums, the Department also shall advance positions that avoid or minimize adverse consequences to Vermont and its ratepayers from regional and inter-regional cost allocation for transmission projects. This subsection shall not compel the Department to initiate or participate in litigation and shall not preclude the Department from entering into agreements that represent a reasonable advance to these statutory policies and goals.

\* \* \* SPEED Program; Environmental Attributes \* \* \*

# Sec. 9b. STUDY; REPORT; SPEED PROJECTS; ENVIRONMENTAL ATTRIBUTES

(a) As used in this section:

(1) "2017 SPEED goal" means the statewide goal described in 30 V.S.A. § 8005(d) to assure that 20 percent of total statewide electric retail during the year commencing January 1, 2017 shall be generated by SPEED resources that constitute new renewable energy as defined in 30 V.S.A. § 8002.

(2) "Department" means the Department of Public Service established under 3 V.S.A. § 212 and 30 V.S.A. § 1.

(3) "Environmental attributes," "renewable energy," "plant," "SPEED resources" and "tradeable renewable energy credits" shall have the same meaning as under 30 V.S.A. § 8002.

(b) On or before December 1, 2014, the Department shall commence and complete a study and produce a report on:

(1) the environmental and economic benefits and costs of requiring contracts with renewable energy plants commencing construction on and after the effective date of this section to attach environmental attributes, including any associated tradeable renewable energy credits, in order to count toward the 2017 SPEED goal; and

(2) the environmental and economic benefits and costs of Vermont's adopting a renewable portfolio standard.

(c) The report described in subsection (b) of this section shall include the Department's recommendation on whether contracts with renewable energy plants commencing construction on and after the effective date of this section should attach environmental attributes in order to count toward the 2017 SPEED goal.

(d) The Department shall submit the report described in subsection (b) of this section to the House Committee on Commerce and Economic Development, the Senate Committee on Finance, and the House and Senate Committees on Natural Resources and Energy.

<u>Tenth</u>: In Sec. 10 (effective dates, applicability; implementation), in subsection (a), after the first parenthetical phrase, by striking out "<u>and</u>" and inserting a new comma and after the second parenthetical phrase, by inserting , 9a (advocacy; regional electric system) and 9b (study; report; speed projects; <u>environmental attributes</u>)

<u>Eleventh</u>: In Sec. 10 (effective dates; applicability; implementation), in subsection (b), by striking out the first sentence and inserting in lieu thereof:

In this subsection, "amended subdivisions" means 30 V.S.A. \$ 219a(e)(3)(A) (credits), (e)(4)(B)(credits), and (h)(1)(K) (mandatory solar incentive) as amended by Sec. 1 of this act.

<u>Twelfth</u>: In Sec. 10 (effective dates; applicability; implementation), by adding a subsection (h) to read:

(h) During statutory revision, the Office of Legislative Council shall substitute the actual dates for the phrases, in 30 V.S.A. § 219a(o)(1)(B), "effective date of this subsection" and "one year after the effective date of this subsection."

<u>Thirteenth</u>: In Sec. 10 (effective dates; applicability; implementation), by adding a new subsection (i) to read:

(i) Sec. 1a (closed landfill; municipal solar; pilot project) shall take effect on passage.

Which proposal of amendment was considered and concurred in.

# Adjournment

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