

# Journal of the House

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**Tuesday, April 29, 2014**

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

## **Devotional Exercises**

Devotional exercises were conducted by John Fox of Rochester, NY.

## **Pledge of Allegiance**

**Page Rachel Sucher of Montpelier** led the House in the Pledge of Allegiance.

## **Message from the Senate No. 55**

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. 581.** An act relating to guardianship of minors.

**H. 809.** An act relating to designation of new town centers and growth centers.

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 on its part adopted joint resolution of the following title:

**J.R.S. 57.** Joint resolution relating to weekend adjournment.

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

## **Bill Referred to Committee on Ways and Means**

### **S. 220**

Senate bill, entitled

An act relating to furthering economic development

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

**Bill Referred to Committee on Appropriations****S. 213**

Senate bill, entitled

An act relating to an employee's use of benefits

Appearing on the Calendar, carrying an appropriation, under rule 35a, was referred to the committee on Appropriations.

**Committee Relieved of Consideration  
and Bill Committed to Other Committee****S. 202**

**Rep. Ellis of Waterbury** moved that the committee on Rules be relieved of House bill, entitled

An act relating to the energy efficiency charge

And that the bill be committed to the committee on Natural Resources and Energy, which was agreed to.

**Third Reading; Bills Passed**

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

**H. 892**

House bill, entitled

An act relating to approval of the adoption and the codification of the charter of the Central Vermont Public Safety Authority;

**H. 893**

House bill, entitled

An act relating to approval of the adoption and the codification of the charter of the North Branch Fire District No. 1;

**H. 894**

House bill, entitled

An act relating to approval of amendments to the charter of the City of Montpelier and to merging the Montpelier Fire District No. 1 into the City of Montpelier.

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**Third Reading; Bill Passed in Concurrence  
With Proposal of Amendment**

**S. 234**

Senate bill, entitled

An act relating to Medicaid coverage for home telemonitoring services

Was taken up, read the third time and passed in concurrence with proposal of amendment.

**Proposal of Amendment Agreed to; Third Reading Ordered**

**S. 241**

**Rep. Weed of Enosburgh**, for the committee on General, Housing and Military Affairs, to which had been referred Senate bill, entitled

An act relating to binding arbitration for State employees

Reported in favor of its passage in concurrence with proposal of amendment as follows:

First: In Sec. 1, by striking out subsection (b) in its entirety and inserting a new subsection (b) to read:

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

(1) the Commissioner of Human Resources or designee;

(2) the Executive Director of the Vermont Bar Association or designee;

(3) one member appointed by the Vermont Troopers Association;

(4) one member appointed by the Vermont State Employees' Association; and

(5) the Attorney General or designee.

Second: In Sec. 1, by striking out subsection (c) in its entirety and inserting a new subsection (c) to read:

(c) Powers and duties. The Committee shall:

(1) study the issue of grievance arbitration for State employees;

(2) assess the relative merits of various grievance protocols, including arbitration and use of the Vermont Labor Relations Board, addressing the ability of these protocols to provide resolution of grievances in a manner that is

economical, timely, just, and provides for appropriate privacy protections for the parties; and

(3) study the impact on the State if the State does not request criminal history record information on its initial employee application form. As used in this subdivision, "criminal history record" shall have the same meaning as in 20 V.S.A. § 2056a.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time and the recommendation of proposal of amendment agreed to and third reading ordered.

**Proposal of Amendment Agreed to; Third Reading Ordered**

**S. 291**

**Rep. Hooper of Montpelier**, for the committee on Corrections and Institutions, to which had been referred Senate bill, entitled

An act relating to the establishment of transition units at State correctional facilities

Reported in favor of its passage in concurrence with proposal of amendment as follows:

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

**Sec. 1. TRANSITIONAL FACILITIES; DEPARTMENT OF  
CORRECTIONS; STUDY**

(a) Findings. The General Assembly finds that the Department of Corrections has experienced a rise in costs of \$17,624,076.00 since FY 2012. The General Assembly further finds that there are offenders in the State of Vermont who are eligible for release from State correctional facilities but who are not released due to a lack of suitable housing. The General Assembly further finds that recidivism is reduced and public safety is enhanced when offenders receive supervision as they transition to their home community. Therefore, it is the intent of the General Assembly that the Department of Corrections shall explore the creation of secure transitional facilities so that offenders may return to their home communities. It is also the intent of the General Assembly that the housing in these facilities include programs for employment, training, transportation, and other appropriate services. It is also the intent of the General Assembly that the Department of Corrections work with communities to gain support for these programs and services.

(b) Recommendations. The Commissioner of Corrections shall examine and make recommendations for the establishment of transitional facilities under the supervision of the Department of Corrections. The recommendations shall include an evaluation of costs associated with establishing transitional facilities, a detailed budget for funding transitional facilities, an estimate of State capital funding needs, potential site locations, a summary of the programming and services that are currently available to transitioning offenders, proposals for programming and services for transitioning offenders that may be needed, and eligibility guidelines for offenders to reside in transitional facilities, including the number of offenders who would be eligible for residence in a transitional facility.

(c) Report. On or before January 15, 2015, the Commissioner of Corrections shall submit the recommendations described in subsection (b) of this section to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(d) Definitions. As used in this section, “transitional facility” means housing intended to be occupied by offenders granted furloughs to work in the community.

## Sec. 2. 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 Corrections and Institutions.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time and the recommendation of proposal of amendment offered by the committee on Corrections and Institutions agreed to and third reading ordered.

## **Proposal of Amendment Agreed to; Third Reading Ordered**

### **S. 293**

**Rep. Evans of Essex**, for the committee on Government Operations, to which had been referred Senate bill, entitled

An act relating to reporting on population-level outcomes and indicators and on program-level performance measures

Reported in favor of its passage in concurrence with proposal of amendment as follows:

First: In Sec. 2, 3 V.S.A. chapter 45, subchapter 5, by striking out in its entirety § 2313 (performance contracts and grants) and inserting in lieu thereof a new § 2313 to read:

§ 2313. PERFORMANCE CONTRACTS AND GRANTS

(a) The Chief Performance Officer shall assist agencies as necessary in developing performance measures for contracts and grants.

(b) Annually, on or before July 30 and as part of any other report requirement to the General Assembly set forth in this subchapter, the Chief Performance Officer shall report to the General Assembly on the progress by rate or percent of how many State contracts and grants have performance accountability requirements and the rate or percent of contractors' and grantees' compliance with those requirements.

Second: By striking out in its entirety Sec. 3 (initial population-level indicators) and inserting in lieu thereof a new Sec. 3 to read:

Sec. 3. INITIAL POPULATION-LEVEL INDICATORS

Until any population-level indicators are requested pursuant to the provisions of Sec. 2 of this act, 3 V.S.A. § 2311(c) (requesting population-level indicators), each population-level quality of life outcome set forth in Sec. 2 of this act, 3 V.S.A. § 2311(b) (Vermont population-level quality of life outcomes), and listed in this section shall have the following population-level indicators:

(1) Vermont has a prosperous economy.

(A) percent or rate per 1,000 jobs of nonpublic sector employment;

(B) median household income;

(C) percent of Vermont covered by state-of-the-art telecommunications infrastructure;

(D) median house price;

(E) rate of resident unemployment per 1,000 residents;

(F) percent of structurally-deficient bridges, as defined by the Vermont Agency of Transportation; and

(G) percent of food sales that come from Vermont farms.

(2) Vermonters are healthy.

(A) percent of adults 20 years of age or older who are obese;

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- (B) percent of adults smoking cigarettes;
    - (C) number of adults who are homeless;
    - (D) percent of individuals and families living at different poverty levels;
    - (E) percent of adults at or below 200 percent of federal poverty level; and
    - (F) percent of adults with health insurance.
  - (3) Vermont's environment is clean and sustainable.
    - (A) cumulative number of waters subject to TMDLs or alternative pollution control plans;
    - (B) percent of water, sewer, and stormwater systems that meet federal and State standards;
    - (C) carbon dioxide per capita; and
    - (D) electricity by fuel or power type.
  - (4) Vermont's communities are safe and supportive.
    - (A) rate of petitions granted for relief from domestic abuse per 1,000 residents;
    - (B) rate of violent crime per 1,000 crimes;
    - (C) rate of sexual assault committed against residents per 1,000 residents;
    - (D) percent of residents living in affordable housing;
    - (E) percent or rate per 1,000 people convicted of crimes of recidivism;
    - (F) incarceration rate per 100,000 residents; and
    - (G) percent or rate per 1,000 residents of residents entering the corrections system.
  - (5) Vermont's families are safe, nurturing, stable, and supported.
    - (A) number and rate per 1,000 children of substantiated reports of child abuse and neglect;
    - (B) number of children who are homeless;
    - (C) number of families that are homeless; and

(D) number and rate per 1,000 children and youth of children and youth in out-of-home care.

(6) Vermont's children and young people achieve their potential, including:

(A) Pregnant women and young people thrive.

(i) percent of women who receive first trimester prenatal care;

(ii) percent of live births that are preterm (less than 37 weeks);

(iii) rate of infant mortality per 1,000 live births;

(iv) percent of children at or below 200 percent of federal poverty level; and

(v) percent of children with health insurance.

(B) Children are ready for school.

(i) percent of kindergarteners fully immunized with all five vaccines required for school;

(ii) percent of first-graders screened for vision and hearing problems;

(iii) percent of children ready for school in all five domains of healthy development; and

(iv) percent of children receiving State subsidy enrolled in high quality early childhood programs that receive at least four out of five stars under State standards.

(C) Children succeed in school.

(i) rate of school attendance per 1,000 children;

(ii) percent of children below the basic level of fourth grade reading achievement under State standards; and

(iii) rate of high school graduation per 1,000 high school students.

(D) Youths choose healthy behaviors.

(i) rate of pregnancy per 1,000 females 15–17 years of age;

(ii) rate of pregnancy per 1,000 females 18–19 years of age;

(iii) percent of adolescents smoking cigarettes;

(iv) percent of adolescents who used marijuana in the past 30 days;



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(v) percent of adolescents who reported ever using a prescription drug without a prescription;

(vi) percent of adolescents who drank alcohol in the past 30 days; and

(vii) number and rate per 1,000 minors of minors who are under the supervision of the Department of Corrections.

(E) Youths successfully transition to adulthood.

(i) percent of high school seniors with plans for education, vocational training, or employment;

(ii) percent of graduating high school seniors who continue their education within six months of graduation;

(iii) percent of all deaths for youths 10–19 years of age;

(iv) rate of suicide per 100,000 Vermonters;

(v) percent of adolescents with a suicide attempt that requires medical attention;

(vi) percent of high school graduates entering postsecondary education, work, or training;

(vii) percent of completion of postsecondary education; and

(viii) rate of high school graduates entering a training program per 1,000 high school graduates.

(7) Vermont's elders and people with disabilities and people with mental conditions live with dignity and independence in settings they prefer.

(A) rate of confirmed reports of abuse and neglect of vulnerable adults per 1,000 vulnerable adults; and

(B) percent of elders living in institutions versus home care.

(8) Vermont has open, effective, and inclusive government at the State and local levels.

(A) percent of youth who spoke to their parents about school;

(B) percent of youth who report they help decide what goes on in their school;

(C) percent of eligible population voting in general elections;

(D) percent of students volunteering in their community in the past week;

(E) percent of youth who feel valued by their community; and

(F) percent of youth that report their teachers care about them and give them encouragement.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time and the recommendation of proposal of amendment agreed to and third reading ordered.

### **Senate Proposal of Amendment Concurred in**

#### **H. 483**

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

An act relating to adopting revisions to Article 9 of the Uniform Commercial Code

First: In Sec. 1, in § 9-801, by striking out the following: “2013” and inserting in lieu thereof the following: 2014.

Second: In Sec. 2, by striking out the following: “2013” and inserting in lieu thereof the following: 2014.

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

In Sec. 1, in 9A V.S.A. § 9-805(b)(2)(B), by striking “2018” and inserting in lieu thereof 2019.

Which was agreed to.

### **Senate Proposal of Amendment Concurred in**

#### **H. 874**

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

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

First: By striking Sec. 2 in its entirety and inserting a new Sec. 2 to read as follows:

Sec. 2. 18 V.S.A. § 9708(f) is amended to read:

(f) The Department of Health shall adopt by rule ~~no later than~~ on or before July 1, ~~2014~~ 2016, 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:

(1) other individuals permitted to give informed consent for a DNR/COLST order who shall be a family member of the patient or a person with a known close relationship to the patient; and

(2) parameters for how decisions should be made, which shall include at a minimum the protection of a patient's own wishes in the same manner as in section 9711 of this title; ~~and~~

~~(3) access to a hospital's internal ethics protocols for use when there is a disagreement over the appropriate person to give informed consent.~~

Second: By adding three new sections to be numbered Secs. 3, 4 and 5 to read as follows:

Sec. 3. 14 V.S.A. § 3075(g) is amended to read:

(g)(1) The guardian shall obtain prior written approval by the ~~probate division~~ Probate Division of the ~~superior court~~ Superior Court following notice and hearing:

(A) if the person under guardianship objects to the guardian's decision, on constitutional grounds or otherwise;

(B) if the ~~court~~ Court orders prior approval for a specific surgery, procedure, or treatment, either in its initial order pursuant to subdivision 3069(c)(2) of this title or anytime after appointment of a guardian;

(C) except as provided in subdivision (2) of this subsection, and unless the guardian is acting pursuant to an advance directive, before withholding or withdrawing life-sustaining treatment other than antibiotics; or

(D) unless the guardian is acting pursuant to an advance directive, before consenting to a do-not-resuscitate order or clinician order for life-sustaining treatment, as defined in 18 V.S.A. § 9701(6), unless a clinician as defined in 18 V.S.A. § 9701(5) certifies that the person under guardianship is likely to experience cardiopulmonary arrest before ~~court~~ Court approval can be obtained. In such circumstances, the guardian shall immediately notify the ~~court~~ Court of the need for a decision, shall obtain the clinician's certification prior to consenting to the do-not-resuscitate order or clinician order for life-sustaining treatment, and shall file the clinician's certification with the ~~court~~ Court after consent has been given.

(2) The requirements of subdivision (1)(C) of this subsection shall not apply if obtaining a ~~court~~ Court order would be impracticable due to the need for a decision before ~~court~~ Court approval can be obtained. In such circumstances, the guardian shall immediately notify the ~~court~~ Court by

telephone of the need for a decision, and shall notify the ~~court~~ Court of any decision made.

Sec. 4. 18 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

As used in this chapter:

\* \* \*

(11) “Guardian” means a person appointed by the Probate Division of the Superior Court who has the authority to make medical decisions pursuant to 14 V.S.A. § 3069~~(b)~~(c).

\* \* \*

Sec. 5. 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~~ LIFE-SUSTAINING TREATMENT

(a) As used in this section, “DNR/COLST” shall mean a do-not-resuscitate order (“DNR”) and a clinician order for ~~life-sustaining~~ life-sustaining treatment (“COLST”) as defined in section 9701 of this title.

(b) A DNR order and a COLST shall be issued on the Department of Health’s “Vermont DNR/COLST form” as designated by rule by the Department of Health.

(c) Notwithstanding subsection (b) of this section, health care facilities and residential care facilities may document DNR/COLST orders in the patient’s medical record in a facility-specific manner when the patient is in their care.

(d) A DNR order must:

(1) be signed by the patient’s clinician;

(2) certify that the clinician has consulted, or made an effort to consult, with the patient, and the patient’s agent or guardian, if there is an appointed agent or guardian;

(3) include either:

(A) the name of the patient; agent; guardian, in accordance with 14 V.S.A. § 3075(g); or other individual giving informed consent for the DNR and the individual’s relationship to the patient; or

(B) certification that the patient's clinician and one other named clinician have determined that resuscitation would not prevent the imminent death of the patient, should the patient experience cardiopulmonary arrest; and

(4) if the patient is in a health care facility or a residential care facility, certify that the requirements of the facility's DNR protocol required by section 9709 of this title have been met.

(e) A COLST must:

(1) be signed by the patient's clinician; and

(2) include the name of the patient; agent; guardian, in accordance with 14 V.S.A. § 3075(g); or other individual giving informed consent for the COLST and the individual's relationship to the patient.

\* \* \*

And by renumbering the remaining section of the bill to be numerically correct.

Which proposal of amendment was considered and concurred in.

### **Senate Proposal of Amendment Concurred in**

#### **H. 875**

The Senate proposed to the House to amend 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

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

Sec. 1. 4 V.S.A. § 1109 is amended to read:

#### **§ 1109. REMEDIES FOR FAILURE TO PAY**

(a) As used in this section:

(1) "Amount due" means all financial assessments contained in a ~~judicial-bureau~~ Judicial Bureau judgment, including penalties, fines, surcharges, court costs, and any other assessment authorized by law.

(2) "Designated collection agency" means a collection agency designated by the ~~court administrator~~ Court Administrator.

(3) ~~"Designated credit bureau" means a credit bureau designated by the court administrator or the court administrator's designee.~~ [Repealed.]

(b) A ~~judicial-bureau~~ Judicial Bureau judgment shall provide notice that a \$30.00 fee shall be assessed for failure to pay within 30 days. If the defendant fails to pay the amount due within 30 days, the fee shall be added to the judgment amount and deposited in the ~~court-technology-special-fund~~ Court Technology Special Fund established pursuant to section 27 of this title.

(c) Civil contempt proceedings. If an amount due remains unpaid for 75 days after the ~~judicial-bureau~~ Judicial Bureau provides the defendant with a notice of judgment, the ~~judicial-bureau~~ Judicial Bureau may initiate civil contempt proceedings pursuant to this subsection.

(1) Notice of hearing. The ~~judicial-bureau~~ Judicial Bureau shall provide notice by first class mail sent to the defendant's last known address that a contempt hearing will be held pursuant to this subsection, and that failure to appear at the contempt hearing may result in the sanctions listed in subdivision (2) of this subsection.

(2) Failure to appear. If the defendant fails to appear at the contempt hearing, the hearing officer may direct the clerk of the ~~judicial-bureau~~ Judicial Bureau to do one or more of the following:

(A) cause the matter to be reported to one or more designated ~~credit bureaus~~ collection agencies; ~~or~~

(B) refer the matter to ~~criminal-division-of-the-superior-court~~ the Criminal Division of the Superior Court for contempt proceedings; or

(C) provide electronic notice thereof to the Commissioner of Motor Vehicles who shall suspend the person's operator's license or privilege to operate. However, the person shall become eligible for reinstatement if the amount due is paid or otherwise satisfied.

(3) Hearing. The hearing shall be conducted in a summary manner. The hearing officer shall examine the defendant and any other witnesses and may require the defendant to produce documents relevant to the defendant's ability to pay the amount due. The ~~state~~ State or municipality shall not be a party except with the permission of the hearing officer. The defendant may be represented by counsel at the defendant's own expense.

(4) Contempt.

(A) The hearing officer may conclude that the defendant is in contempt if the hearing officer states in written findings a factual basis for concluding that:

(i) the defendant knew or reasonably should have known that he or she owed an amount due on a ~~judicial bureau~~ Judicial Bureau judgment;

(ii) the defendant had the ability to pay all or any portion of the amount due; and

(iii) the defendant failed to pay all or any portion of the amount due.

(B) In the contempt order, the hearing officer may do one or more of the following:

(i) Set a date by which the defendant shall pay the amount due.

(ii) Assess an additional penalty not to exceed ten percent of the amount due.

(iii) ~~Direct the clerk of the judicial bureau to cause the matter to be reported to one or more designated credit bureaus. The court administrator or the court administrator's designee is authorized to contract with one or more credit bureaus for the purpose of reporting information about unpaid judicial bureau judgments~~ Order that the Commissioner of Motor Vehicles suspend the person's operator's license or privilege to operate. However, the person shall become eligible for reinstatement if the amount due is paid or otherwise satisfied.

(iv) ~~Recommend that the criminal division of the superior court Criminal Division of the Superior Court incarcerate the defendant until the amount due is paid. If incarceration is recommended pursuant to this subdivision (4), the judicial bureau Judicial Bureau shall notify the criminal division of the superior court Criminal Division of the Superior Court that contempt proceedings should be commenced against the defendant. The criminal division of the superior court Criminal Division of the Superior Court proceedings shall be de novo. If the defendant cannot afford counsel for the contempt proceedings in criminal division of the superior court the Criminal Division of the Superior Court, the defender general Defender General shall assign counsel at the defender general's Defender General's expense.~~

(d) Collections.

(1) If an amount due remains unpaid after the issuance of a notice of judgment, the ~~court administrator~~ Court Administrator may authorize the clerk of the ~~judicial bureau~~ Judicial Bureau to refer the matter to a designated collection agency.

(2) The ~~court administrator~~ Court Administrator or the ~~court administrator's~~ Court Administrator's designee is authorized to contract with one or more collection agencies for the purpose of collecting unpaid ~~judicial bureau~~ Judicial Bureau judgments pursuant to 13 V.S.A. § 7171.

(e) For purposes of civil contempt proceedings, venue shall be statewide.

(f) Notwithstanding 32 V.S.A. § 502, the ~~court administrator~~ Court Administrator is authorized to contract with a third party to collect fines, penalties, and fees by credit card, debit card, charge card, prepaid card, stored value card, and direct bank account withdrawals or transfers, as authorized by 32 V.S.A. § 583, and to add on and collect, or charge against collections, a processing charge in an amount approved by the ~~court administrator~~ Court Administrator.

Sec. 2. 23 V.S.A. § 674 is amended to read:

§ 674. OPERATING AFTER SUSPENSION OR REVOCATION OF  
LICENSE; PENALTY; REMOVAL OF REGISTRATION PLATES;  
TOWING

(a)(1) Except as provided in section 676 of this title, a person whose license or privilege to operate a motor vehicle has been suspended or revoked for a violation of this section or ~~subsections~~ subsection 1091(b), 1094(b), or 1128(b) or (c) of this title and who operates or attempts to operate a motor vehicle upon a public highway before the suspension period imposed for the violation has expired shall be imprisoned not more than two years or fined not more than \$5,000.00, or both.

(2) A person who violates section 676 of this title for the sixth or subsequent time shall, if the five prior offenses occurred after July 1, 2003, be imprisoned not more than two years or fined not more than \$5,000.00, or both.

(3) Violations of section 676 of this title that occurred prior to the date a person successfully completes the driving with license suspended diversion program or prior to the date that a person pays the amount due to the Judicial Bureau in accordance with subsection 2307(b) of this chapter shall not be counted as prior offenses under subdivision (2) of this subsection.

(b) Except as authorized in section 1213 of this title, a person whose license or privilege to operate a motor vehicle has been suspended or revoked for a violation of section 1201 of this title or has been suspended under section 1205 of this title and who operates or attempts to operate a motor vehicle upon a public highway before reinstatement of the license shall be imprisoned not



more than two years or fined not more than \$5,000.00, or both. The sentence shall be subject to the following mandatory minimum terms:

\* \* \*

Sec. 3. 23 V.S.A. § 2307 is amended to read:

§ 2307. REMEDIES FOR FAILURE TO PAY TRAFFIC VIOLATIONS

~~As used in this section,~~

(a) ~~“Amount due”~~ Definition. As used in this section, “amount due” means all financial assessments contained in a Judicial Bureau judgment, including penalties, fines, surcharges, court costs, and any other assessment authorized by law.

(b) Notice of risk of suspension. A judgment for a traffic violation shall contain a notice that failure to pay or otherwise satisfy the amount due within 30 days of the notice will result in suspension of the person’s operator’s license or privilege to operate, and the denial, if the person is the sole registrant, of the person’s application for renewal of a motor vehicle registration, until the amount due is paid or otherwise satisfied. If the defendant fails to pay the amount due within 30 days of the notice, or by a later date as determined by a judicial officer, and the case is not pending on appeal, the Judicial Bureau shall provide electronic notice thereof to the Commissioner of Motor Vehicles ~~who,~~ after. After 20 days from the date of receiving the electronic notice, the Commissioner shall:

(1) ~~suspend~~ Suspend the person’s operator’s license or privilege to operate for a period of 120 days. However, the person shall become eligible for reinstatement prior to expiration of the 120 days if the amount due is paid or otherwise satisfied.

(2) ~~and deny, if the person is the sole registrant,~~ Deny the person’s application for renewal of a motor vehicle registration, if the person is the sole registrant, until the amount due is paid or otherwise satisfied.

(c) During proceedings conducted pursuant to 4 V.S.A. § 1109, the hearing officer may apply the following mitigation remedies when the judgment is based upon a traffic violation. The hearing officer also may apply the remedies with or without a hearing when acting on a motion to approve a proposed DLS Diversion Program contract and related payment plan pursuant to 2012 Acts and Resolves No. 147, Sec. 2. Notwithstanding any other law, no entry fee shall be required and venue shall be statewide for motions to approve.

(1) The hearing officer may waive the reinstatement fee required by section 675 of this title or reduce the amount due on the basis of:

(A) the defendant's driving history, ability to pay, or service to the community;

(B) the collateral consequences of the violation; or

(C) the interests of justice.

(2) The hearing officer may specify a date by which the defendant shall pay the amount due and may notify the Commissioner of Motor Vehicles to reinstate the defendant's operator's license or privilege subject to payment of the amount due by the specified date. If the defendant fails to pay the amount due by the specified date, the Judicial Bureau may notify the Commissioner to suspend the defendant's operator's license or privilege. A license may be reinstated under this subdivision only if the defendant's license is suspended solely for failure to pay a judgment of the Judicial Bureau.

(3) The judicial officer shall have sole discretion to determine mitigation remedies pursuant to this subdivision, and the judicial officer's determination shall not be subject to review or appeal in any court, tribunal, or administrative office.

#### Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

And that after passage the title of the bill be amended to read: "An act relating to fines for driving with license suspended ".

Which proposal of amendment was considered and concurred in.

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

#### **H. 890**

House bill, entitled

An act relating to approval of amendments to the charter of the City of Burlington regarding the redistricting of City election areas

Was taken up and pending the question, Shall the House concur in the Senate proposal of amendment? on motion of **Rep. Cole of Burlington**, action on the bill was postponed until the next legislative day.

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

#### **J.R.H. 23**

**Rep. Quimby of Concord**, for the committee on Fish, Wildlife & Water Resources, to which had been referred Joint resolution, entitled

Joint resolution relating to the cleanup of Lake Champlain

Reported in favor of its passage when amended as follows:

By striking the first Whereas clause through the end of the resolution and inserting in lieu thereof the following:

Whereas, the quality of life in Vermont is tied to clean water that attracts businesses and tourists to Vermont; provides opportunities for swimming, boating, fishing, and viewing wildlife; is a source of potable drinking water; and is an important driver of the State economy, and

Whereas, discharge of nutrient pollutants from land into the Lake Champlain, Connecticut River, and Lake Memphremagog basins causes negative impacts on water quality, including algal blooms of cyanobacteria or blue-green algae, that harms animals and people, impairs recreational uses, diminishes aesthetic enjoyment, adversely affects the taste of drinking water, and harms the biological community, and

Whereas, the cost of addressing the negative effects of nutrient pollution in Vermont waters will continue to mount unless action is taken now to reduce the impact of land uses in order to curb the loading of nutrients into our waters, including Lake Champlain, and

Whereas, a Total Maximum Daily Load (TMDL) is a pollution budget approved under the Clean Water Act that caps the total amount of a pollutant that may enter an impaired body of water, and

Whereas, the Clean Water Act is concerned with controlling both “point sources” of pollution that include discharges from “discernible, confined and discrete conveyances” such as pipes, ditches, and tunnels, as well as “nonpoint sources” of pollution that include discharges from overland runoff, precipitation, atmospheric deposition, drainage, seepage, or hydrologic modification, and

Whereas, in January 2011, the U.S. Environmental Protection Agency (EPA) revoked its approval of the Vermont portion of the Lake Champlain TMDL, primarily because the plan did not provide sufficient reasonable assurances that the necessary reductions would be achieved from nonpoint sources of phosphorous, and

Whereas, the EPA is developing a new TMDL to require Vermont to reduce the total loading of phosphorous into Lake Champlain from Vermont sources

from 533 metric tons per year to 343 metric tons per year, a reduction of 39 percent, and

Whereas, the Vermont Department of Environmental Conservation (DEC) prepared a draft EPA Lake Champlain Phosphorus TMDL Phase 1 Plan for the new Lake Champlain TMDL that was presented to EPA that includes, among other measures, reduction of nonpoint phosphorous pollution from urban and suburban stormwater, agricultural stormwater, stormwater from roads, sediment and phosphorous discharges caused by stream bank erosion, and sediment and phosphorous discharges from forestry practices, and

Whereas, the broad policy commitments in the EPA Lake Champlain Phosphorus TMDL Phase 1 Plan are intended to provide EPA with reasonable assurance that the State can achieve reduced phosphorous loading largely through those nonpoint sources of phosphorous, and

Whereas, the EPA Lake Champlain Phosphorus TMDL Phase 1 Plan will serve as a model to improve water quality in water basins throughout Vermont, and

Whereas, implementation of the new TMDL will require significant resources over the next two decades, placing demands on Vermont municipalities, businesses, and farmers, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly requests that the EPA accept as “reasonable assurance” Vermont’s proposed EPA Lake Champlain Phosphorus TMDL Phase 1 Plan, when funded appropriately, and be it further

Resolved: That the General Assembly requests the U.S. Congress provide federal funds for a significant portion of the costs of implementing a comprehensive approach to cleaning up all of Vermont waters, including the new Lake Champlain TMDL, and be it further

Resolved: That the General Assembly requests the Administration propose additional new dedicated revenue sources to pay for an appropriate portion of the costs of cleaning up all the waters of Vermont and to implement the new Lake Champlain TMDL in a manner that minimizes financial impacts on Vermont farmers, businesses, and communities and allocates those costs fairly, and be it further

Resolved: That, despite the Administration’s unwillingness to collaborate with the General Assembly this year, the General Assembly will work with the Administration during the next biennium to enact legislation to ensure that

Vermont has the legal authority and resources necessary to implement the cleanup of Vermont waters and the new TMDL, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Administrator of the Environmental Protection Agency, the Vermont Congressional Delegation, New York Governor Andrew Cuomo, New York Speaker of the House Sheldon Silver, New Hampshire Governor Maggie Hassan, New Hampshire Speaker of the House Terie Norelli, Quebec Premier Philippe Couillard, and the National Assembly of Quebec

The resolution, having appeared on the Calendar one day for notice, was taken up, read the second time, report of the committee on Fish, Wildlife & Water Resources agreed to and third reading ordered.

**Proposal of Amendment Agreed to; Third Reading Ordered**

**S. 208**

**Rep. Ellis of Waterbury**, for the committee on Natural Resources and Energy, to which had been referred Senate bill, entitled

An act relating to solid waste management

Reported in favor of its passage in concurrence with proposal of amendment as follows:

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

\* \* \* Architectural Waste Recycling\* \* \*

**Sec. 1. FINDINGS**

The General Assembly finds that, for the purposes of Secs. 1–3 of this act:

(1) Certain waste from commercial development projects can create significant issues for the capacity and operation of landfills in the State.

(2) There are opportunities for materials recovery of certain waste from commercial development projects in a manner consistent with Vermont's solid waste management priorities of reuse and recycling.

(3) Substantial opportunity exists in Vermont for the recovery and recycling of certain materials in the waste from commercial development projects, including wood, drywall, asphalt shingles, and metal.

(4) To reduce the amount of waste from commercial development projects in landfills and improve materials recovery, the construction industry

should attempt to recover certain waste from commercial development projects from the overall waste stream.

Sec. 2. 10 V.S.A. § 6605m is added to read:

§ 6605m. ARCHITECTURAL WASTE RECYCLING

(a) Definitions. In addition to the definitions in section 6602 of this chapter, as used in this section:

(1) “Architectural waste” means discarded drywall, metal, asphalt shingles, clean wood, and treated or painted wood derived from the construction or demolition of buildings or structures.

(2) “Commercial project” means construction, renovation, or demolition of a commercial building or of a residential building with two or more residential units.

(b) Materials recovery requirement. Beginning on or after January 1, 2015, if a person produces 40 cubic yards or more of architectural waste at a commercial project located within 20 miles of a solid waste facility that recycles architectural waste, the person shall:

(1) arrange for the transfer of architectural waste from the project to a certified solid waste facility, which shall be required to recycle the architectural waste or arrange for its reuse unless the facility demonstrates to the Secretary a lack of a market for recycling or reuse and a plan for reentering the market when it is reestablished; or

(2) arrange for a method of disposition of the architectural waste that the Secretary of Natural Resources deems appropriate as an end use, including transfer of the architectural waste to an out-of-state facility that recycles architectural waste and similar materials.

(c) Transition; application. The requirements of this section shall not apply to a commercial project subject to a contract entered into on or before January 1, 2015 for the disposal or recycling of architectural waste from the project.

(d) Guidance on separation of hazardous materials. The Secretary of Natural Resources shall publish informational material regarding the need for a solid waste facility that recycles architectural waste to manage properly and provide for the disposition of hazardous waste and hazardous material in architectural waste delivered to a facility.

Sec. 3. ANR REPORT ON ARCHITECTURAL WASTE RECYCLING

On or before January 1, 2017, the Secretary of Natural Resources, after consultation with interested persons, shall submit to the Senate and House Committees on Natural Resources and Energy a report regarding implementation of the requirements for architectural waste recycling in the State under 10 V.S.A. § 6605m. The report shall include:

(1) a summary of the implementation of the requirements of 10 V.S.A. § 6605m for the recycling of architectural waste;

(2) an estimate of the amount of architectural waste recycled or reused since January 1, 2015;

(3) whether viable markets exist for the cost-effective recycling or reuse of additional components of the waste stream from commercial projects;

(4) a recommendation as to whether architectural waste should be banned from landfill disposal; and

(5) any other recommended statutory changes to the requirements of this section.

\* \* \* Solid Waste Management Facility Certification \* \* \*

Sec. 4. 10 V.S.A. § 6605 is amended to read:

§ 6605. SOLID WASTE MANAGEMENT FACILITY CERTIFICATION

\* \* \*

(j) A facility certified under this section that offers the collection of municipal solid waste shall:

\* \* \*

(l) A facility certified under this section that offers the collection of municipal solid waste shall not charge a separate fee for the collection of mandated recyclables. A facility certified under this section may incorporate the cost of the collection of mandated recyclables into the cost of the collection of municipal solid waste and may adjust the charge for the collection of municipal solid waste. A facility certified under this section may charge a separate fee for the collection of leaf and yard residuals or food residuals. If a facility collects mandated recyclables from a commercial hauler, the facility may charge a fee for the collection of those mandated recyclables.

Sec. 5. 10 V.S.A. § 6605c(a) is amended to read:

(a) Notwithstanding sections 6605, 6605f, and 6611 of this title, no person may construct, substantially alter, or operate any categorical solid waste

facility without first obtaining a certificate from the Secretary. Certificates shall be valid for a period not to exceed ~~five~~ 10 years.

\* \* \* Solid Waste Transporters; Mandated Recyclables \* \* \*

Sec. 6. 10 V.S.A. § 6607a is amended to read:

§ 6607a. WASTE TRANSPORTATION

(a) A commercial hauler desiring to transport waste within the State shall apply to the Secretary for a permit to do so, by submitting an application on a form prepared for this purpose by the Secretary and by submitting the disclosure statement described in section 6605f of this title. These permits shall have a duration of five years and shall be renewed annually. The application shall indicate the nature of the waste to be hauled. The Secretary may specify conditions that the Secretary deems necessary to assure compliance with ~~state~~ State law.

(b) As used in this section:

(1) "Commercial hauler" means:

(A) any person that transports regulated quantities of hazardous waste; and

(B) any person that transports solid waste for compensation in a vehicle ~~having a rated capacity of more than one ton.~~

(2) The commercial hauler required to obtain a permit under this section is the legal or commercial entity that is transporting the waste, rather than the individual employees and subcontractors of the legal or commercial entity. In the case of a sole proprietorship, the sole proprietor is the commercial entity.

\* \* \*

(g)(1) Except as set forth in subdivisions (2) and (3) of this subsection, a transporter certified under this section that offers the collection of municipal solid waste shall:

(A) Beginning July 1, 2015, offer to collect mandated recyclables separated from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.

(B) Beginning July 1, 2016, offer to collect leaf and yard residuals separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)–(5) of this title.



(C) Beginning July 1, 2017, offer collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)–(5) of this title.

(2) In a municipality that has adopted a solid waste management ordinance addressing the collection of mandated recyclables, leaf and yard residuals, or food residuals, a transporter in that municipality is not required to comply with the requirements of subdivision (1) of this subsection and subsection (h) of this section for the material addressed by the ordinance if the ordinance:

(A) is applicable to all residents of the municipality;

(B) prohibits a resident from opting out of ~~municipally provided~~ municipally provided solid waste services; and

(C) does not apply a variable rate for the collection for the material addressed by the ordinance.

(3) A transporter is not required to comply with the requirements of subdivision (1)(A), (B), or (C) of this subsection in a specified area within a municipality if:

(A) the Secretary has approved a solid waste implementation plan for the municipality;

(B) for purposes of waiver of the requirements of subdivision (1)(A) of this subsection (g), the Secretary determines that under the approved plan:

(i) the municipality is achieving the per capita disposal rate in the State Solid Waste Plan; and

(ii) the municipality demonstrates that its progress toward meeting the diversion goal in the State Solid Waste Plan is substantially equivalent to that of municipalities complying with the requirements of subdivision (1)(A) of this subsection (g);

(C) the approved plan delineates an area where solid waste management services required by subdivision (1)(A), (B), or (C) of this subsection (g) are not required; and

~~(C)(D)~~ (D) in the delineated area, alternatives to the services, including ~~on-site~~ on-site management, required under subdivision (1)(A), (B), or (C) of this subsection (g) are offered, the alternative services have capacity to serve the needs of all residents in the delineated area, and the alternative services are convenient to residents of the delineated area.

(h) A transporter certified under this section that offers the collection of municipal solid waste may not charge a separate line item fee on a bill to a residential customer for the collection of mandated recyclables, provided that a transporter may charge a fee for all service calls, stops, or collections at a residential property and a transporter may charge a tiered or variable fee based on the size of the collection container provided to a residential customer or the amount of waste collected from a residential customer. A transporter certified under this section may incorporate the cost of the collection of mandated recyclables into the cost of the collection of solid waste and may adjust the charge for the collection of solid waste. A transporter certified under this section that offers the collection of solid waste may charge a separate fee for the collection of leaf and yard residuals or food residuals from a residential customer.

\* \* \* Solid Waste Infrastructure Advisory Committee \* \* \*

#### Sec. 7. SOLID WASTE INFRASTRUCTURE ADVISORY COMMITTEE

(a) The Secretary of Natural Resources shall convene a Solid Waste Infrastructure Advisory Committee to review the current solid waste management infrastructure in the State, evaluate the sufficiency of existing solid waste management infrastructure to meet the requirements of subsection 6605(j) of this title, and recommend development or construction of new solid waste management infrastructure in the State.

(b) The Solid Waste Infrastructure Advisory Committee shall be composed of the Secretary of Natural Resources or his or her designee and the following members, to be appointed by the Secretary of Natural Resources:

(1) three representatives of the solid waste management districts or other solid waste management entities in the State;

(2) one representative of a solid waste collector that owns or operates a material recovery facility;

(3) two representatives of solid waste commercial haulers, provided that one of the commercial haulers shall serve rural or underpopulated areas of the State;

(4) one representative of recyclers of food residuals or leaf and yard residuals; and

(5) one Vermont institution or business subject to the requirements under subsection 6605(j) of this title for the management of food residuals.

(c) The Solid Waste Infrastructure Advisory Committee shall:

(1) review the existing systems analysis of the State waste stream to determine whether the existing solid waste management facilities operating in the State provide sufficient services to comply with the requirements of subsection 6605(j) of this title, and meet any demand for services;

(2) summarize the locations or service sectors where the State lacks sufficient infrastructure or resources to comply with the requirements of and demand generated by subsection 6605(j) of this title, including the infrastructure necessary in each location;

(3) estimate the cost of constructing the necessary infrastructure identified under subdivision (2) of this subsection; and

(4) review options for generating the revenue sufficient to fund the costs of constructing necessary infrastructure.

(d) Report. On or before January 15, 2015, the Solid Waste Infrastructure Advisory Committee shall submit to the Senate and House Committees on Natural Resources and Energy a report that includes the information and data developed under subsection (c) of this section.

\* \* \* Effective Date \* \* \*

#### Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

**Rep. Masland of Thetford** for the committeeon Ways and Means, recommended that the bill ought to pass when amended, as recommended by the committee on Natural Resources and Energy and when further amended as follows:

First: By adding Sec. 7a to read as follows:

\* \* \* Vermont Green Up Checkoff \* \* \*

Sec. 7a. 32 V.S.A. § 5862f is added to read:

#### § 5862f. VERMONT GREEN UP CHECKOFF

(a) Returns filed by individuals shall include, on a form prescribed by the Commissioner of Taxes, an opportunity for the taxpayer to designate funds to Vermont Green Up, Inc.

(b) Amounts so designated shall be deducted from refunds due to, or overpayments made by, the designating taxpayers. All amounts so designated and deducted shall be deposited in an account by the Commissioner of Taxes for payment to Vermont Green Up, Inc. If at any time after the payment of amounts so designated to the account it is determined that the taxpayer was not

entitled to all or any part of the amount so designated, the Commissioner may assess, and the account shall then pay to the Commissioner, the amount received, together with interest at the rate prescribed by section 3108 of this title, from the date the payment was made until the date of repayment.

(c) The Commissioner of Taxes shall explain to taxpayers the purposes of the account and how to contribute to it. The Commissioner shall make available to taxpayers the annual income and expense report of Vermont Green Up, Inc. and shall provide notice in the instructions for the State individual income tax return that the report is available at the Department of Taxes.

(d) If amounts paid with respect to a return are insufficient to cover both the amount owed on the return under this chapter and the amount designated by the taxpayer as a contribution to Vermont Green Up, Inc., the payment shall first be applied to the amount owed on the return under this chapter and the balance, if any, shall be deposited in the account.

(e) Nothing in this section shall be construed to require the Commissioner to collect any amount designated as a contribution to Vermont Green Up, Inc.

Second: By striking out Sec. 8 in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

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

#### Sec. 8. EFFECTIVE DATES

This act shall take effect on July 1, 2014, except that Sec. 7a (Vermont Green Up Checkoff) shall take effect on January 1, 2015 and apply to returns filed after that date.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time, the report of the committees on Natural Resources and Energy and Ways and Means agreed to and third reading ordered.

#### **Rules Suspended; Consideration Interrupted by Recess**

#### **S. 220**

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 furthering economic development

Was taken up for immediate consideration.

**Rep. Botzow of Pownal**, for the committee on Commerce and Economic Development, to which had been referred the bill, reported in favor of its passage in concurrence with proposal of amendment as follows:

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

\* \* \* One-Stop Business Support Services \* \* \*

Sec. 1. ONE-STOP SHOP WEB PORTAL

(a) Purpose. The State of Vermont seeks to simplify and expedite the process for business creation and growth by providing:

(1) a clear guide to resources and technical assistance for all phases of business development;

(2) a directory of financial assistance, including grants, funding capital, tax credits, and incentives;

(3) a directory of workforce development assistance, including recruiting, job postings, and training;

(4) a link to centralized business services available from the Secretary of State, the Department of Labor, the Department of Taxes, and others; and

(5) agency contacts and links for available services and resources.

(b) Administration. On or before June 30, 2015, the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration shall coordinate with other relevant agencies and departments within State government and outside partners, including regional development corporations, regional planning commissions, and small business development centers, to provide comprehensive business services, regional coaching teams, print materials, other outreach, and a “One-Stop Shop” website, consistent with the following timeline:

(1) Phase 1. Complete necessary partner outreach and collaboration and an inventory of existing websites, determine the appropriate content to be included on the One-Stop website, and update current websites to include links to State agencies and departments with regulatory oversight and authority over Vermont businesses.

(2) Phase 2. Edit and organize the content to be included on the One-Stop website.

(3) Phase 3. Complete the design and mapping of the One-Stop website.

(4) Phase 4. Complete a communications and outreach plan with a final funding proposal for the project.

\* \* \* Vermont Enterprise ~~Investment~~ Fund \* \* \*

Sec. 1a. 32 V.S.A. § 136 is added to read:

§ 136. VERMONT ENTERPRISE ~~INVESTMENT~~ FUND

(a) There is created a Vermont Enterprise ~~Investment~~ Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.

(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5 of this title.

(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.

(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.

(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.

(c) The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection (e) of this section.

(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:

(1) adequately demonstrates:

(A) a substantial statewide or regional economic or employment impact; or

(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and

(2) is experiencing one or more of the following circumstances:

(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;

(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;

(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or

(D) is considering Vermont for relocation or expansion.

(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.

(2) Subject to approval by the President Pro Tempore of the Senate and the Speaker of the House of Representatives, respectively, the Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.

(3) The Governor, or his or her designee, shall present to the Emergency Board for its approval:

(A) information on the company;

(B) the circumstances supporting the offer of economic and financial resources;

(C) a summary of the economic activity proposed or that would be foregone;

(D) other state incentives and programs offered or involved;

(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;

(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and

(G) terms and conditions of the economic and financial resources offered, including:

(i) the total dollar amount and form of the economic and financial resources offered;

(ii) employment creation, employment retention, and capital investment performance requirements; and

(iii) disallowance and recapture provisions.

(f)(1) Proprietary business information and materials or other confidential financial information submitted by a business to the State, or submitted by the

Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Chair of the Joint Fiscal Committee, and shall also be available to the auditor of accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent, and the Auditor of Accounts, shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means, and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs, a report on the resources made available pursuant to this section, including:

- (1) the name of the recipient;
- (2) the amount and type of the resources;
- (3) the aggregate number of jobs created or retained as a result of the resources;
- (4) a statement of costs and benefits to the State; and
- (5) whether any offer of resources was disallowed or recaptured.

#### Sec. 1b. CONTINGENT FISCAL YEAR 2014 APPROPRIATION

Prior to any transfer pursuant to Sec. B 1104 of Act 50 of 2013, the first \$5,000,000.00 of FY 2014 funds that would otherwise be transferred to the General Fund Balance Reserve as specified by 32 V.S.A. § 308c shall be appropriated as follows:

- (1) \$500,000.00 to the Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb.



(2) \$4,500,000.00 to the Vermont Enterprise Investment Fund for the purposes specified in 32 V.S.A. § 136.

\* \* \* Vermont Economic Development Authority \* \* \*

Sec. 2. 10 V.S.A. chapter 12 is amended to read:

## CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

\* \* \*

### Subchapter 12. ~~Technology Loan~~ Vermont Entrepreneurial Lending Program

#### § 280aa. FINDINGS AND PURPOSE

(a)(1) ~~Technology-based companies~~ Vermont-based businesses in seed, start-up, and growth-stages are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of ~~this increasingly important sector of Vermont's economy~~ these businesses is dependent upon the availability of flexible, risk-based capital.

(2) Because the primary assets of ~~technology-based companies~~ sometimes Vermont-based businesses in seed, start-up, and growth-stages often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, ~~such~~ these companies frequently do may not have access to conventional means of raising capital, such as asset-based bank financing.

(b) To support the growth of ~~technology-based companies~~ Vermont-based businesses in seed, start-up, and growth-stages and the resultant creation of high-wage higher wage employment in Vermont, ~~a technology loan program is established under this subchapter~~ the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program to support the growth and development of seed, start-up, and growth-stage businesses.

#### § 280bb. ~~TECHNOLOGY LOAN~~ VERMONT ENTREPRENEURIAL LENDING PROGRAM

(a) There is created ~~a technology (TECH) loan program~~ the Vermont Entrepreneurial Lending Program to be administered by the Vermont ~~economic development authority~~ Economic Development Authority. The ~~program~~ Program shall seek to meet the working capital and capital-asset financing needs of ~~technology-based companies~~ start-up, early stage, and growth-stage businesses in Vermont. The Program shall specifically seek to fulfill capital requirement needs that are unmet in Vermont, including:

(1) loans up to \$100,000.00 to manufacturing businesses and software developers with innovative products that typically reflect long-term, organic growth;

(2) loans ~~from~~ up to \$1,000,000.00 in growth-stage companies who do not meet the underwriting criteria of other public and private entrepreneurial financing sources; and

(3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) ~~The economic development authority~~ Authority shall ~~establish such adopt regulations, policies, and procedures for the program~~ Program as are necessary to carry out the purposes of this subchapter. ~~The authority's lending criteria shall include consideration of in state competition and whether a company has made reasonable efforts to secure capital in the private sector~~ increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.

(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:

(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.

(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.

(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.

(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees

(d) The Authority shall include provisions in the terms of an loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.

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\* \* \*

Sec. 3. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN  
LOSS RESERVE FUNDS; CAPITALIZATION; PRIVATE  
CAPITAL; APPROPRIATION

(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with the following funding from the following sources:

(1) up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority; and

(2) Fiscal Year 2014 funds appropriated to the Program pursuant to Sec. 1b. of this Act.

(b) The Authority shall use the funds in subsection (a) of this section solely for the purpose of establishing and maintaining loan loss reserves to guarantee loans made pursuant to 10 V.S.A. § 280bb.

Sec. 4. 10 V.S.A. chapter 16A is amended to read:

CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT  
PROGRAM

\* \* \*

(b) No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or \$2,000,000.00, whichever is greater.

§ 374b. DEFINITIONS

As used in this chapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural products which have been primarily produced in this ~~state~~ State, and working capital reasonably required to operate an agricultural facility.

(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.

(3) "Agricultural products" mean crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.

(4) "Farm ownership loan" means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(5) "Authority" means the Vermont ~~economic development authority~~ Economic Development Authority.

(6) "Cash flow" means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.

(7) "Farmer" means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:

(A) is or is expected to become a significant source of the farmer's income;

(B) the majority of the farmer's assets; and

(C) an occupation in which the farmer is actively engaged ~~in~~, either on a seasonal or year-round basis.

(8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land.

\* \* \*

\* \* \* Connecting Capital Providers and Entrepreneurs \* \* \*

#### Sec. 5. NETWORKING INITIATIVES; ~~APPROPRIATION~~

(a) The Agency of Commerce and Community Development shall support networking events offered by one or more regional economic development providers designed to connect capital providers with one another or with

Vermont entrepreneurs, or both, and shall take steps to facilitate outreach and matchmaking opportunities between investors and entrepreneurs.

(b) The Agency shall submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs:

(1) a status report on or before January 15, 2015 concerning the structure of networking initiatives, the relevant provisions of governing performance contracts, and the benchmarks and measures of performance; and

(2) a report on or before December 15, 2015 concerning the outcomes of and further recommendations for the program.

\* \* \* Downtown Tax Credits \* \* \*

Sec. 6. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

Subchapter 11J. Vermont Downtown and

Village Center Tax Credit Program

§ 5930aa. DEFINITIONS

As used in this subchapter:

\* \* \*

(3) “Qualified code or technology improvement project” means a project:

(A)(i) ~~To~~ to install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the ~~department of public safety~~. Department of Public Safety; or

(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;

(B) ~~To~~ to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or

(C) ~~To~~ to redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

(4) “Qualified expenditures” means construction-related expenses of the taxpayer directly related to the project for which the tax credit is sought but excluding any expenses related to a private residence.

(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated downtown or designated village center. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.

(6) “Qualified historic rehabilitation project” means an historic rehabilitation project that has received federal certification for the rehabilitation project.

(7) “Qualified project” means a qualified code or technology improvement, qualified façade improvement, qualified technology infrastructure project, or qualified historic rehabilitation project as defined by this subchapter.

(8) “State Board” means the Vermont Downtown Development Board established pursuant to 24 V.S.A. chapter 76A.

#### § 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for ~~qualified code improvement, façade improvement, or historic rehabilitation projects~~ a qualified project at any time before one year after completion of the qualified project.

(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed \$5,000.00.

(c) Application shall be made in accordance with the guidelines set by the State Board.

(d) Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013 to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer’s State individual income tax under section 5822

of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of tax credits available under this subsection shall not be more than \$500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter.

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX

CREDITS

(a) Historic rehabilitation tax credit. The qualified applicant of a qualified historic rehabilitation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's ~~state~~ State individual income tax, corporate income tax, or bank franchise or insurance premiums tax liability a credit of 10 percent of qualified rehabilitation expenditures as defined in the Internal Revenue Code, 26 U.S.C. § 47(c), properly chargeable to the federally certified rehabilitation.

(b) Façade improvement tax credit. The qualified applicant of a qualified façade improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, ~~state~~ State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 25 percent of qualified expenditures up to a maximum tax credit of \$25,000.00.

(c) Code improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

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\* \* \* Electricity Rates for Businesses \* \* \*

Sec. 7. 30 V.S.A. § 218e is added to read:

§ 218e. IMPLEMENTING STATE ENERGY POLICY;  
MANUFACTURING

To give effect to the policies of section 202a of this title to provide reliable and affordable energy and assure the State's economic vitality, it is critical to retain and recruit manufacturing and other businesses and to consider the impact on manufacturing and other businesses when issuing orders, adopting rules, and making other decisions affecting the cost and reliability of electricity and other fuels. Implementation of the State's energy policy should:

(1) encourage recruitment and retention of employers providing high-quality jobs and related economic investment and support the State's economic welfare; and

(2) appropriately balance the objectives of this section with the other policy goals and criteria established in this title.

Sec. 7a. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING

(a) The Commissioner of Public Service and the Secretary of Commerce and Community Development, in consultation with the Public Service Board, a private organization that represents the interests of manufacturers, a cooperative electric company, an efficiency utility, a shareholder-owned utility, the Vermont Public Power Supply Authority (VPPSA), a municipal utility that is not a member of VPPSA, and the Vermont Electric Power Company (VELCO), shall conduct an investigation of how best to advance the public good through consideration of the competitiveness of Vermont's industrial or manufacturing businesses with regard to electricity costs.

(b) In conducting the investigation required by this section, the Commissioner and Secretary shall consider:

(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;

(2) with regard to the energy efficiency programs established under section 209 of this title, potential changes to their delivery, funding, financing, and participation requirements;

(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;



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(4) the history and outcome of any evaluations of retail choice programs or policies, as related to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;

(5) any other programs or policies the Commissioner and the Secretary deem relevant;

(6) whether and to what extent any programs or policies considered by the Commissioner and the Secretary under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont and, if so, whether such programs or policies would nonetheless promote the public good;

(7) whether and to what extent costs have shifted to residential and business ratepayers following the loss of large utility users, and potential scenarios for additional cost shifts of this type; and

(8) the potential benefits and potential cost shift to residential and business ratepayers if a large utility user undertakes efficiency measures and thereby reduces its share of fixed utility costs.

(c) In conducting the investigation required by this section, the Commissioner and Secretary shall provide the following persons and entities an opportunity for written and oral comments:

(1) consumer and business advocacy groups;

(2) regional development corporations and regional planning commissions; and

(3) any other person or entity as determined by the Commissioner and Secretary.

(d) On or before December 15, 2014, the Commissioner and Secretary shall provide a status report to the General Assembly of its findings and recommendations regarding regulatory or statutory changes that would reduce energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner and Secretary shall provide a final report to the General Assembly of such findings and recommendations.

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\* \* \* Domestic Export Program \* \* \*Sec. 8. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT  
AGRICULTURE AND FOREST PRODUCTS

(a) The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall create a Domestic Export Program Pilot Project within the "Made in Vermont" designation program, the purpose of which shall be to:

(1) connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets,

(2) provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships; and

(3) provide one-time matching grants of up to \$2,000.00 per business to attend trade shows and similar events to expand producers' market presence in other U.S. states.

(b) There is appropriated in Fiscal Year 2015 from the General Fund to the Agency of Agriculture, Food and Markets the amount of \$75,000.00 to implement the provisions of this section.

(c) The Secretary shall collect data on the activities and outcomes of the pilot project authorized under this section and shall report his or her findings and recommendations for further action on or before January 15, 2015, to the House Committees on Agriculture and on Commerce and Economic Development and to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs.

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\* \* \* Criminal Penalties for Computer Crimes \* \* \*

Sec. 9. 13 V.S.A. chapter 87 is amended to read:

## CHAPTER 87. COMPUTER CRIMES

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\* \* \*

## § 4104. ALTERATION, DAMAGE, OR INTERFERENCE

(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

#### § 4105. THEFT OR DESTRUCTION

(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

#### § 4106. CIVIL LIABILITY

A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, costs and fees including reasonable attorney's fees, and such other relief as the court deems appropriate.

\* \* \*

## \* \* \* Statute of Limitations to Commence Action

## for Misappropriation of Trade Secrets \* \* \*

Sec. 10. 12 V.S.A. § 523 is amended to read:

§ 523. TRADE SECRETS

An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 ~~of Title 9~~ shall be commenced within three years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.

## \* \* \* Protection of Trade Secrets \* \* \*

Sec. 11. 9 V.S.A. chapter 143 is amended to read:

CHAPTER 143. TRADE SECRETS

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means.

(2) “Misappropriation” means:

(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

(B) disclosure or use of a trade secret of another without express or implied consent by a person who:

(i) used improper means to acquire knowledge of the trade secret; or

(ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was:

(I) derived from or through a person who had utilized improper means to acquire it;

(II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or

(III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or

(iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.

(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

#### § 4602. INJUNCTIVE RELIEF

(a) ~~Actual~~ A court may enjoin actual or threatened misappropriation ~~may be enjoined of a trade secret.~~ Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.

(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, ~~but are not limited to,~~ a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.

(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.

#### § 4603. DAMAGES

(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.

(2) Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.

(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a

reasonable royalty for a misappropriator's unauthorized disclosure or use of a trade secret.

(4) A court shall award a substantially prevailing party his or her costs and fees, including reasonable attorney's fees, in an action brought pursuant to this chapter.

(b) If malicious misappropriation exists, the court may award punitive damages.

#### § 4605. PRESERVATION OF SECRECY

In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.

#### § 4607. EFFECT ON OTHER LAW

(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this state providing civil remedies for misappropriation of a trade secret.

(b) This chapter does not affect:

(1) contractual remedies, whether or not based upon misappropriation of a trade secret;

(2) other civil remedies that are not based upon misappropriation of a trade secret; or

(3) criminal remedies, whether or not based upon misappropriation of a trade secret.

\* \* \*

\* \* \* Intellectual Property; Businesses and Government Contracting \* \* \*

Sec. 12. 3 V.S.A. § 346 is added to read:

#### § 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

(a) The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont

to grant permission to the contractor to use or own the intellectual property created under the contract for the contractor's commercial purposes.

(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor's commercial use of intellectual property developed under a State contract.

(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary may recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.

\* \* \* Department of Financial Regulation \* \* \*

#### Sec. 13. SMALL BUSINESS ACCESS TO CAPITAL

(a) Crowdfunding Study. The Department of Financial Regulation shall study the opportunities and limitations for crowdfunding to increase access to capital for Vermont's small businesses. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(b) Small business issuer education and outreach. On or before January 15, 2015, the Department of Financial Regulation shall conduct at least two educational events to inform the legal, small business, and investor communities and other interested parties, of opportunities for small businesses to access capital in Vermont, including, the Vermont Small Business Offering Exemption regulation and other securities registration exemptions.

(c) Vermont Small Business Offering Exemption. The Commissioner of Financial Regulation shall exercise his or her rulemaking authority under 9 V.S.A. chapter 150 to review and revise the Vermont Small Business Offering Exemption and any other state securities exemptions, specifically including those designed to complement exemptions from federal registration requirements available under Regulation D, in order to recognize and reflect the evolution of capital markets and to ensure that Vermont remains current and competitive in its securities regulations, particularly with respect to access to capital for small businesses.

#### Sec. 14. STUDY; DEPARTMENT OF FINANCIAL REGULATION; LICENSED LENDER REQUIREMENTS; COMMERCIAL LENDERS

On or before January 15, 2015, the Department of Financial Regulation shall solicit public comment on, evaluate, and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs any statutory and regulatory changes to the State's licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.

\* \* \* Licensed Lender Requirements; Exemption for De Minimis  
Lending Activity \* \* \*

Sec. 15. 8 V.S.A. § 2201 is amended to read:

2201. LICENSES REQUIRED

(a) No person shall without first obtaining a license under this chapter from the ~~commissioner~~ Commissioner:

(1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration ~~therefore~~ therefor;

(2) act as a mortgage broker;

(3) engage in the business of a mortgage loan originator; or

(4) act as a sales finance company.

(b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either:

(1) an employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this ~~state~~ State;

(2) an individual sole proprietor who is also a licensed lender or licensed mortgage broker; or

(3) an employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this ~~state~~ State pursuant to chapter 85 of this title. ~~For purposes of~~ As used in this subsection, "loan modification" means an adjustment or compromise of an existing residential mortgage loan. The term "loan modification" does not include a refinancing transaction.

(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the



~~commissioner~~ Commissioner in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the ~~commissioner~~ Commissioner of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.

(d) No lender license, mortgage broker license, or sales finance company license shall be required of:

(1) a ~~state~~ State agency, political subdivision, or other public instrumentality of the ~~state~~ State;

(2) a federal agency or other public instrumentality of the United States;

(3) a gas or electric utility subject to the jurisdiction of the ~~public service board~~ Public Service Board engaging in energy conservation or safety loans;

(4) a depository institution or a financial institution as defined in 8 V.S.A. § 11101(32);

(5) a pawnbroker;

(6) an insurance company;

(7) a seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan;

(8) any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context;

(9) lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the ~~commissioner of economic development~~ Commissioner of Economic Development under 10 V.S.A. § 690a;

(10) persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;

(11) a seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;

(12)(A) a person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;

(B) ~~for purposes of~~ as used in this subdivision (12), “senior indebtedness” means:

(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and any guarantee thereof; and

(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;

(13) nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;

(14) any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;

(15) a housing finance agency;

(16) a person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(e) No mortgage loan originator license shall be required of:

(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.

(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.

(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context.

(4) An individual who is an employee of a federal, ~~state~~ State, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an employee of the federal, ~~state~~ State, or local government agency or housing finance agency.

(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:

(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;

(B) such activities are carried out within an attorney-client relationship; and

(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.

(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011

(f) If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a mortgage loan originator.

(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.

~~(g)~~(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.

\* \* \* Vermont State Treasurer; Credit Facilities; 10% for Vermont \* \* \*

Sec. 16. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:

#### Sec. 8. INVESTMENT OF STATE MONIES

The Treasurer is hereby authorized to establish a ~~short-term~~ credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.

#### Sec. 17. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer consistent with the provisions of the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.

(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.

#### Sec. 18. TREASURER'S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT

(a) Creation of committee. The Treasurer's Local Investment Advisory Committee is established to:

(1) advise the Treasurer on funding priorities for credit facilities authorized by current law; and

(2) address other mechanisms to increase local investment.

(b) Membership.

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(1) The Committee shall be composed of the following members:

(A) the State Treasurer or designee, who shall serve as Chair of the Committee;

(B) the Commissioner of Financial Regulation or designee;

(C) the Secretary of Commerce and Community Development or designee;

(D) a senior officer of a Vermont bank, who shall be appointed by the Governor;

(E) a member of the public, who shall be appointed by the Speaker of the House;

(F) a member of the public, who shall be appointed by the President Pro Tempore of the Senate;

(G) the executive director of a Vermont nonprofit organization that, as part of its mission, directly lends or services loans or other similar obligations, who shall be appointed by the Governor; and

(H) the manager of the Vermont Economic Development Authority or designee.

(I) the executive director of the Vermont Housing Finance Agency or designee;

(J) the President of the Vermont Student Assistance Corporation or designee; and

(K) the executive director of the Vermont Municipal Bond Bank or designee.

(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.

(c) Powers and duties. The Advisory Committee shall:

(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;

(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and

(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.

(d) Meetings.

(1) Meetings of the Advisory Committee shall occur at the call of the Treasurer.

(2) A majority of the members of the Advisory Committee who are physically present at the same location or available electronically shall constitute a quorum, and a member may participate and vote electronically.

(3) To be effective action of the Advisory Committee shall be taken by majority vote of the members at a meeting in which a quorum is present.

(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Finance and on Government Operations and the House Committees on Ways and Means and on Government Operations. The report shall include the following:

(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;

(2) a description of the Advisory Committee's activities; and

(3) any information gathered by the Advisory Committee on the State's unmet capital needs, and other opportunities for State support for local investment and the community.

Sec. 18a. SUNSET

Secs. 17-18 of this Act shall be repealed on July 1, 2015.

Sec. 19. 9 V.S.A. § 2481w is amended to read:

§ 2481W. UNLICENSED LOAN TRANSACTIONS

(a) In this subchapter:

(1) "Financial account" means a checking, savings, share, stored value, prepaid, payroll card, or other depository account.

(2) "Lender" means a person engaged in the business of making loans of money, credit, goods, or things in action and charging, contracting for, or receiving on any such loan interest, a finance charge, a discount, or consideration.

(3) “Process” or “processing” includes printing a check, draft, or other form of negotiable instrument drawn on or debited against a consumer’s financial account, formatting or transferring data for use in connection with the debiting of a consumer’s financial account by means of such an instrument or an electronic funds transfer, or arranging for such services to be provided to a lender.

(4) “Processor” means a person who engages in processing, as defined in subdivision (3) of this subsection. In this section “processor” does not include an interbank clearinghouse.

(5) “Interbank clearinghouse” means a person that operates an exchange of automated clearinghouse items, checks, or check images solely between insured depository institutions.

(b) It is an unfair and deceptive act and practice in commerce for a lender directly or through an agent to solicit or make a loan to a consumer by any means unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(c) It is an unfair and deceptive act and practice in commerce for a processor, other than a federally insured depository institution, to process a check, draft, other form of negotiable instrument, or an electronic funds transfer from a consumer’s financial account in connection with a loan solicited or made by any means to a consumer unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(d) It is an unfair and deceptive act and practice in commerce for any person, including the lender’s financial institution as defined in 8 V.S.A. § 10202(5), but not including the consumer’s financial institution as defined in 8 V.S.A. § 10202(5) or an interbank clearinghouse as defined in subsection (a) of this section, to provide substantial assistance to a lender or processor when the person or the person’s authorized agent receives notice from a regulatory, law enforcement, or similar governmental authority, or knows from its normal monitoring and compliance systems, or consciously avoids knowing that the lender or processor is in violation of subsection (b) or (c) of this section, or is engaging in an unfair or deceptive act or practice in commerce.

Sec. 20. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES

\* \* \*

(b) Definitions. ~~For the purposes of~~ As used in this section:

\* \* \*

(4) "Telecommunications facility" means a communications facility that transmits and receives signals to and from a local, State, national, or international network used primarily for two-way communications for commercial, industrial, municipal, county, or State purposes and any associated support structure that is proposed for construction or installation which is primarily for communications purposes, and any ancillary improvements that are proposed for construction or installation and are primarily intended to serve the communications facilities or support structure. An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to an existing structure.

(5) "Wireless service" means any commercial mobile radio service, wireless service, common carrier wireless exchange service, cellular service, personal communications service (PCS), specialized mobile radio service, paging service, wireless data service, or public or private radio dispatch service.

\* \* \*

(c) Findings. Before the Public Service Board issues a certificate of public good under this section, it shall find that:

(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public's use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C. § 162, with due consideration having been given to the relevant criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the Board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty, historic sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:

(A) ~~The~~ the Board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and



(B) ~~A~~ a telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the Department of Environmental Conservation, regardless of any provisions in that handbook that limit its applicability.

(2) Unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected municipalities and the recommendations of the municipal legislative bodies and the municipal and regional planning commissions regarding the municipal and regional plans, respectively. Nothing in this section or other provision of law shall prevent a municipal body from basing its recommendations on an ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under 24 V.S.A. chapter 117 by the municipality in which the facility is located. A rebuttable presumption respecting compliance with the applicable plan shall be created by a letter from an affected municipal legislative body or municipal planning commission concerning compliance with the municipal plan and by a letter from a regional planning commission concerning compliance with the regional plan.

(3) If the proposed facility relates to the provision of wireless service, the proposed facility reasonably cannot be collocated on or at an existing telecommunications facility, or such collocation would cause an undue adverse effect on aesthetics.

\* \* \*

(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.

(1) Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.

(2) On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the 45-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board on the application and in determining whether to retain additional personnel under subsection (o) of this section.

\* \* \*

(i) Sunset of Board authority. Effective on July 1, 2014 2017, no new applications for certificates of public good under this section may be considered by the Board.

\* \* \*

(m) Municipal bodies; participation. The legislative body and the planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

(n) Municipal recommendations. The Board shall consider the comments and recommendations submitted by the municipal legislative body and planning commission. The Board's decision to issue or deny a certificate of public good shall include a detailed written response to each recommendation of the municipal legislative body and planning commission.

(o) Retention; experts. The Department of Public Service may retain experts and other personnel as identified in section 20 of this title to provide information essential to a full consideration of an application for a certificate of public good under this section. The Department may allocate the expenses incurred in retaining these personnel to the applicant in accordance with section 21 of this title. The Department may commence retention of these personnel once the applicant has filed the 45-day notice under subsection (e) of this section. A municipal legislative body or planning commission may request that the Department retain these personnel. Granting such a request shall not oblige the Department or the personnel it retains to agree with the position of the municipality.

(p) Review process; guide. The Department of Public Service, in consultation with the Board, shall create, maintain, and make available to the public a guide to the process of reviewing telecommunications facilities under this section for use by local governments and regional planning commissions

and members of the public who seek to participate in the process. On or before September 1, 2014, the Department shall complete the creation of this guide and make it publically available.

Sec. 20a. PUBLIC SERVICE BOARD; ORDER REVISION

The Public Service Board (the Board) shall define the terms “good cause” and “substantial deference” for the purpose of 30 V.S.A. § 248a(c)(2) in accordance with the following process:

(1) Within 30 days of the effective date of this section, the Board shall provide direct notice to each municipal legislative body and planning commission, the Vermont League of Cities and Towns, the Department of Public Service, and such other persons as the Board considers appropriate, that it will be amending its procedures order issued under 30 V.S.A. § 248a(1) to include definitions of these terms. The notice shall provide an opportunity for submission of comments and recommendations and include the date and time of the workshop to be held.

(2) Within 60 days of giving notice under subdivision (1) of this section, the Board shall amend its procedures order to include definitions of these terms.

Sec. 20b. REPORT; TELECOMMUNICATIONS FACILITY REVIEW

PROCESS

On or before October 1, 2015, the Department of Public Service shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Finance a report assessing the telecommunications facility review process under 30 V.S.A § 248a. The report shall include the number of applications for the construction or installation of telecommunications facilities filed with the Board, the number of applications for which a certificate of public good was granted, the number of applications for which notice was filed but were then withdrawn, and the number of times the Department used its authority under 30 V.S.A. § 248(o) to allocate expenses incurred in retaining expert personnel to the applicant, during the year ending August 31, 2015.

Sec. 20c. 10 V.S.A. § 1264(j) is amended to read:

(j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2017 and the discharge will be to a water that is not principally impaired by stormwater runoff:

(1) The Secretary shall issue a decision on the application within 40 days of the date the Secretary determines the application to be complete, if the application seeks authorization under a general permit.

(2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.

Sec. 20d. 10 V.S.A. § 8506 is amended to read:

§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS

(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the ~~secretary~~ Secretary, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the ~~public service board~~ Public Service Board if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or decision of the secretary regarding a telecommunications facility made on or after July 1, ~~2014~~ 2017.

\* \* \*

Sec. 20e. REPEAL

2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on municipal bylaws; municipal ordinances; wireless telecommunications facilities) is repealed.

Sec. 20f. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided that the following apply:

(A) ~~the~~ The Secretary does not have such expertise or services and such expertise is required for the processing of the application for the permit, license, certification, or order; ~~or~~.

(B) ~~the~~ The Secretary does have such expertise but has made a determination that it is beyond the ~~agency's~~ Agency's internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.

(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when ~~agency~~ Agency personnel or expert witnesses are required for the processing of the permit application.

(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § section 1283, the Secretary may require a person who caused the ~~agency~~ Agency to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of ~~agency~~ Agency personnel or the cost of other research, scientific, or engineering services incurred by the ~~agency~~ Agency in response to a threat to public health or the environment presented by an emergency or exigent circumstance.

\* \* \*

(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, ~~2014~~ 2017:

(1) Under subdivision (a)(1) of this section, the ~~agency~~ Agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.

(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

#### Sec. 21. JFO ACCD DEMOGRAPHIC STUDY

The Agency of Commerce and Community Development, with consultation and review by the legislative economist and the Joint Fiscal Office, shall conduct an economic impact analysis, including study of demographic and infrastructure impacts associated with recently announced development projects in the Northeast Kingdom of Vermont, and shall submit its findings to the House Committee on Commerce and Community Development, the Senate

Committee on Economic Development, Housing and General Affairs, and the Joint Fiscal Committee on or before December 1, 2014.

\* \* \* Tourism Funding; Study \* \* \*

Sec. 22. TOURISM FUNDING; PILOT PROJECT STUDY

On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.

\* \* \* Land Use; Housing; Industrial Development \* \* \*

Sec. 23. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12: VERMONT ECONOMIC DEVELOPMENT AUTHORITY

\* \* \*

§ 212. DEFINITIONS

As used in this chapter:

\* \* \*

(6) “Eligible facility” or “eligible project” means any industrial, commercial, or agricultural enterprise or endeavor approved by the authority that meets the criteria established in the Vermont Sustainable Jobs Strategy adopted by the Governor under section 280b of this title, including land and rights in land, air, or water, buildings, structures, machinery, and equipment of such eligible facilities or eligible projects, except that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of state, and except further that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to housing. Such enterprises or endeavors may include:

\* \* \*

(M) Sustainably Priced Energy Enterprise Development (SPEED) resources, as defined in 30 V.S.A. § 8002; ~~or~~

(N) any combination of the foregoing activities, uses, or purposes. An eligible facility may include structures, appurtenances incidental to the

foregoing such as utility lines, storage accommodations, offices, dependent care facilities, or transportation facilities; or

(O) industrial park planning, development, or improvement.

\* \* \*

## § 261. ADDITIONAL POWERS

In addition to powers enumerated elsewhere in this chapter, the authority may:

\* \* \*

(6) provide loans and assistance under this subchapter for the planning, development, or improvement of an industrial park or an eligible project within an industrial park.

Sec. 24. 10 V.S.A. § 6001(35) is added to read:

(35) "Industrial park" means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.

## Sec. 25. REVIEW OF MASTER PLAN POLICY

On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy's adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.

\* \* \* Primary Agricultural Soils; Industrial Parks \* \* \*

Sec. 26. 10 V.S.A. § 6093(a)(4) is amended to read:

(4) Industrial parks.

(A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park ~~as defined in subdivision 212(7) of this title and~~ permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous

expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion.

(B) In any application to a ~~district commission for expansion of~~ District Commission to amend a permit for an existing industrial park, ~~compact development patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities~~ shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision 6086(a)(9)(C)(iii).

\* \* \* Affordable Housing \* \* \*

Sec. 27. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

\* \* \*

(3)(A) “Development” means each of the following:

\* \* \*

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or ~~trailer~~ mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land, and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) 275 or more, in a municipality with a population of 15,000 or more;

(bb) 150 or more, in a municipality with a population of 10,000 or more but less than 15,000;



(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000;

(ee) 25 or more, in a municipality with a population of less than 3,000; and

(ff) notwithstanding subdivisions (aa) through (ee) of this subdivision (iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

(II) The determination of jurisdiction over a priority housing project shall count only the housing units included in that discrete project.

(III) Housing units in a priority housing project shall not count toward determining jurisdiction over any other project.

\* \* \*

~~(B)(i) Smart Growth Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing or mixed use, or any combination thereof, and is located entirely within a growth center designated pursuant to 24 V.S.A. 2793c or, entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, "development" means:~~

~~(I) Construction of mixed income housing with 200 or more housing units or a mixed use project with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units or a mixed use project with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units or a mixed use project with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units or a mixed use project with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units or a mixed use project with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing or a mixed use project with 10 or more housing units where if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or, will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.~~

~~(ii) Mixed Income Housing Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing and is located entirely within a Vermont neighborhood designated pursuant to 24 V.S.A. § 2793d or a neighborhood development area as defined in 24 V.S.A. § 2791(16), “development” means:~~

~~(I) Construction of mixed income housing with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document. [Repealed.]~~

(C) For the purposes of determining jurisdiction under subdivisions subdivision (3)(A) and (3)(B) of this section, the following shall apply:

~~(i) Incentive for Growth Inside Designated Areas. Notwithstanding subdivision (3)(A)(iv) of this section, housing units constructed by a person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall not be counted to determine jurisdiction over housing units constructed by that person entirely within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area. [Repealed.]~~

~~(ii) Five Year, Five Mile Radius Jurisdiction Analysis. Within any continuous period of five years, housing units constructed by a person entirely within a designated downtown district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall be counted together with housing units constructed by that person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area to determine jurisdiction over the housing units constructed by a person partially or completely outside the designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area and within a five mile radius in accordance with subdivision (3)(A)(iv) of this section. [Repealed.]~~

~~(iii) Discrete Housing Projects in Designated Areas and Exclusive Counting for Housing Units. Notwithstanding subdivisions (3)(A)(iv) and (19) of this section, jurisdiction shall be determined exclusively by counting housing units constructed by a person within a designated downtown development district, designated growth center, designated Vermont~~

~~neighborhood, or designated neighborhood development area, provided that the housing units are part of a discrete project located on a single tract or multiple contiguous tracts of land. [Repealed.]~~

\* \* \*

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:

(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or

(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;

(B) ~~Affordable~~ Rental Housing. At least 20 percent of the housing units that is are rented by the occupants whose gross annual household income does not exceed 60 percent of the county median income, or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development for use with the Housing Credit Program under Section 42(g) of the Internal Revenue Code, and the total annual cost of the housing, as defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual household income as defined at Section 42(g)(2)(C), and with constitute affordable housing and have a duration of affordability of no less than ~~30~~ 20 years.

(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.

(29) “Affordable housing” means either of the following:

(A) Housing that is owned by its occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States

Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income.

(B) Housing that is rented by the occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the gross annual household income.

\* \* \*

(36) "Priority housing project" means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or

(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.

\* \* \*

\* \* \* Workforce Education and Training \* \* \*

Sec. 28. 10 V.S.A. chapter 22A is amended to read:

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

§ 540. WORKFORCE EDUCATION AND TRAINING LEADER

The Commissioner of Labor shall be the leader of workforce education and training in the State, and shall have the authority and responsibility for the coordination of workforce education and training within State government, including the following duties:

(1) Perform the following duties in consultation with the State Workforce Investment Board:

(A) Advise the Governor on the establishment of an integrated system of workforce education and training for Vermont.

(B) Create and maintain an inventory of all existing workforce education and training programs and activities in the State.

(C) Use data to ensure that State workforce education and training activities are aligned with the needs of the available workforce, the current and future job opportunities in the State, and the specific credentials needed to achieve employment in those jobs.

(D) Develop a State plan, as required by federal law, to ensure that workforce education and training programs and activities in the State serve Vermont citizens and businesses to the maximum extent possible.

(E) Ensure coordination and non-duplication of workforce education and training activities.

(F) Identify best practices and gaps in the delivery of workforce education and training programs.

(G) Design and implement criteria and performance measures for workforce education and training activities.

(H) Establish goals for the integrated workforce education and training system.

(2) Require from each business, training provider, or program that receives State funding to conduct workforce education and training a report that evaluates the results of the training. Each recipient shall submit its report on a schedule determined by the Commissioner and shall include at least the following information:

(A) name of the person who receives funding;

(B) amount of funding;

(C) activities and training provided;

(D) number of trainees and their general description;

(E) employment status of trainees

(F) future needs for resources.

(3) Review reports submitted by each recipient of workforce education and training funding.

(4) Issue an annual report to the Governor and the General Assembly on or before December 1 that includes a systematic evaluation of the accomplishments of the State workforce investment system and the performance of participating agencies and institutions.

(5) Coordinate 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.

(6) Facilitate effective communication between the business community and public and private educational institutions.

**§ 541. ~~WORKFORCE DEVELOPMENT COUNCIL; STATE WORKFORCE INVESTMENT BOARD; MEMBERS, TERMS~~**

~~(a) The Workforce education and training Council is created as the successor to and the continuation of the Governor's Human Resources Investment Council and shall be the State Workforce Investment Board under Public Law 105-220, the Workforce Investment Act of 1998, and any reauthorization of that act. The Council shall consist of the members required under the federal act and the following: the President of the University of Vermont or designee; the Chancellor of the Vermont State Colleges or designee; the President of the Vermont Student Assistance corporation or designee; the President of the Association of Vermont Independent Colleges or designee; a representative of the Abenaki Self Help Organization; at least two representatives of labor appointed by the Governor in addition to the two required under the federal act, who shall be chosen from a list of names submitted by Vermont AFL CIO, Vermont NEA, and the Vermont State Employees Association; one representative of the low income community appointed by the Governor; two members of the Senate appointed by the Senate Committee on Committees; and two members of the house appointed by the speaker. In addition, the Governor shall appoint enough other members who are representatives of business or employers so that one half plus one of the members of the council are representatives of business or employers. At least one third of those appointed by the Governor as representatives of business or employers shall be chosen from a list of names submitted by the regional technical centers. As used in this section, "representative of business" means a business owner, a chief executive operating officer, or other business executive, and "employer" means an individual with policy making or hiring authority, including a public school superintendent or school board member and representatives from the nonprofit, social services, and health sectors of the economy. If there is a dispute as to who is to represent an interest as required under the federal law, the Governor shall decide who shall be the member of the Council.~~

~~(b) Appointed members, except legislative appointees, shall be appointed for three year terms and serve at the pleasure of the Governor.~~

~~(c) A vacancy shall be filled for the unexpired term in the same manner as the initial appointment.~~

~~(d) The Governor shall appoint one of the business or employer members to chair the council for a term of two years. A member shall not serve more than three consecutive terms as chair.~~

~~(e) Legislative members shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406, and other members shall be entitled to compensation and expenses as provided in 32 V.S.A. § 1010.~~

~~(f) The Department of Labor shall provide the Council with administrative support.~~

~~(g) The Workforce education and training Council shall be subject to 1 V.S.A. chapter 5, subchapters 2 and 3, relating to public meetings and access to public records.~~

~~(h) [Repealed.]~~

~~(i) The Workforce education and training Council shall:~~

~~(1) Advise the Governor on the establishment of an integrated network of workforce education and training for Vermont.~~

~~(2) Coordinate planning and services for an integrated network of workforce education and training and oversee its implementation at State and regional levels.~~

~~(3) Establish goals for and coordinate the State's workforce education and training policies.~~

~~(4) Speak for the workforce needs of employers.~~

~~(5) Negotiate memoranda of understanding between the Council and agencies and institutions involved in Vermont's integrated network of workforce education and training in order to ensure that each is working to achieve annual objectives developed by the Council.~~

~~(6) Carry out the duties assigned to the State Workforce Investment Board, as required for a single service delivery state, under P.L. 105-220, the Workforce Investment Act of 1998, and any amendments that may be made to it. [Repealed.]~~

#### § 541a. STATE WORKFORCE INVESTMENT BOARD

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § 2821, the Governor shall establish a State Workforce Investment Board to assist the Governor in the execution of his or her duties under the Workforce



Investment Act of 1998 and to assist the Commissioner of Labor as specified in section 540 of this title.

(b) Additional duties; planning; process. In order to inform its decision-making and to provide effective assistance under subsection (a) of this section, the Board shall:

(1) Conduct an ongoing public engagement process throughout the State at which Vermonters have the opportunity to provide feedback and information concerning their workforce education and training needs.

(2) Maintain familiarity with the federal Comprehensive Economic Development Strategy (CEDS) and other economic development planning processes, and coordinate workforce and education activities in the State, including the development and implementation of the state plan required under the Workforce Investment Act of 1998, with economic development planning processes occurring in the State, as appropriate.

(c) Membership. The Board shall consist of the Governor and the following members who are appointed by the Governor and serve at his or her pleasure, unless otherwise indicated:

(1) two Members of the Vermont House of Representatives appointed by the Speaker of the House;

(2) two Members of the Vermont Senate appointed by the Senate Committee on Committees;

(3) the President of the University of Vermont or his or her designee;

(4) the Chancellor of the Vermont State Colleges or his or her designee;

(5) the President of the Vermont Student Assistance Corporation or his or her designee;

(6) a representative of an independent Vermont college or university;

(7) the Secretary of Education or his or her designee;

(8) a director of a regional technical center;

(9) a principal of a Vermont high school;

(10) two representatives of labor organizations who have been nominated by State labor federations;

(11) two representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § 2801(52);

(12) two representatives of individuals and organizations who have experience in the delivery of workforce investment activities, as defined in 29 U.S.C. § 2801(51);

(13) the lead State agency officials with responsibility for the programs and activities carried out by one-stop partners, as described in 29 U.S.C. § 2841(b), or if no official has that responsibility, a representative in the State with expertise relating to these programs and activities;

(14) the Commissioner of Economic Development;

(15) the Commissioner of Labor;

(16) the Secretary of Human Services or his or her designee;

(17) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and

(18) a number of appointees sufficient to constitute a majority of the Board who:

(A) are owners, chief executives, or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority;

(B) represent businesses with employment opportunities that reflect the employment opportunities of the State; and

(C) are appointed from among individuals nominated by State business organizations and business trade associations.

(d) Operation of Board.

(1) Member representation.

(A) Members of the State Board who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities.

(B) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas.

(2) Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision (c)(18) of this section.

(3) Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

(4) Work groups; task forces. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members to work groups to carry out the work of the Board; and

(B) appoint one or more members of the Board, or non-members of the Board, or both, to one or more task forces for a discrete purpose and duration.

(5) Quorum; meetings; voting.

(A) A majority of the sitting members of the Board shall constitute a quorum, and to be valid any action taken by the Board shall be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present.

(B) The Board may permit one or more members to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication, including an electronic, telecommunications, and video- or audio-conferencing conference telephone call, by which all members participating may simultaneously or sequentially communicate with each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

(C) The Board shall deliver electronically the minutes for each of its meetings to each member of the Board and to the Chairs of the House Committees on Education and on Commerce and Economic Development, and to the Senate Committees on Education and on Economic Development, Housing and General Affairs.

(6) Reimbursement.

(A) Legislative members of the Board shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406.

(B) Unless otherwise compensated by his or her employer for performance of his or her duties on the Board, a nonlegislative member of the Board shall be eligible for per diem compensation of \$50.00 per day for attendance at a meeting of the Board, and for reimbursement of his or her necessary expenses, which shall be paid by the Department of Labor solely from funds available for that purpose under the Workforce Investment Act of 1998.

(7) Conflict of interest. A member of the Board shall not:

(A) vote on a matter under consideration by the Board:

(i) regarding the provision of services by the member, or by an entity that the member represents; or

(ii) that would provide direct financial benefit to the member or the immediate family of the member; or

(B) engage in any activity that the Governor determines constitutes a conflict of interest as specified in the State Plan required under 29 U.S.C. § 2822.

(8) Sunshine provision. The Board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the State Plan adopted pursuant to 29 U.S.C. § 2822 and prior to submission of the State Plan to the U.S. Secretary of Labor, information regarding membership, and, on request, minutes of formal meetings of the Board.

§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF  
OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE  
PARTNERS

(a) To ensure the Workforce Investment Board and the Commissioner of Labor are able to fully perform their duties under this chapter, each agency and department within State government, and each person who receives funding from the State, shall comply within a reasonable period of time with a request for data and information made by the Board or the Commissioner in furtherance of their duties under this chapter.

(b) The Agency of Commerce and Community Development shall coordinate its work in adopting a statewide economic development plan with the activities of the Board and the Commissioner of Labor, including the development and implementation of the state plan for workforce education and training required under the Workforce Investment Act of 1998.

§ 542. REGIONAL WORKFORCE ~~DEVELOPMENT~~ EDUCATION AND  
TRAINING

(a) The Commissioner of Labor, in coordination with the Secretary of Commerce and Community Development, and in consultation with the Workforce ~~education and training Council~~ Investment Board, is authorized to issue performance grants to one or more persons to perform workforce education and training activities in a region.

(b) Each grant shall specify the scope of the workforce education and training activities to be performed and the geographic region to be served, and shall include outcomes and measures to evaluate the grantee's performance.

(c) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop a grant process and eligibility criteria, as well as an outreach process for notifying potential participants of the grant program. The Commissioner of Labor shall have final authority to approve each grant.

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT PROGRAMS

(a) Creation. There is created a Workforce Education and Training Fund in the ~~department of labor~~ Department of Labor to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) Purposes. The Fund shall be used exclusively for the following ~~two~~ purposes:

(1) training ~~to improve the skills of~~ for Vermont workers, including those who are unemployed, underemployed, or in transition from one job or career to another; and

(2) internships to provide students with work-based learning opportunities with Vermont employers; and

(3) apprenticeship-related instruction.

(c) Administrative Support. Administrative support for the grant award process shall be provided by the ~~Departments~~ Department of Labor ~~and of Economic Development~~. Technical, ~~administrative, financial, and other~~ support shall be provided whenever appropriate and reasonable by the Workforce ~~Development Council~~ Investment Board and all other public entities involved in ~~Economic Development, workforce development and training, and education~~ economic development and workforce education and training.

(d) Eligible Activities. Awards from the Fund shall be made to employers and entities that offer programs that require collaboration between employees and businesses, including private, public, and nonprofit entities, institutions of higher education, high schools, technical centers, and workforce education and training programs. Funding shall be for training programs and student internship programs that offer education, training, apprenticeship, mentoring, or work-based learning activities, or any combination; that employ innovative intensive student-oriented competency-based or collaborative approaches to workforce education and training; and that link workforce education and economic development strategies. Training programs or projects that demonstrate actual increased income and economic opportunity for employees

and employers may be funded for more than one year. Student internships and training programs that involve the same employer may be funded multiple times, provided that new students participate.

~~(e) Award Criteria and Process.—The Workforce education and training Council, in consultation with the Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop criteria consistent with subsection (d) of this section for making awards under this section. The Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop a process for making awards. [Repealed].~~

(f) Awards. ~~Based on guidelines set by the council, the~~ The Commissioner of labor, and the Secretary of Education Labor, in consultation with the Workforce Investment Board, shall ~~jointly~~ develop award criteria and may make awards to the following:

(1) Training Programs.

~~(A) Public, private, and nonprofit entities for existing or new innovative training programs. Awards may be made to programs that retrain incumbent workers that enhance the skills of Vermont workers and:~~

(i) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;

(ii) do not duplicate, supplant, or replace other available programs funded with public money;

(iii) articulate clear goals and demonstrate readily accountable, reportable, and measurable results; and

(iv) demonstrate an integrated connection between training and specific new or continuing employment opportunities.

~~(B) Awards under this subdivision shall be made to programs or projects that do all the following:~~

~~(A)(i)~~ (i) offer innovative programs of intensive, student-centric, competency-based education, training, apprenticeship, mentoring, or any combination of these;

~~(B)(ii)~~ (ii) address the needs of workers who are unemployed, underemployed, or are at risk of becoming unemployed due to changing workplace demands by increasing productivity and developing new skills for incumbent workers; or

(iii) in the discretion of the Commissioner, otherwise serve the purposes of this chapter.

~~(C) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;~~

~~(D) do not duplicate, supplant, or replace other available programs funded with public money;~~

~~(E) articulate clear goals and demonstrate readily accountable, reportable, and measurable results;~~

~~(F) demonstrate an integrated connection between training and specific employment opportunities, including an effort and consideration by participating employers to hire those who successfully complete a training program; and~~

(2) Vermont Career Internship Program. Funding for eligible internship programs and activities under the Vermont Career Internship Program established in section 544 of this title.

(3) Apprenticeship Program. The Vermont Apprenticeship Program established under 21 V.S.A. chapter 13. Awards under this subdivision may be used to fund the cost of apprenticeship-related instruction provided by the Department of Labor.

(g) [Repealed.]

#### § 544. VERMONT CAREER INTERNSHIP PROGRAM

(a)(1) The Department of Labor, in consultation with the Agency of Education, shall develop and implement a statewide Vermont Career Internship Program for Vermonters who are in high school or in college and for those who are recent graduates of 24 months or less.

(2) The Department of Labor shall coordinate and provide funding to public and private entities for internship programs that match Vermont employers with students from public and private secondary schools, regional technical centers, the Community High School of Vermont, colleges, and recent graduates of 24 months or less.

(3) Funding awarded through the Vermont Career Internship Program may be used to administer an internship program and to provide participants with a stipend during the internship, based on need. Funds may be made only to programs or projects that do all the following:

(A) do not replace or supplant existing positions;

(B) create real workplace expectations and consequences;

(C) provide a process that measures progress toward mastery of skills, attitude, behavior, and sense of responsibility required for success in that workplace;

(D) are designed to motivate and educate secondary and postsecondary students and recent graduates through work-based learning opportunities with Vermont employers that are likely to lead to real employment;

(E) include mechanisms that promote employer involvement with secondary and postsecondary students and curriculum and the delivery of education at the participating schools; and

(F) offer participants a continuum of learning, experience, and relationships with employers that will make it financially possible and attractive for graduates to continue to work and live in Vermont.

(4) ~~For the purposes of~~ As used in this section, “internship” means a learning experience working with an employer where the intern may, but does not necessarily, receive academic credit, financial remuneration, a stipend, or any combination of these.

(b) The Department of Labor, in collaboration with the Agencies of Agriculture, Food and Markets and of Education, ~~state-funded~~ State-funded postsecondary educational institutions, the Workforce ~~Development Council~~ Investment Board, and other ~~state~~ State agencies and departments that have workforce education and training and training monies, shall:

(1) identify new and existing funding sources that may be allocated to the Vermont Career Internship Program;

(2) collect data and establish program goals and quantifiable performance measures for internship programs funded through the Vermont Career Internship Program;

(3) develop or enhance a website that will connect students and graduates with internship opportunities with Vermont employers;

(4) engage appropriate agencies and departments of the State in the Internship Program to expand internship opportunities with State government and with entities awarded State contracts; and



(5) work with other public and private entities to develop and enhance internship programs, opportunities, and activities throughout the State. Sec. 29. 10 V.S.A. chapter 22 is amended to read:

CHAPTER 22. EMPLOYMENT THE VERMONT  
TRAINING PROGRAM

§ 531. EMPLOYMENT THE VERMONT TRAINING PROGRAM

(a)(1) The Secretary of Commerce and Community Development may, in consultation with the Workforce Investment Board, shall have the authority to design and implement a Vermont Training Program, the purpose of which shall be to issue performance-based grants to any employer, consortium of employers, or providers of training, either individuals or organizations, as necessary, to conduct training under the following circumstances: to employers and to education and training providers to increase employment opportunities in Vermont consistent with this chapter.

(2) The Secretary shall structure the Vermont Training Program to serve as a flexible, nimble, and strategic resource for Vermont businesses and workers across all sectors of the economy.

~~(1) when issuing grants to an employer or consortium of employers, the employer promises as a condition of the grant to where eligible facility is defined as in subdivision 212(6) of this title relating to the Vermont Economic Development Authority, or the employer or consortium of employers promises to open an eligible facility within the State which will employ persons, provided that for the purposes of this section, eligible facility may be broadly interpreted to include employers in sectors other than manufacturing; and~~

~~(2) training is required for potential employees, new employees, or long-standing employees in the methods, either singularly or in combination relating to pre-employment training, on-the-job training, upgrade training, and crossover training, or specialized instruction, either in plant or through a training provider.~~

(b) Eligibility for grant. The Secretary of Commerce and Community Development may award a grant to an employer if:

(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for pre-employment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to pre-employment training, on-the-job training, upgrade training, and crossover training, or specialized instruction, either on-site or through a training provider;

(2) the employer provides its employees with at least three of the following:

(A) health care benefits with 50 percent or more of the premium paid by the employer;

(B) dental assistance;

(C) paid vacation ~~and~~;

(D) paid holidays;

~~(D)~~(E) child care;

~~(E)~~(F) other extraordinary employee benefits;

~~(F)~~(G) retirement benefits; ~~and~~

(H) other paid time off, including paid sick days;

(3) the training is directly related to the employment responsibilities of the trainee; and

(4) unless modified by the Secretary if warranted based on regional or occupational wages or economic reality, the training is expected to lead to a position for which the employee is compensated at least twice the State minimum wage, reduced by the value of any benefit package up to a limit of 30 percent of the employee's gross wage; provided that for each grant in which the Secretary modifies the compensation provisions of this subdivision, he or she shall identify in the records for that grant the basis and nature of the modification.

(c) ~~The employer promises as a condition of the grant to:~~

~~(1) employ new persons at a wage which, at the completion of the training program, is two times the prevailing state or federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 30 percent of the gross program wage, or for existing employees, to increase the wage to two times the prevailing state and federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 20 percent of the gross program wage, upon completion of training; provided, however, that in areas defined by the Secretary of Commerce and Community Development in which the Secretary finds that the rate of unemployment is 50 percent greater than the average for the State, the wage rate under this subsection may be set by the Secretary at a rate no less than one and one half times the federal or state minimum wage, whichever is greater;~~

~~(2) employ persons who have completed the training provided for them and nominated as qualified for a reasonable period at the wages and occupations described in the contract, unless the employer reasonably finds the nominee is not qualified;~~

~~(3) provide its employees with at least three of the following:~~

~~(A) health care benefits with 50 percent or more of the premium paid by the employer;~~

~~(B) dental assistance;~~

~~(C) paid vacation and holidays;~~

~~(D) child care;~~

~~(E) other extraordinary employee benefits; and~~

~~(F) retirement benefits.~~

~~(4) submit a customer satisfaction report to the Secretary of Commerce and Community Development, on a form prepared by the Secretary for that purpose, no more than 30 days from the last day of the training program.~~

In the case of a grant to a training provider, the Secretary shall require as a condition of the grant that the provider shall disclose to the Secretary the name of the employer and the number of employees trained prior to final payment for the training.

(d) In order to avoid duplication of programs or services and to provide the greatest return on investment from training provided under this section, the Secretary of Commerce and Community Development shall:

~~(1) first consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources offered by public or private workforce education and training partners;~~

(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training, or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

(3) use funds under this section only to supplement training efforts of employers and not to replace or supplant training efforts of employers.

~~(e) The Secretary of Commerce and Community Development shall administer all training programs under this section, may select and use providers of training as appropriate, and shall adopt rules and may accept services, money, or property donated for the purposes of this section. The Secretary may promote awareness of, and may give priority to, training that enhances critical skills, productivity, innovation, quality, or competitiveness, such as training in Innovation Engineering, "Lean" systems, and ISO certification for expansion into new markets. [Repealed.]~~

(f) Upon completion of the training program for any individual, the secretary of Commerce and Community Development shall review the records and shall award to the trainee, if appropriate, a certificate of completion for the training.

~~(g) None of the criteria in subdivision (a)(1) of this section shall apply to a designated job development zone under chapter 29, subchapter 2 of this title. [Repealed.]~~

~~(h) The Secretary may designate the Commissioner of Economic Development to carry out his or her powers and duties under this chapter. [Repealed.]~~

(i) ~~Program Outcomes:~~

~~(1) On or before September 1, 2011, the Agency of Commerce and Community Development, in coordination with the department of labor, and in consultation with the Workforce education and training Council and the legislative Joint Fiscal Office, shall develop, to the extent appropriate, a common set of benchmarks and performance measures for the training program established in this section and the Workforce Education and Training Fund established in section 543 of this title, and shall collect employee specific data on training outcomes regarding the performance measures; provided, however, that the Secretary shall redact personal identifying information from such data.~~

~~(2) On or before January 15, 2013, the Joint Fiscal Office shall prepare a performance report using the benchmarks and performance measures created pursuant to subdivision (1) of this subsection. The Joint Fiscal Office shall submit its report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development.~~

~~(3) The Secretary shall use information gathered pursuant to this subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that~~

~~fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.]~~

~~(j) Consistent with the training program's goal of providing specialized training and increased employment opportunities for Vermonters, and notwithstanding provisions of this section to the contrary, the Secretary shall canvas apprenticeship sponsors to determine demand for various levels of training and classes and shall transfer up to \$250,000.00 annually to the regional technical centers to fund or provide supplemental funding for apprenticeship training programs leading up to certification or licensing as journeyman or master electricians or plumbers. The Secretary shall seek to provide these funds equitably throughout Vermont; however, the Secretary shall give priority to regions not currently served by apprenticeship programs offered through the Vermont Department of Labor pursuant to 21 V.S.A. chapter 13. [Repealed].~~

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs summarizing. In addition to the reporting requirements under section 540 of this title, the report shall identify:

(1) all active and completed contracts and grants;

(2) the types of training activities provided, from among the following, the category the training addressed:

(A) pre-employment training or other training for a new employee to begin a newly created position with the employer;

(B) pre-employment training or other training for a new employee to begin in an existing position with the employer;

(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;

(D) training for an incumbent employee who upon completion of training assumes a different position with the employer;

(E) training for an incumbent employee to upgrade skills;

(3) for the training identified in subdivision whether the training is onsite or classroom-based;

(4) the number of employees served, and ;

(5) the average wage by employer, and addressing ;

(6) any waivers granted;

(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;

(8) the identity of each training provider; and

(9) whether training results in a wage increase for a trainee, and the amount of increase.

Sec. 30. REPEAL

2007 Acts and Resolves No. 46, Sec. 6(a), as amended by 2009 Acts and Resolves No. 54, Sec. 8 (workforce education and training leader) and 2013 Acts and Resolves No. 81, Sec. 2, is repealed.

Sec. 31. DEPARTMENT OF LABOR; AGENCY OF COMMERCE AND  
COMMUNITY DEVELOPMENT; STATUTORY PROPOSALS

On or before November 1, 2014:

(1) The Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 543 to reflect best practices and improve clarity in the administration of, and for applicants to, the grant program from the Workforce Education and Training Fund under that section.

(2) The Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 531 to reflect best practices and improve clarity in the administration of, and for applicants to, the Vermont Training Program under that section.

Sec. 32. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS

On or before January 15, 2015, the Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.

\* \* \* Vermont Strong Scholars Program \* \* \*

Sec. 33. 16 V.S.A. chapter 90 is redesignated to read:

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CHAPTER 90. FUNDING OF POSTSECONDARY INSTITUTIONS  
EDUCATION

Sec. 34. 16 V.S.A. § 2888 is added to read:

§ 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP  
INITIATIVE

(a) Creation.

(1) There is created a postsecondary loan forgiveness and internship initiative designed to forgive a portion of Vermont Student Assistance Corporation loans of students employed in economic sectors identified as important to Vermont's economy and to build internship opportunities for students to gain work experience with Vermont employers.

(2) The initiative shall be known as the Vermont Strong Scholars and Internship Initiative and is designed to:

(A) encourage students to:

(i) consider jobs in economic sectors that are critical to the Vermont economy;

(ii) enroll and remain enrolled in a Vermont postsecondary institution; and

(iii) live in Vermont upon graduation;

(B) reduce student loan debt for postsecondary education in targeted fields;

(C) provide experiential learning through internship opportunities with Vermont employers; and

(D) support a pipeline of qualified talent for employment with Vermont's employers.

(b) Vermont Strong Loan Forgiveness Program.

(1) Economic sectors; projections.

(A) Annually, on or before November 15, the Secretary of Commerce and Community Development and the Commissioner of Labor, in consultation with the Vermont State Colleges, the University of Vermont, the Vermont Student Assistance Corporation, and the Secretary of Education, shall identify economic sectors, projecting at least four years into the future, that are or will be critical to the Vermont economy.

(B) Based upon the identified economic sectors and the number of students anticipated to qualify for loan forgiveness under this section, the Secretary of Commerce and Community Development shall annually provide the General Assembly with the estimated cost of the Vermont Student Assistance Corporation's loan forgiveness awards under the loan forgiveness program during the then-current fiscal year and each of the four following fiscal years.

(2) Eligibility. A graduate of a public or private Vermont postsecondary institution shall be eligible for forgiveness of a portion of his or her Vermont Student Assistance Corporation postsecondary education loans under this section if he or she:

(A) was a Vermont resident, as defined in 16 V.S.A. § 2822(7), at the time he or she was graduated;

(B) completed an associate's degree within three years, or a bachelor's degree within six years;

(C) becomes employed in Vermont within 12 months of graduation in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection;

(D) remains employed in Vermont throughout the period of loan forgiveness in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection; and

(E) remains a Vermont resident throughout the period of loan forgiveness.

(3) Loan forgiveness. An eligible individual shall have a portion of his or her Vermont Student Assistance Corporation loan forgiven as follows:

(A) for an individual awarded an associate's degree, in an amount equal to the comprehensive in-state tuition rate for 15 credits at the Vermont State Colleges during the individual's final semester of enrollment, to be prorated over the three years following graduation; and

(B) for an individual awarded a bachelor's degree, in an amount equal to the comprehensive in-state tuition rate for 30 credits at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation.

(C) Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from a Vermont postsecondary institution.



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(4) Management.

(A) The Secretary of Commerce and Community Development shall develop all organizational details of the loan forgiveness program consistent with the purposes and requirements of this section.

(B) The Secretary shall enter into a memorandum of understanding with the Vermont Student Assistance Corporation for management of the loan forgiveness program.

(C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program.

(c) Vermont Strong Internship Program.

(1) Internship program management.

(A) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop and implement the organizational details of the internship program consistent with the purposes and requirements of this section and may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the internship program.

(B) The Commissioner, in consultation with the Secretary, shall issue a request for proposals for a person to serve as an Internship Program Intermediary, who shall perform the duties and responsibilities pursuant to the terms of a performance contract negotiated by the Commissioner and the Intermediary.

(C) The Department of Labor, the Agency of Commerce and Community Development, the regional development corporations, and the Intermediary, shall have responsibility for building connections within the business community to ensure broad private sector participation in the internship program.

(D) The Program Intermediary shall:

(i) identify and foster postsecondary internships that are rigorous, productive, well-managed, and mentored;

(ii) cultivate relationships with employers, employer-focused organizations, and state and regional government bodies;

(iii) build relationships with Vermont postsecondary institutions and facilitate recruitment of students to apply for available internships;

(iv) create and maintain a registry of participating employers and associated internship opportunities;

(v) coordinate and provide support to the participating student, the employer, and the student's postsecondary institution;

(vi) develop and oversee a participation contract between each student and employer, including terms governing the expectations for the internship, a work plan, mentoring and supervision of the student, reporting by the employer and student, and compensation terms; and

(vii) carry out any additional activities and duties as directed by the Commissioner.

(2) Qualifying internships.

(A) Criteria. To qualify for participation in the internship program an internship shall at minimum:

(i) be with a Vermont employer as approved by the Intermediary in consultation with the Commissioner and Secretary;

(ii) pay compensation to an intern of at least the prevailing minimum wage; and

(iii) meet the quality standards and expectations as established by the Intermediary.

(B) Employment of interns. Interns shall be employed by the sponsoring employer except, with the approval of the Commissioner on a case-by-case basis, interns may be employed by the Intermediary and assigned to work with a participating Vermont employer, in which case the sponsoring employer shall contribute funds as determined by the Commissioner.

(3) Student eligibility. To participate in the internship program an individual shall be:

(A) a Vermont resident enrolled in a post-secondary institution in or outside Vermont;

(B) a student who graduated from a postsecondary institution within 24 months of entering the program who was classified as a Vermont resident during that schooling or who is a student who attended a post-secondary institution in Vermont; or

(C) a student enrolled in a Vermont post-secondary institution.

(d) Funding.

(1) Loan forgiveness program.

(A) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which shall be used and administered solely for the purposes of loan forgiveness pursuant to this section.

(B) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.

(C) Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(D) The availability and payment of loan forgiveness awards under this section are subject to funding available for the awards.

(2) Internship program. Notwithstanding any provision of law to the contrary, the Commissioner of Labor shall have the authority to use funds allocated to the Workforce Education and Training Fund established in 10 V.S.A. § 543 to implement the internship program created in this section.

#### Sec. 35. VERMONT STRONG INTERIM REPORT

On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the organizational and economic details of the Vermont Strong Scholars Initiative, including:

(1) the economic sectors selected for loan forgiveness;

(2) the projected annual cost of the Initiative,

(3) the proposed funding sources;

(4) programmatic proposals and economic projections on the feasibility and impacts of expanding eligibility for the loan forgiveness program to include Vermont residents who attend postsecondary institutions outside of Vermont and out-of-state residents who attend Vermont postsecondary institutions; and

(5) the projected balance of the Vermont Strong Scholars Fund for each fiscal year through fiscal year 2018.

#### Sec. 36. VERMONT PRODUCTS PROGRAM; STUDY; REPORT

(a) The Secretary of Commerce and Community Development, the Secretary of Agriculture, Food and Markets, and the Vermont Attorney General, shall collaborate to identify the issues, stakeholders, and processes necessary to consider whether and how to:

(1) provide Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and to avoid confusion by consumers when the Vermont brand is used in marketing products or services; and

(2) harmonize the Vermont origin rule, the Made in Vermont initiative, the proposed Vermont Products Program or similar initiative, and any other programs or initiatives the Secretaries and the Attorney General determine would be appropriate for such consideration.

(b) On or before September 1, 2015, the Secretaries and the Attorney General shall submit a report on their findings and recommendations to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development.

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

#### Sec. 37. EFFECTIVE DATES

(a) This section and Sec. 20a (Public Service Board; rulemaking) shall take effect on passage.

(b) The remainder of this act shall take effect on July 1, 2014, except that 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) shall take effect on July 1, 2015.

**Rep. Keenan of St. Albans City**, for the committee on Appropriations recommended that the House propose to the Senate to amend the bill as recommended by the committee on Commerce and Economic Development and when further amended as follows:

First: In Sec. 1a, in 32 V.S.A. § 136(g), after “House Committees” by inserting on Appropriations, and after “Senate Committees” by inserting on Appropriations, and by inserting a comma between “Development” and “and” and between “Finance” and “and”.

Second: By striking out Sec. 1b in its entirety and inserting in lieu thereof a new Sec. 1b to read:

#### Sec. 1b. CONTINGENT FISCAL YEAR 2014 APPROPRIATION

Prior to any transfer pursuant to 2013 Acts and Resolves No. 50, Sec. B 1104, of the first \$5,000,000.00 of fiscal year 2014 funds that would otherwise be transferred to the General Fund Balance Reserve as specified by 32 V.S.A. § 308c:

(1) up to \$500,000.00 shall first be appropriated to the Vermont Economic Development Authority for loan loss reserves within the Vermont

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Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb.

(2) up to \$4,500,000.00 of any additional funds after satisfaction of subdivision (1) of this subsection shall be appropriated to the Vermont Enterprise Fund for the purposes specified in 32 V.S.A. § 136.

Third: By adding a Sec. 1c to read:

Sec. 1c. REPEAL; VERMONT ENTERPRISE FUND

32 V.S.A. § 136 shall be repealed on July 1, 2015, and any balance remaining in the Vermont Enterprise Fund as of that date shall revert to the General Fund.

Fourth: In Sec. 8 in subdivision (a)(3) before the period by inserting ,subject to available funding and by striking out subsection (b) and redesignating subsection (c) as subsection (b)

Fifth: In Sec. 22, by striking out “House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs” and inserting in lieu thereof House Committees on Appropriations and on Commerce and Economic Development and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs

Sixth: In Sec. 34, in 16 V.S.A. § 2888(b)(2)(B), prior to the word “completed” by inserting enrolled in a postsecondary institution on or after July 1, 2015 and

Seventh: In Sec. 34, in 16 V.S.A. § 2888(d), by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read:

(1) Loan forgiveness program.

(A) Loan forgiveness; State funding.

(i) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which shall be used and administered by the Secretary of Commerce and Community Development solely for the purposes of loan forgiveness pursuant to this section.

(ii) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.

(iii) Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(iv) The availability and payment of loan forgiveness awards under this subdivision is subject to State funding available for the awards.

(B) Loan forgiveness; Vermont Student Assistance Corporation.

The Vermont Student Assistance Corporation shall have the authority to grant loan forgiveness pursuant to this section by using the private loan forgiveness capacity associated with bonds issued by the Corporation to raise funds for private loans that are eligible for forgiveness under this section, if available.

**Rep. Condon of Colchester**, for the committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the committee on Commerce and Economic Development and when further amended as follows:

By striking out Sec. 6 in its entirety and inserting in lieu thereof Secs. 6–6c to read:

Sec. 6. 32 V.S.A. § 5930aa(3) is amended to read:

(3) “Qualified code or technology improvement project” means a project:

(A)(i) ~~to~~ to install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the ~~department of public safety~~. Department of Public Safety; or

(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;

(B) ~~to~~ to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building-; or

(C) ~~to~~ to redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

Sec. 6a. 32 V.S.A. § 5930aa(7) is amended to read:

(7) “Qualified project” means a qualified code or technology improvement, qualified façade improvement, qualified technology infrastructure project, or qualified historic rehabilitation project as defined by this subchapter.

Sec. 6b. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for ~~qualified code improvement, façade improvement, or historic rehabilitation projects~~ a qualified project at any time before one year after completion of the qualified project.

\* \* \*

Sec. 6c. 32 V.S.A. § 5930cc(c) is amended to read:

(c) Code or technology improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

Thereupon, the bill was read the second time.

**Recess**

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

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

**Consideration Resumed; Proposal of Amendment  
Agreed to and Third Reading Ordered**

**S. 220**

Consideration resumed on Senate bill, entitled

An act relating to furthering economic development

Thereupon, the recommendation of proposal of amendment offered by the committee on Commerce and Economic Development was amended as recommended by the committee on Appropriations.

Thereupon, the recommendation of proposal of amendment offered by the committee on Commerce and Economic Development, as amended was further amended as recommended by the committee on Ways and Means.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the committee on Commerce and Economic Development, as amended? **Rep. Kupersmith of South Burlington** moved to amend the recommendation of proposal of amendment offered by the committee on Commerce and Economic Development, as amended, as follows:

In Sec. 29, in 10 V.S.A. § 531, in subsection (b), by striking out subdivision (4) in its entirety and inserting in lieu thereof a new subdivision (4) to read:

(4) compensation for each trainee at the completion of the training program equals or exceeds the livable wage as defined in 2 V.S.A. § 505, provided that the Secretary shall have the authority to modify this requirement if he or she determines that the employer offers compensation or benefits, the value of which exceeds the compensation and benefit assumptions in the basic needs budget and livable wage calculated pursuant to 2 V.S.A. § 505.

Which was agreed to.

Thereupon, the recommendation of proposal of amendment offered by the committee on Commerce and Economic Development, as amended, was agreed to.

Pending the question, Shall the bill be read a third time? **Rep. Botzow of Pownal** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time? was decided in the affirmative. Yeas, 140. Nays, 1.

Those who voted in the affirmative are:

Ancel of Calais

Bartholomew of Hartland

Batchelor of Derby



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|-------------------------|-----------------------------|---------------------------|
| Bissonnette of Winooski | Head of South Burlington    | Nuovo of Middlebury       |
| Botzow of Pownal        | Heath of Westford           | O'Brien of Richmond       |
| Bouchard of Colchester  | Hebert of Vernon            | Partridge of Windham      |
| Branagan of Georgia     | Helm of Fair Haven          | Pearce of Richford        |
| Brennan of Colchester   | Higley of Lowell            | Pearson of Burlington     |
| Browning of Arlington * | Hooper of Montpelier        | Peltz of Woodbury         |
| Burke of Brattleboro    | Hubert of Milton            | Poirier of Barre City     |
| Buxton of Tunbridge     | Huntley of Cavendish        | Potter of Clarendon       |
| Campion of Bennington   | Jerman of Essex             | Pugh of South Burlington  |
| Canfield of Fair Haven  | Jewett of Ripton            | Quimby of Concord         |
| Carr of Brandon         | Johnson of Canaan           | Rachelson of Burlington   |
| Christie of Hartford    | Juskiewicz of Cambridge     | Ralston of Middlebury     |
| Clarkson of Woodstock   | Keenan of St. Albans City   | Ram of Burlington         |
| Cole of Burlington      | Kilmartin of Newport City   | Russell of Rutland City * |
| Condon of Colchester    | Kitzmiller of Montpelier    | Ryerson of Randolph       |
| Connor of Fairfield     | Klein of East Montpelier    | Savage of Swanton         |
| Conquest of Newbury     | Komline of Dorset           | Scheuermann of Stowe      |
| Consejo of Sheldon      | Krebs of South Hero         | Shaw of Pittsford         |
| Copeland-Hanzas of      | Krowinski of Burlington     | Shaw of Derby             |
| Bradford                | Kupersmith of South         | Smith of New Haven        |
| Corcoran of Bennington  | Burlington                  | South of St. Johnsbury    |
| Cross of Winooski       | Lanpher of Vergennes        | Spengler of Colchester    |
| Cupoli of Rutland City  | Larocque of Barnet          | Stevens of Waterbury      |
| Dakin of Chester        | Lawrence of Lyndon          | Stevens of Shoreham       |
| Davis of Washington     | Lenes of Shelburne          | Strong of Albany          |
| Deen of Westminster     | Lewis of Berlin             | Stuart of Brattleboro     |
| Devereux of Mount Holly | Lippert of Hinesburg        | Sweaney of Windsor        |
| Dickinson of St. Albans | Macaig of Williston         | Terenzini of Rutland Town |
| Town                    | Malcolm of Pawlet           | Till of Jericho           |
| Donaghy of Poultney     | Manwaring of Wilmington     | Toleno of Brattleboro     |
| Donahue of Northfield   | Marcotte of Coventry        | Toll of Danville          |
| Donovan of Burlington   | Marek of Newfane            | Townsend of South         |
| Ellis of Waterbury      | Martin of Springfield       | Burlington                |
| Emmons of Springfield   | Martin of Wolcott           | Turner of Milton          |
| Evans of Essex          | Masland of Thetford         | Van Wyck of Ferrisburgh   |
| Fagan of Rutland City   | McCarthy of St. Albans City | Vowinkel of Hartford      |
| Fay of St. Johnsbury    | McCormack of Burlington     | Waite-Simpson of Essex    |
| Feltus of Lyndon        | McCullough of Williston     | Walz of Barre City        |
| Fisher of Lincoln       | McFaun of Barre Town        | Webb of Shelburne         |
| Frank of Underhill      | Michelsen of Hardwick       | Weed of Enosburgh         |
| French of Randolph      | Miller of Shaftsbury        | Wilson of Manchester      |
| Gage of Rutland City    | Mitchell of Fairfax         | Winters of Williamstown   |
| Gallivan of Chittenden  | Mook of Bennington          | Wizowaty of Burlington    |
| Goodwin of Weston       | Moran of Wardsboro          | Wright of Burlington      |
| Grad of Moretown        | Morrissey of Bennington     | Yantachka of Charlotte    |
| Greshin of Warren       | Mrowicki of Putney          | Young of Glover           |
| Haas of Rochester       | Myers of Essex              | Zagar of Barnard          |

Those who voted in the negative are:

Beyor of Highgate

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

Burditt of West Rutland  
Hoyt of Norwich  
Johnson of South Hero

Koch of Barre Town  
O'Sullivan of Burlington  
Sharpe of Bristol

Trieber of Rockingham  
Woodward of Johnson

**Rep. Browning of Arlington** explained her vote as follows:

“Mr. Speaker:

I vote yes, but Vermonters should be aware that government funding of private for profit corporations usually ends up with the public bearing the costs of the private corporation enjoying the profits. State government should not be picking some businesses as worthy of support at the expense of others. I believe this is what will happen under the Vermont Enterprise Fund.”

**Rep. Russell of Rutland City** explained his vote as follows:

“Mr. Speaker:

I applaud the House Commerce and Economic Development Committee for their efforts in preserving and promoting commerce, economic development and jobs. This is positive comprehensive legislation for my city of Rutland and for Vermont. I am pleased to vote yes for jobs!”

**Message from the Senate No. 56**

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. 297.** An act relating to duties and functions of the Department of Public Service.

**H. 325.** An act relating to a bill of rights for children of arrested and incarcerated parents.

**H. 350.** An act relating to the posting of medical unprofessional conduct decisions and to investigators of alleged unprofessional conduct.

**H. 690.** An act relating to the definition of serious functional impairment.

**H. 699.** An act relating to temporary housing.

**H. 795.** An act relating to victim's compensation and restitution procedures.

**H. 885.** An act relating to making appropriations for the support of government.

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

**Proposal of Amendment Agreed to; Third Reading Ordered**

**S. 239**

**Rep. Deen of Westminster,** for the committee on Fish, Wildlife & Water Resources, to which had been referred Senate bill, entitled

An act relating to the regulation of toxic substances

Reported in favor of its passage in concurrence with proposal of amendment as follows:

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

**Sec. 1. FINDINGS**

The General Assembly finds that:

(1) There are more than 84,000 chemicals used commercially in the United States, and each year approximately 1,000 chemicals are added to the list of registered chemicals.

(2) More than 90 percent of the chemicals in commercial use in the United States have never been fully tested for potential impacts on human health or the environment.

(3) In 1976, the federal government passed the Toxic Substances Control Act (TSCA) in an attempt to improve the regulation of chemicals in the United States. However, TSCA grandfathered approximately 62,000 chemicals from regulation under the Act. Consequently, the U.S. Environmental Protection Agency (EPA) is not required to assess the risk of these chemicals. Since TSCA became law, EPA only has required testing for approximately 200 chemicals, and has banned or restricted the use of five of those chemicals. No chemicals have been banned in over 20 years.

(4) Biomonitoring studies reveal that toxic chemicals are in the bodies of people, including chemicals linked to cancer, brain and nervous damage, birth defects, developmental delays, and reproductive harm. Even newborn babies have chemical body burdens, proving that they are being polluted while in the womb.

(5) Vermont has regulated the use of individual chemicals of concern, including lead, mercury, bisphenol A, phthalates, decabromodiphenyl ether, tris(1,3-dichloro-2-propyl) phosphate, and tris(2-chloroethyl) phosphate, but reviewing chemicals individually, one at a time, is inefficient and inadequate for addressing the issues posed by chemicals of concern.

(6) Other states and countries, including Maine, Washington, California, and the European Union, are already taking a more comprehensive approach to chemical regulation in consumer products, and chemical regulation in Vermont should harmonize with these efforts.

(7) The State has experience monitoring and regulating chemical use through the toxic use and hazardous waste reduction programs.

(8) In order to ensure that the regulation of toxic chemicals is robust and protective, parties affected by the regulation of chemical use shall have ample opportunity to comment on proposed regulation so that the legal and financial risks of regulation are minimized.

Sec. 2. 18 V.S.A. chapter 38A is added to read:

#### CHAPTER 38A. CHEMICALS OF HIGH CONCERN TO CHILDREN

##### § 1771. POLICY

It is the policy of the State of Vermont:

(1) to protect public health and the environment by reducing exposure of its citizens and vulnerable populations, such as children, to toxic chemicals, particularly when safer alternatives exist; and

(2) that the State attempt, when possible, to regulate toxic chemicals in a manner that is consistent with regulation of toxic chemicals in other states.

##### § 1772. DEFINITIONS

As used in this chapter:

(1) "Aircraft" shall have the same meaning as in 5 V.S.A. § 202.

(2) "Chemical" means a substance with a distinct molecular composition or a group of structurally related substances and includes the breakdown products of the substance or substances that form through decomposition,

degradation, or metabolism. “Chemical” shall not mean crystalline silica in any form, as derived from ordinary sand or as present as a naturally occurring component of any other mineral raw material, including granite, gravel, limestone, marble, slate, soapstone, and talc.

(3) “Chemical of high concern to children” means a chemical listed under section 1773 or designated by the Department as a chemical of high concern by rule under section 1776 of this title.

(4) “Child” or “children” means an individual or individuals under 12 years of age.

(5) “Children’s cosmetics” means cosmetics that are made for, marketed for use by, or marketed to children. “Children’s cosmetics” includes cosmetics that meet any of the following conditions:

(A) are represented in its packaging, display, or advertising as appropriate for use by children;

(B) are sold in conjunction with, attached to, or packaged together with other products that are packaged, displayed, or advertised as appropriate for use by children; or

(C) are sold in any of the following:

(i) a retail store, catalogue, or online website, in which a person exclusively offers for sale consumer products that are packaged, displayed, or advertised as appropriate for use by children; or

(ii) a discrete portion of a retail store, catalogue, or online website, in which a person offers for sale products that are packaged, displayed, or advertised as appropriate for use by children.

(6) “Children’s jewelry” means jewelry that is made for, marketed for use by, or marketed to children and shall include jewelry that meets any of the following conditions:

(A) is represented in its packaging, display, or advertising as appropriate for use by children;

(B) is sold in conjunction with, attached to, or packaged together with other products that are packaged, displayed, or advertised as appropriate for use by children;

(C) is sized for children and not intended for use by adults; or

(D) is sold in any of the following:

(i) a vending machine;

(ii) a retail store, catalogue, or online website, in which a person exclusively offers for sale products that are packaged, displayed, or advertised as appropriate for use by children; or

(iii) a discrete portion of a retail store, catalogue, or online website, in which a person offers for sale products that are packaged, displayed, or advertised as appropriate for use by children.

(7)(A) "Children's product" means any consumer product, marketed for use by, marketed to, sold, offered for sale, or distributed to children in the State of Vermont, including:

(i) toys;

(ii) children's cosmetics;

(iii) children's jewelry;

(iv) a product designed or intended by the manufacturer to help a child with sucking or teething, to facilitate sleep, relaxation, or the feeding of a child, or to be worn as clothing by children; or

(v) child car seats.

(B) "Children's product" shall not mean or include the following:

(i) batteries;

(ii) consumer electronic products, including personal computers, audio and video equipment, calculators, wireless phones, game consoles, and hand-held devices incorporating a video screen used to access interactive software intended for leisure and entertainment and their associated peripherals;

(iii) interactive software, intended for leisure and entertainment, such as computer games, and their storage media, such as compact discs;

(iv) snow sporting equipment, including skis, poles, boots, snow boards, sleds, and bindings;

(v) inaccessible components of a consumer product that during reasonably foreseeable use and abuse of the consumer product would not come into direct contact with a child's skin or mouth; and

(vi) used consumer products that are sold in second-hand product markets.

(8) “Consumer product” means any product that is regularly used or purchased to be used for personal, family, or household purposes. “Consumer product” shall not mean:

(A) a product primarily used or purchased for industrial or business use that does not enter the consumer product market or is not otherwise sold at retail;

(B) a food or beverage or an additive to a food or beverage;

(C) a tobacco product;

(D) a pesticide regulated by the U.S. Environmental Protection Agency;

(E) a drug, or biologic regulated by the U.S. Food and Drug Administration (FDA), or the packaging of a drug, or biologic that is regulated by the FDA, including over the counter drugs, prescription drugs, dietary supplements, medical devices, or products that are both a cosmetic and a drug regulated by the FDA;

(F) ammunition or components thereof, firearms, air rifles, hunting or fishing equipment or components thereof;

(G) an aircraft, motor vehicle, vessel; or

(H) the packaging in which a consumer product is sold, offered for sale, or distributed.

(9) “Contaminant” means a trace amount of a chemical or chemicals that is incidental to manufacturing and serves no intended function in the children’s product or component of the children’s product, including an unintended by-product of chemical reactions during the manufacture of the children’s product, a trace impurity in feed-stock, an incompletely reacted chemical mixture, and a degradation product.

(10) “Cosmetics” means articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering appearance, and articles intended for use as a component of such an article. “Cosmetics” shall not mean soap, dietary supplements, or food and drugs approved by the U.S. Food and Drug Administration.

(11) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(12) "Manufacturer" means:

(A) any person who manufactures a children's product or whose name is affixed to a children's product or its packaging or advertising, and the children's product is sold or offered for sale in Vermont; or

(B) any person who sells a children's product to a retailer in Vermont when the person who manufactures the children's product or whose name is affixed to the children's product or its packaging or advertising does not have a presence in the United States other than the sale or offer for sale of the manufacturer's products.

(13) "Motor vehicle" means every vehicle intended primarily for use and operation on the public highways and shall include snowmobiles, all-terrain vehicles, and farm tractors and other machinery used in the production, harvesting, and care of farm products.

(14) "Persistent bioaccumulative toxic" means a chemical or chemical group that, based on credible scientific information, meets each of the following criteria:

(A) the chemical can persist in the environment as demonstrated by the fact that:

(i) the half-life of the chemical in water is greater than or equal to 60 days;

(ii) the half-life of the chemical in soil is greater than or equal to 60 days; or

(iii) the half-life of the chemical in sediments is greater than or equal to 60 days; and

(B) the chemical has a high potential to bioaccumulate based on credible scientific information that the bioconcentration factor or bioaccumulation factor in aquatic species for the chemical is greater than 1,000 or, in the absence of such data, that the log-octanol water partition coefficient (log Kow) is greater than five; and

(C) the chemical has the potential to be toxic to children as demonstrated by the fact that:

(i) the chemical or chemical group is a carcinogen, a developmental or reproductive toxicant, or a neurotoxicant;

(ii) the chemical or chemical group has a reference dose or equivalent toxicity measure that is less than 0.003 mg/kg/day; or



(iii) the chemical or chemical group has a chronic no observed effect concentration (NOEC) or equivalent toxicity measure that is less than 0.1 mg/L or an acute NOEC or equivalent toxicity measure that is less than 1.0 mg/L.

(15) “Practical quantification limit (PQL)” means the lowest concentration that can be reliably measured within specified limits of precision, accuracy, representativeness, completeness, and comparability during routine laboratory operating conditions.

(16) “Toy” means a consumer product designed or intended by the manufacturer to be used by a child at play.

(17) “Vessel” means every description of watercraft used or capable of being used as a means of transportation on water.

#### § 1773. CHEMICALS OF HIGH CONCERN TO CHILDREN

(a) List of chemicals of high concern to children. The following chemicals are designated as chemicals of high concern to children for the purposes of the requirements of this chapter:

- (1) Formaldehyde.
- (2) Aniline.
- (3) N-Nitrosodimethylamine.
- (4) Benzene.
- (5) Vinyl chloride.
- (6) Acetaldehyde.
- (7) Methylene chloride.
- (8) Carbon disulfide.
- (9) Methyl ethyl ketone.
- (10) 1,1,2,2-Tetrachloroethane.
- (11) Tetrabromobisphenol A.
- (12) Bisphenol A.
- (13) Diethyl phthalate.
- (14) Dibutyl phthalate.
- (15) Di-n-hexyl phthalate.
- (16) Phthalic anhydride.

- (17) Butyl benzyl phthalate (BBP).
- (18) N-Nitrosodiphenylamine.
- (19) Hexachlorobutadiene.
- (20) Propyl paraben.
- (21) Butyl paraben.
- (22) 2-Aminotoluene.
- (23) 2,4-Diaminotoluene.
- (24) Methyl paraben.
- (25) p-Hydroxybenzoic acid.
- (26) Ethylbenzene.
- (27) Styrene.
- (28) 4-Nonylphenol; 4-NP and its isomer mixtures including CAS 84852-15-3 and CAS 25154-52-3.
- (29) para-Chloroaniline.
- (30) Acrylonitrile.
- (31) Ethylene glycol.
- (32) Toluene.
- (33) Phenol.
- (34) 2-Methoxyethanol.
- (35) Ethylene glycol monoethyl ester.
- (36) Tris(2-chloroethyl) phosphate.
- (37) Di-2-ethylhexyl phthalate.
- (38) Di-n-octyl phthalate (DnOP).
- (39) Hexachlorobenzene.
- (40) 3,3'-Dimethylbenzidine and Dyes Metabolized to 3,3'-Dimethylbenzidine.
- (41) Ethyl paraben.
- (42) 1,4-Dioxane.
- (43) Perchloroethylene.

- 
- (44) Benzophenone-2 (Bp-2); 2,2',4,4'-Tetrahydroxybenzophenone.
  - (45) 4-tert-Octylphenol; 4(1,1,3,3-Tetramethylbutyl) phenol.
  - (46) Estragole.
  - (47) 2-Ethylhexanoic acid.
  - (48) Octamethylcyclotetrasiloxane.
  - (49) Benzene, Pentachloro.
  - (50) C.I. Solvent yellow 14.
  - (51) N-Methylpyrrolidone.
  - (52) 2,2',3,3',4,4',5,5',6,6'-Decabromodiphenyl ether; BDE-209.
  - (53) Perfluorooctanyl sulphonic acid and its salts; PFOS.
  - (54) Phenol, 4-octyl.
  - (55) 2-Ethyl-hexyl-4-methoxycinnamate.
  - (56) Mercury & mercury compounds including methyl mercury (22967-92-6).
  - (57) Molybdenum and molybdenum compounds.
  - (58) Antimony and Antimony compounds.
  - (59) Arsenic and Arsenic compounds, including arsenic trioxide (1327-53-3) and dimethyl arsenic (75-60-5).
  - (60) Cadmium and cadmium compounds.
  - (61) Cobalt and cobalt compounds.
  - (62) Tris(1,3-dichloro-2-propyl)phosphate.
  - (63) Butylated hydroxyanisole; BHA.
  - (64) Hexabromocyclododecane
  - (65) Diisodecyl phthalate (DIDP).
  - (66) Diisononyl phthalate (DINP).
  - (67) any other chemical designated by the Commissioner as a chemical of high concern to children by rule under section 1776 of this title.
- (b) Beginning on July 1, 2017, and biennially thereafter, the Commissioner of Health shall review the list of chemicals of high concern to children to determine if additional chemicals should be added to the list under subsection

1776(b) of this title. In reviewing the list of chemicals of high concern to children, the Commissioner of Health may consider designations made by other states, the federal government, other countries, or other governmental agencies.

(c) Publication of list. The Commissioner shall post the list of chemicals of high concern to children on the Department of Health website by chemical name and Chemical Abstracts Service number.

(d) Addition or removal from list. Under 3 V.S.A. § 806, any person may request that the Commissioner add or remove a chemical from the list of chemicals of high concern to children.

(e) PQL value. A PQL value established under this chapter for individual chemicals shall depend on the analytical method used for each chemical. The PQL value shall be based on scientifically defensible, standard analytical methods as advised by guidance published by the Department.

§ 1774. CHEMICALS OF HIGH CONCERN TO CHILDREN WORKING GROUP

(a) Creation. A Chemicals of High Concern to Children Working Group (Working Group) is created within the Department of Health for the purpose of providing the Commissioner of Health advice and recommendations regarding implementation of the requirements of this chapter.

(b) Membership.

(1) The Working Group shall be composed of the following members who, except for ex officio members, shall be appointed by the Governor after consultation with the Commissioner of Health:

(A) the Commissioner of Health or designee, who shall be the chair of the Working Group;

(B) the Commissioner of Environmental Conservation or designee;

(C) the State toxicologist or designee;

(D) a representative of a public interest group in the State with experience in advocating for the regulation of toxic substances;

(E) a representative of an organization within the State with expertise in issues related to the health of children or pregnant women;

(F) two representatives of businesses in the State that use chemicals in a manufacturing or production process or use chemicals that are used in a children's product manufactured in the State;

(G) a scientist with expertise regarding the toxicity of chemicals; and

(H) a representative of the children's products industry with expertise in existing state and national policies impacting children's products.

(2)(A) In addition to the members of the Working Group appointed under subdivision (1) of this subsection, the Governor may appoint up to three additional adjunct members.

(B) An adjunct member appointed under this subdivision (2) shall have expertise or knowledge of the chemical or children's product under review or shall have expertise or knowledge in the potential health effects of the chemical at issue.

(C) Adjunct members appointed under this subdivision (2) shall have the same authority and powers as a member of the Working Group appointed under subdivision (1) of this subsection (b).

(3) The members of the Working Group appointed under subdivision (1) of this subsection shall serve staggered three-year terms. The Governor may remove members of the Working Group who fail to attend three consecutive meetings and may appoint replacements. The Governor may reappoint members to serve more than one term.

(c) Powers and duties. The Working Group shall:

(1) upon the request of the Chair of the Working Group, review proposed chemicals for listing as a chemical of high concern to children under section 1773 of this title; and

(2) recommend to the Commissioner of Health whether rules should be adopted under section 1776 of this title to regulate the sale or distribution of a children's product containing a chemical of high concern to children.

(d) Commissioner of Health recommendation; assistance.

(1) Beginning on July 1, 2017, and biennially thereafter, the Commissioner of Health shall recommend chemicals of high concern to children in children's products for review by the Working Group. The Commissioner's recommendations shall be based on the degree of human health risks, exposure pathways, and impact on sensitive populations presented by a chemical of high concern to children.

(2) The Working Group shall have the administrative, technical, and legal assistance of the Department of Health and the Agency of Natural Resources.

(e) Meetings.

(1) The Chair of the Working Group may convene the Working Group at any time, but no less frequently than at least once every other year.

(2) A majority of the members of the Working Group, including adjunct members when appointed, shall constitute a quorum, and all action shall be taken upon a majority vote of the members present and voting.

(f) Reimbursement. Members of the Working Group, including adjunct members, whose participation is not supported through their employment or association shall receive per diem compensation pursuant to 32 V.S.A. § 1010 and reimbursement of travel expenses. A per diem authorized by this section shall be paid from the budget of the Department of Health.

§ 1775. DISCLOSURE OF INFORMATION ON CHEMICALS OF HIGH CONCERN

(a) Notice requirement. Unless the Commissioner adopts by rule a phased-in reporting requirement under section 1776, beginning on July 1, 2015, and biennially thereafter, a manufacturer of a children's product or a trade association representing a manufacturer of children's products shall submit to the Department the notice described in subsection (b) of this section if a chemical of high concern to children is:

(1) intentionally added to a children's product at a level above the PQL produced by the manufacturer; or

(2) present in a children's product produced by the manufacturer as a contaminant at a concentration of 100 parts per million or greater.

(b) Format for notice. The Commissioner shall specify the format for submission of the notice required by subsection (a) of this section, provided that the required format shall be generally consistent with the format for submission of notice in other states with requirements substantially similar to the requirements of this section. Any notice submitted under subsection (a) shall contain the following information:

(1) the name of the chemical used or produced and its chemical abstracts service registry number;

(2) a description of the product or product component containing the substance;

(3) the amount of the chemical by weight contained in each unit of the product or product component;

(4) the name and address of the manufacturer of the children's product and the name, address, and telephone number of a contact person for the manufacturer;

(5) any other information the manufacturer deems relevant to the appropriate use of the product; and

(6) any other information required by the Commissioner under rules adopted pursuant to 3 V.S.A. chapter 25.

(c) Reciprocal data-sharing. In order for the Department to obtain the information required in the notice described in subsection (b) of this section, the Department may enter into reciprocal data-sharing agreements with other states in which a manufacturer of children's products is also required to disclose information related to chemicals of high concern to children in children's products. The Department shall not disclose trade secret information, confidential business information, or other information designated as confidential by law under a reciprocal data-sharing agreement.

(d) Waiver of reporting requirement. Upon application of a manufacturer on a form provided by the Department, the Commissioner may waive reporting requirements under this section if a manufacturer submitted the information required by this section to:

(1) a state with which the Department has entered a reciprocal data-sharing agreement; or

(2) a trade association, the Interstate Chemicals Clearinghouse, or other independent third party, if:

(A) the information reported to the third party is publicly available; and

(B) the information required to be reported for chemicals under this chapter is provided to the third party and access to that information is or will be clearly available from the Department of Health website.

(e) Chemical control program. A manufacturer shall be exempt from the requirements of notice under this section for any chemical of high concern to children that is present in a children's product or component of a children's product only as a contaminant if, during manufacture of the children's product, the manufacturer was implementing a manufacturing control program and exercised due diligence to minimize the presence of the contaminant in the children's product.

(f) Notice of removal of chemical. A manufacturer who submitted the notice required by subsection (a) of this section may at any time submit to the Department notice that a chemical of high concern to children has been removed from the manufacturer's children's product or that the manufacturer no longer sells, offers for sale, or distributes in the State the children's product containing the chemical of high concern to children. Upon verification of a manufacturer's notice under this subsection, the Commissioner shall promptly remove from the Department website any reference to the relevant children's product of the manufacturer.

(g) Certificate of compliance. A manufacturer required to submit notice under this section to the Commissioner may rely on a certificate of compliance from suppliers for determining reporting obligations.

(h) Products for sale out of State. A manufacturer shall not be required to submit notice under this section for a children's product manufactured, stored in, or transported through Vermont solely for use or sale outside of the State of Vermont.

(i) Publication of information; disclaimer. The Commissioner shall post on the Department of Health website information submitted under this section by a manufacturer. When the Commissioner posts on the Department of Health website information submitted under this section by a manufacturer, the Commissioner shall provide the following notice:

"The reports on this website are based on data provided to the Department. The presence of a chemical in a children's product does not necessarily mean that the product is harmful to human health or that there is any violation of existing safety standards or laws. The reporting triggers are not health-based values."

(j) Fee. A manufacturer required under this section to provide information on its use of a chemical of high concern to children shall pay a fee of \$2,000.00 per chemical of high concern to children used by the manufacturer in the production of children's products. A fee required under this subsection shall be submitted when the manufacturer provides the first submission of notice required under this section for each chemical of high concern to children. The fee required shall be required only with the first submission of notice required under this section and shall not be required for each required subsequent biennial notice. Fees collected under this subsection shall be deposited in the Chemicals of High Concern Fund for the purposes of that Fund.



(k) Application of section. The requirements of this section shall apply unless a manufacturer is exempt or unless notice according to the requirements of this section is specifically preempted by federal law. In the event of conflict between the requirements of this section and federal law, federal law shall control.

§ 1776. RULEMAKING; ADDITIONAL CHEMICALS OF CONCERN TO CHILDREN; PROHIBITION OF SALE

(a) Rulemaking authority. The Commissioner shall, after consultation with the Secretary of Natural Resources, adopt rules as necessary for the purposes of implementing, administering, or enforcing the requirements of this chapter.

(b) Additional chemicals of concern to children. The Commissioner may by rule add additional chemicals to the list of chemicals of high concern to children, provided that the Commissioner of Health, on the basis of the weight of credible, scientific evidence, has determined that a chemical proposed for addition to the list meets both of the following criteria in subdivisions (1) and (2) of this subsection:

(1) The Commissioner of Health has determined that an authoritative governmental entity or accredited research university has demonstrated that the chemical:

(A) harms the normal development of a fetus or child or causes other developmental toxicity;

(B) causes cancer, genetic damage, or reproductive harm;

(C) disrupts the endocrine system;

(D) damages the nervous system, immune system, or organs or cause other systemic toxicity; or

(E) is a persistent bioaccumulative toxic.

(2) The chemical has been found through:

(A) biomonitoring to be present in human blood, umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

(B) sampling and analysis to be present in household dust, indoor air, drinking water, or elsewhere in the home environment; or

(C) monitoring to be present in fish, wildlife, or the natural environment.

(c) Removal of chemical from list. The Commissioner may by rule remove a chemical from the list of chemicals of high concern to children established under section 1773 of this title or rules adopted under this section if the Commissioner determines that the chemical no longer meets both of the criteria of subdivisions (b)(1) and (2) of this section.

(d) Rule to regulate sale or distribution.

(1) The Commissioner, upon the recommendation of the Chemicals of High Concern to Children Working Group, may adopt a rule to regulate the sale or distribution of a children's product containing a chemical of high concern to children upon a determination that:

(A) children will be exposed to a chemical of high concern to children in the children's product; and

(B) there is a probability that, due to the degree of exposure or frequency of exposure of a child to a chemical of high concern to children in a children's product, exposure could cause or contribute to one or more of the adverse health impacts listed under subdivision (b)(1) of this section.

(2) In determining whether children will be exposed to a chemical of high concern in a children's product, the Commissioner shall review available, credible information regarding:

(A) the market presence of the children's product in the State;

(B) the type or occurrence of exposures to the relevant chemical of high concern to children in the children's product;

(C) the household and workplace presence of the children's product;

(D) the potential and frequency of exposure of children to the chemical of high concern to children in the children's product.

(3) A rule adopted under this section may:

(A) prohibit the children's product containing the chemical of high concern to children from sale, offer for sale, or distribution in the State; or

(B) require that the children's product containing the chemical of high concern to children be labeled prior to sale, offer for sale, or distribution in the State.

(4) In any rule adopted under this subsection, the Commissioner shall adopt reasonable time frames for manufacturers, distributors, and retailers to comply with the requirements of the rules. No prohibition on sale or manufacture of a children's product in the State shall take effect sooner than

two years after the adoption of a rule adopted under this section unless the Commissioner determines that an earlier effective date is required to protect human health and the new effective date is established by rule.

(e) Exemption for chemical management strategy. In adopting a rule under this section, the Commissioner may exempt from regulation a children's product containing a chemical of high concern to children if the manufacturer of the children's product is implementing a comprehensive chemical management strategy designed to eliminate harmful substances or chemicals from the manufacturing process.

(f) Additional rules.

(1) On or before July 1, 2017, the Commissioner of Health shall adopt by rule the process and procedure to be required when the Commissioner of Health adopts a rule under subsection (b) or (c) of this section. The rule shall provide all relevant criteria for evaluation of the chemical, time frames for labeling or phasing out sale or distribution, and other information or process determined as necessary by the Commissioner for implementation of this chapter.

(2) The Commissioner may, by rule, authorize a manufacturer to report ranges of the amount of a chemical in a children's product, rather than the exact amount, provided that if there are multiple chemical values for a given component in a particular product category, the manufacturer shall use the largest value for reporting.

(3) Notwithstanding the required reporting dates under section 1774 of this title, the Commissioner may adopt by rule phased-in reporting requirements for chemicals of high concern to children in children's products based on the size of the manufacturer, aggregate sales of children's products, or the exposure profile of the chemical of high concern to children in the children's product.

(g) Additional public participation. In addition to the public participation requirements of 3 V.S.A. chapter 25 and prior to submitting a rule authorized under this section to the Secretary of State under 3 V.S.A. § 838, the Commissioner shall make reasonable efforts to consult with interested parties within the State regarding any proposed prohibition of a chemical of high concern to children. The Commissioner may satisfy the consultation requirement of this section through the use of one or more workshops, focused work groups, dockets, meetings, or other forms of communication.

§ 1777. CHEMICALS OF HIGH CONCERN TO CHILDREN FUND

(a) The Chemicals of High Concern to Children Fund is established in the State Treasury, separate and distinct from the General Fund, to be administered by the Commissioner of Health. Interest earned by the Fund shall be credited to the Fund. Monies in the Fund shall be made available to the Department of Health and the Agency of Natural Resources to pay costs incurred in administration of the requirements of this chapter.

(b) The Chemicals of High Concern to Children Fund shall consist of:

(1) fees and charges collected under section 1775 of this chapter;

(2) private gifts, bequests, grants, or donations made to the State from any public or private source for the purposes for which the Fund was established; and

(3) such sums as may be appropriated by the General Assembly.

§ 1778. CONFIDENTIALITY

Information submitted to or acquired by the Department or the Chemicals of High Concern to Children Working Group under this chapter may be subject to public inspection or copying or may be published on the Department website, provided that trade secret information and confidential business information shall be exempt from public inspection and copying under 1 V.S.A. § 317(c)(9) and information otherwise designated confidential by law shall be exempt from public inspection and copying under 1 V.S.A. § 317(c)(1). It shall be the burden of the manufacturer to assert that information submitted under this chapter is a trade secret, confidential business information, or is otherwise designated confidential by law. When a manufacturer asserts under this section that the specific identity of a chemical of high concern to children in a children's product is a trade secret, the Commissioner shall, in place of the specific chemical identity, post on the Department's website the generic class or category of the chemical in the children's product and the potential health effect of the specific chemical of high concern to children.

§ 1779. VIOLATIONS; ENFORCEMENT

A violation of this chapter shall be considered a violation of the Consumer Protection Act in 9 V.S.A. chapter 63. The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions under 9 V.S.A. chapter 63, subchapter 1. Private parties shall not have a private right of action under this chapter.

Sec. 3. REPORT TO GENERAL ASSEMBLY; CHEMICALS OF HIGH  
CONCERN TO CHILDREN

On or before January 15, 2015, and biennially thereafter, the Commissioner of Health, after consultation with the Secretary of Natural Resources, shall submit to the Senate Committee on Health and Welfare, the House Committee on Human Services, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate and House Committees on Appropriations, a report concerning implementation, administration, and financing by the Department of Health of the requirements of 18 V.S.A. chapter 38A regarding the chemicals of high concern to children. The report shall include:

(1) Any updates to the list of chemicals of high concern to children required under 18 V.S.A. § 1773.

(2) The number of manufacturers providing notice under 18 V.S.A. § 1775 regarding whether a children's product includes a chemical of high concern to children.

(3) The number of chemicals of high concern to children for which manufacturers asserted trade secret protection for the specific identity of the chemical, and a recommendation of whether a process should be established to review the validity of asserted trade secrets.

(4) An estimate of the annual cost to the Department of Health to implement the chemicals of high concern to children program.

(5) The number of Department of Health employees needed to implement the chemicals of high concern to children program.

(6) An estimate of additional funding that the Department may require to implement the chemicals of high concern to children program.

(7) A recommendation of how the State should collaborate with other states in implementing the requirements of the chemicals of high concern to children program.

(8) A recommendation as to whether the requirements of this chapter should be expanded to consumer products other than children's products.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

**Rep. Sharpe of Bristol**, for the committee on Ways and Means, recommended that the recommendation of proposal of amendment offered by the committee on Fish, Wildlife and Water Resources be amended as follows:

First: In Sec. 2, in 18 V.S.A. § 1775, in subsection (a), by striking out “Notice requirement.” where it appears and inserting in lieu thereof “Notice of chemical of high concern to children.”

and in subsection (a), after “described in subsection (b) of this section” and before “if a chemical of high concern” by inserting for each chemical of high concern to children in a children’s product

Second: In Sec. 2, 18 V.S.A. § 1775, in subdivision (b)(2), by striking out “substance” where it appears and inserting in lieu thereof chemical

Third: In Sec. 2, 18 V.S.A. § 1775, by striking out subsection (d) in its entirety and inserting in lieu thereof the following to read:

(d) Waiver of format. Upon application of a manufacturer on a form provided by the Department, the Commissioner may waive the requirement under subsection (b) of this section that a manufacturer provide notice in a format specified by the Commissioner. The waiver may be granted, provided that:

(1) the manufacturer submitted the information required in a notice under this section to:

(A) a state with which the Department has entered a reciprocal data-sharing agreement; or

(B) a trade association, the Interstate Chemicals Clearinghouse, or other independent third party;

(2) the information required to be reported in a notice under this section is provided to the Department in an alternate format, including reference to information publicly available in other states or by independent third parties; and

(3) the information required to be reported in a notice under this section is available on or accessible from the Department of Health website.

Fourth: In Sec. 2, 18 V.S.A. § 1775, by striking out subsection (j) in its entirety and inserting in lieu thereof the following:

(j) Fee. A manufacturer shall pay a fee of \$200.00 for each notice required under subsection (a) of this section. If, under subsection (d) of this section, the Commissioner waives the required format for reporting, the fee shall not be

waived. Fees collected under this subsection shall be deposited in the Chemicals of High Concern Fund for the purposes of that Fund.

**Rep. Fagan of Rutland City** for the committee on Appropriations, recommended that the bill ought to pass when amended as recommended by the committees on Fish, Wildlife and Water Resources and Ways and Means.

Thereupon, the bill was read the second time and the report of the committees on Fish, Wildlife and Water Resources, Ways and Means and Appropriations were agreed to.

Pending the question, Shall the bill be read a third time? **Rep. Deen of Westminster** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time? was decided in the affirmative. Yeas, 114. Nays, 27.

Those who voted in the affirmative are:

|                         |                           |                             |
|-------------------------|---------------------------|-----------------------------|
| Ancel of Calais         | Evans of Essex            | Lippert of Hinesburg        |
| Bartholomew of Hartland | Fagan of Rutland City     | Macaig of Williston         |
| Batchelor of Derby      | Fay of St. Johnsbury      | Malcolm of Pawlet           |
| Bissonnette of Winooski | Feltus of Lyndon          | Manwaring of Wilmington     |
| Botzow of Pownal        | Fisher of Lincoln         | Marcotte of Coventry        |
| Branagan of Georgia     | Frank of Underhill        | Marek of Newfane            |
| Browning of Arlington   | French of Randolph        | Martin of Springfield       |
| Burke of Brattleboro    | Gallivan of Chittenden    | Martin of Wolcott           |
| Buxton of Tunbridge     | Grad of Moretown          | Masland of Thetford         |
| Campion of Bennington   | Greshin of Warren         | McCarthy of St. Albans City |
| Canfield of Fair Haven  | Haas of Rochester         | McCormack of Burlington     |
| Carr of Brandon         | Head of South Burlington  | McCullough of Williston     |
| Christie of Hartford    | Heath of Westford         | McFaun of Barre Town        |
| Clarkson of Woodstock   | Hooper of Montpelier      | Michelsen of Hardwick       |
| Cole of Burlington      | Huntley of Cavendish      | Miller of Shaftsbury        |
| Connor of Fairfield     | Jerman of Essex           | Mook of Bennington          |
| Conquest of Newbury     | Jewett of Ripton          | Moran of Wardsboro          |
| Consejo of Sheldon      | Johnson of South Hero     | Mrowicki of Putney          |
| Copeland-Hanzas of      | Juskiewicz of Cambridge   | Myers of Essex              |
| Bradford                | Keenan of St. Albans City | Nuovo of Middlebury         |
| Corcoran of Bennington  | Kilmartin of Newport City | O'Brien of Richmond         |
| Cross of Winooski       | Kitzmiller of Montpelier  | Partridge of Windham        |
| Dakin of Chester        | Klein of East Montpelier  | Pearson of Burlington       |
| Davis of Washington     | Krebs of South Hero       | Peltz of Woodbury           |
| Deen of Westminster     | Krowinski of Burlington   | Poirier of Barre City       |
| Devereux of Mount Holly | Kupersmith of South       | Potter of Clarendon         |
| Donahue of Northfield   | Burlington                | Pugh of South Burlington    |
| Donovan of Burlington   | Lanpher of Vergennes      | Rachelson of Burlington     |
| Ellis of Waterbury      | Lenes of Shelburne        | Ralston of Middlebury       |
| Emmons of Springfield   | Lewis of Berlin           | Ram of Burlington           |

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|                          |                        |                        |
|--------------------------|------------------------|------------------------|
| Russell of Rutland City  | Sweaney of Windsor     | Walz of Barre City     |
| Ryerson of Randolph      | Till of Jericho        | Webb of Shelburne      |
| Sharpe of Bristol *      | Toleno of Brattleboro  | Weed of Enosburgh      |
| Shaw of Pittsford        | Toll of Danville       | Wilson of Manchester   |
| South of St. Johnsbury   | Townsend of South      | Wizowaty of Burlington |
| Spengler of Colchester * | Burlington             | Wright of Burlington   |
| Stevens of Waterbury     | Turner of Milton       | Yantachka of Charlotte |
| Stevens of Shoreham      | Vowinkel of Hartford   | Young of Glover        |
| Stuart of Brattleboro    | Waite-Simpson of Essex | Zagar of Barnard       |

Those who voted in the negative are:

|                         |                         |                           |
|-------------------------|-------------------------|---------------------------|
| Beyor of Highgate       | Hebert of Vernon        | Quimby of Concord *       |
| Bouchard of Colchester  | Helm of Fair Haven      | Savage of Swanton         |
| Brennan of Colchester   | Higley of Lowell        | Scheuermann of Stowe      |
| Condon of Colchester    | Hubert of Milton        | Smith of New Haven        |
| Cupoli of Rutland City  | Johnson of Canaan       | Strong of Albany          |
| Dickinson of St. Albans | Komline of Dorset       | Terenzini of Rutland Town |
| Town                    | Larocque of Barnet      | Van Wyck of Ferrisburgh   |
| Donaghy of Poultney     | Lawrence of Lyndon      | Winters of Williamstown   |
| Gage of Rutland City    | Morrissey of Bennington |                           |
| Goodwin of Weston       | Pearce of Richford      |                           |

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

|                         |                          |                       |
|-------------------------|--------------------------|-----------------------|
| Burditt of West Rutland | Mitchell of Fairfax      | Trieber of Rockingham |
| Hoyt of Norwich         | O'Sullivan of Burlington | Woodward of Johnson   |
| Koch of Barre Town      | Shaw of Derby            |                       |

**Rep. Quimby of Concord** explained her vote as follows:

“Mr. Speaker:

S.239 is duplicative. Industry is already regulated by the U.S. Food and Drug Administration. We also have a process here in Vermont to ban a chemical. The bill exempts many things that could hurt a child, such as electronics, sporting goods, batteries, food products, tobacco and many more. And yet, products deemed to be harmful to children include toys, teething rings, and car seats. This bill is a direct hit on businesses in Vermont, and thus a direct hit on families in Vermont.”

**Rep. Sharpe of Bristol** explained his vote as follows:

“Mr. Speaker:

One small step for the Vermont legislature, one large step for our children and grandchildren.”



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**Re. Spengler of Colchester** explained her vote as follows:

“Mr. Speaker:

It is difficult for me to understand a no vote on this bill, denying our children protection from toxic chemicals. Let us work to further protect our Vermont children from the onslaught of these poisons on their developing bodies.”

**Rules Suspended; Senate Proposal of Amendment Not Concurred in;  
Committee of Conference Requested and Appointed**

**H. 885**

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

An act relating to making appropriations for the support of government

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. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2015 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 2015. 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, 2014. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2015 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 2015.

(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 on June 30, 2015.

#### Sec. A.103 DEFINITIONS

(a) As used in 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 2015, 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 2015, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2014 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 2015 except for new positions authorized by the 2014 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 appropriations 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:

|                                    |   |
|------------------------------------|---|
| <u>B.100–B.199 and E.100–E.199</u> | <u>General Government</u>                 |
| <u>B.200–B.299 and E.200–E.299</u> | <u>Protection to Persons and Property</u> |
| <u>B.300–B.399 and E.300–E.399</u> | <u>Human Services</u>                     |
| <u>B.400–B.499 and E.400–E.499</u> | <u>Labor</u>                              |
| <u>B.500–B.599 and E.500–E.599</u> | <u>General Education</u>                  |
| <u>B.600–B.699 and E.600–E.699</u> | <u>Higher Education</u>                   |

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|--|---|
| <u>B.700–B.799 and E.700–E.799</u>     | <u>Natural Resources</u>                            |
| <u>B.800–B.899 and E.800–E.899</u>     | <u>Commerce and Community<br/>Development</u>       |
| <u>B.900–B.999 and E.900–E.999</u>     | <u>Transportation</u>                               |
| <u>B.1000–B.1099 and E.1000–E.1099</u> | <u>Debt Service</u>                                 |
| <u>B.1100–B.1199 and E.1100–E.1199</u> | <u>One-time and other appropriation<br/>actions</u> |

(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 Secretary of administration - secretary's office

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 3,609,604        |
| Operating expenses          | <u>224,103</u>   |
| Total                       | 3,833,707        |
| Source of funds             |                  |
| General fund                | 1,734,799        |
| Interdepartmental transfers | <u>2,098,908</u> |
| Total                       | 3,833,707        |

Sec. B.101 Secretary of administration - finance

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 1,258,484        |
| Operating expenses          | <u>131,517</u>   |
| Total                       | 1,390,001        |
| Source of funds             |                  |
| Interdepartmental transfers | <u>1,390,001</u> |
| Total                       | 1,390,001        |

Sec. B.102 Secretary of administration - workers' compensation insurance

|                        |                  |
|------------------------|------------------|
| Personal services      | 1,200,543        |
| Operating expenses     | <u>273,822</u>   |
| Total                  | 1,474,365        |
| Source of funds        |                  |
| Internal service funds | <u>1,474,365</u> |
| Total                  | 1,474,365        |

Sec. B.103 Secretary of administration - general liability insurance

|                    |               |
|--------------------|---------------|
| Personal services  | 284,607       |
| Operating expenses | <u>53,572</u> |

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|   |                   |
|---|-------------------|
| Total   | 338,179           |
| Source of funds   |                   |
| Internal service funds  | <u>338,179</u>    |
| Total   | 338,179           |
| Sec. B.104 Secretary of administration - all other insurance                      |                   |
| Personal services   | 24,311            |
| Operating expenses  | <u>8,623</u>      |
| Total   | 32,934            |
| Source of funds   |                   |
| Internal service funds  | <u>32,934</u>     |
| Total   | 32,934            |
| Sec. B.105 Information and innovation - communications and information technology |                   |
| Personal services   | 12,441,174        |
| Operating expenses  | 8,928,143         |
| Grants  | <u>635,000</u>    |
| Total   | 22,004,317        |
| Source of funds   |                   |
| Internal service funds  | <u>22,004,317</u> |
| Total   | 22,004,317        |
| Sec. B.106 Finance and management - budget and management                         |                   |
| Personal services   | 1,236,647         |
| Operating expenses  | <u>231,947</u>    |
| Total   | 1,468,594         |
| Source of funds   |                   |
| General fund  | 1,076,522         |
| Interdepartmental transfers   | <u>392,072</u>    |
| Total   | 1,468,594         |
| Sec. B.107 Finance and management - financial operations                          |                   |
| Personal services   | 2,923,085         |
| Operating expenses  | <u>874,046</u>    |
| Total   | 3,797,131         |
| Source of funds   |                   |
| Internal service funds  | <u>3,797,131</u>  |
| Total   | 3,797,131         |
| Sec. B.108 Human resources - operations   |                   |

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|  |                  |
|--|------------------|
| Personal services  | 7,154,790        |
| Operating expenses   | <u>1,337,564</u> |
| Total  | 8,492,354        |
| Source of funds  |                  |
| General fund   | 1,690,943        |
| Special funds  | 244,912          |
| Internal service funds                                     | 5,815,478        |
| Interdepartmental transfers                                | <u>741,021</u>   |
| Total  | 8,492,354        |
| Sec. B.109 Human resources - employee benefits & wellness  |                  |
| Personal services  | 1,141,734        |
| Operating expenses   | <u>690,761</u>   |
| Total  | 1,832,495        |
| Source of funds  |                  |
| Internal service funds                                     | 1,818,084        |
| Interdepartmental transfers                                | <u>14,411</u>    |
| Total  | 1,832,495        |
| Sec. B.110 Libraries                                       |                  |
| Personal services  | 2,163,447        |
| Operating expenses   | 1,674,388        |
| Grants   | <u>61,336</u>    |
| Total  | 3,899,171        |
| Source of funds  |                  |
| General fund   | 2,746,649        |
| Special funds  | 127,021          |
| Federal funds  | 926,413          |
| Interdepartmental transfers                                | <u>99,088</u>    |
| Total  | 3,899,171        |
| Sec. B.111 Tax - administration/collection                 |                  |
| Personal services  | 13,319,740       |
| Operating expenses   | <u>3,821,985</u> |
| Total  | 17,141,725       |
| Source of funds  |                  |
| General fund   | 15,628,271       |
| Special funds  | 1,370,888        |
| Interdepartmental transfers                                | <u>142,566</u>   |
| Total  | 17,141,725       |
| Sec. B.112 Buildings and general services - administration |                  |

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|---|------------------|
| Personal services   | 641,951          |
| Operating expenses  | <u>113,569</u>   |
| Total   | 755,520          |
| Source of funds   |                  |
| Interdepartmental transfers                                     | <u>755,520</u>   |
| Total   | 755,520          |
| Sec. B.113 Buildings and general services - engineering         |                  |
| Personal services   | 2,445,531        |
| Operating expenses  | <u>750,632</u>   |
| Total   | 3,196,163        |
| Source of funds   |                  |
| Interdepartmental transfers                                     | <u>3,196,163</u> |
| Total   | 3,196,163        |
| Sec. B.114 Buildings and general services - information centers |                  |
| Personal services   | 3,268,518        |
| Operating expenses  | 1,439,275        |
| Grants  | <u>33,000</u>    |
| Total   | 4,740,793        |
| Source of funds   |                  |
| General fund  | 678,129          |
| Transportation fund   | 3,983,398        |
| Special funds   | <u>79,266</u>    |
| Total   | 4,740,793        |
| Sec. B.115 Buildings and general services - purchasing          |                  |
| Personal services   | 976,157          |
| Operating expenses  | <u>182,954</u>   |
| Total   | 1,159,111        |
| Source of funds   |                  |
| General fund  | <u>1,159,111</u> |
| Total   | 1,159,111        |
| Sec. B.116 Buildings and general services - postal services     |                  |
| Personal services   | 650,215          |
| Operating expenses  | <u>137,100</u>   |
| Total   | 787,315          |
| Source of funds   |                  |
| General fund  | 79,157           |
| Internal service funds  | <u>708,158</u>   |

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|---|------------------|
| Total   | 787,315          |
| Sec. B.117 Buildings and general services - copy center               |                  |
| Personal services   | 690,354          |
| Operating expenses  | <u>141,619</u>   |
| Total   | 831,973          |
| Source of funds   |                  |
| Internal service funds  | <u>831,973</u>   |
| Total   | 831,973          |
| Sec. B.118 Buildings and general services - fleet management services |                  |
| Personal services   | 611,901          |
| Operating expenses  | <u>177,943</u>   |
| Total   | 789,844          |
| Source of funds   |                  |
| Internal service funds  | <u>789,844</u>   |
| Total   | 789,844          |
| Sec. B.119 Buildings and general services - federal surplus property  |                  |
| Personal services   | 28,409           |
| Operating expenses  | <u>8,386</u>     |
| Total   | 36,795           |
| Source of funds   |                  |
| Enterprise funds  | <u>36,795</u>    |
| Total   | 36,795           |
| Sec. B.120 Buildings and general services - state surplus property    |                  |
| Personal services   | 132,060          |
| Operating expenses  | <u>121,675</u>   |
| Total   | 253,735          |
| Source of funds   |                  |
| Internal service funds  | <u>253,735</u>   |
| Total   | 253,735          |
| Sec. B.121 Buildings and general services - property management       |                  |
| Personal services   | 1,344,303        |
| Operating expenses  | <u>1,157,330</u> |
| Total   | 2,501,633        |
| Source of funds   |                  |
| Internal service funds  | <u>2,501,633</u> |
| Total   | 2,501,633        |



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Sec. B.122 Buildings and general services - fee for space

|                        |                   |
|------------------------|-------------------|
| Personal services      | 13,301,458        |
| Operating expenses     | <u>15,759,443</u> |
| Total                  | 29,060,901        |
| Source of funds        |                   |
| Internal service funds | <u>29,060,901</u> |
| Total                  | 29,060,901        |

## Sec. B.123 Geographic information system

|                 |                |
|-----------------|----------------|
| Grants          | <u>378,700</u> |
| Total           | 378,700        |
| Source of funds |                |
| Special funds   | <u>378,700</u> |
| Total           | 378,700        |

## Sec. B.124 Executive office - governor's office

|                             |                |
|-----------------------------|----------------|
| Personal services           | 1,265,598      |
| Operating expenses          | <u>445,038</u> |
| Total                       | 1,710,636      |
| Source of funds             |                |
| General fund                | 1,524,136      |
| Interdepartmental transfers | <u>186,500</u> |
| Total                       | 1,710,636      |

## Sec. B.125 Legislative council

|                    |                  |
|--------------------|------------------|
| Personal services  | 3,146,214        |
| Operating expenses | <u>745,924</u>   |
| Total              | 3,892,138        |
| Source of funds    |                  |
| General fund       | <u>3,892,138</u> |
| Total              | 3,892,138        |

## Sec. B.126 Legislature

|                    |                  |
|--------------------|------------------|
| Personal services  | 3,630,491        |
| Operating expenses | <u>3,414,026</u> |
| Total              | 7,044,517        |
| Source of funds    |                  |
| General fund       | <u>7,044,517</u> |
| Total              | 7,044,517        |

## Sec. B.127 Joint fiscal committee

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|                                |                  |
|--------------------------------|------------------|
| Personal services              | 1,412,776        |
| Operating expenses             | <u>117,381</u>   |
| Total                          | 1,530,157        |
| Source of funds                |                  |
| General fund                   | <u>1,530,157</u> |
| Total                          | 1,530,157        |
| Sec. B.128 Sergeant at arms    |                  |
| Personal services              | 504,248          |
| Operating expenses             | <u>68,299</u>    |
| Total                          | 572,547          |
| Source of funds                |                  |
| General fund                   | <u>572,547</u>   |
| Total                          | 572,547          |
| Sec. B.129 Lieutenant governor |                  |
| Personal services              | 151,116          |
| Operating expenses             | <u>29,854</u>    |
| Total                          | 180,970          |
| Source of funds                |                  |
| General fund                   | <u>180,970</u>   |
| Total                          | 180,970          |
| Sec. B.130 Auditor of accounts |                  |
| Personal services              | 3,415,428        |
| Operating expenses             | <u>159,153</u>   |
| Total                          | 3,574,581        |
| Source of funds                |                  |
| General fund                   | 396,846          |
| Special funds                  | 53,145           |
| Internal service funds         | <u>3,124,590</u> |
| Total                          | 3,574,581        |
| Sec. B.131 State treasurer     |                  |
| Personal services              | 3,019,207        |
| Operating expenses             | <u>299,503</u>   |
| Total                          | 3,318,710        |
| Source of funds                |                  |
| General fund                   | 993,468          |
| Special funds                  | 2,216,919        |
| Interdepartmental transfers    | <u>108,323</u>   |

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|   |                   |
|---|-------------------|
| Total   | 3,318,710         |
| Sec. B.132 State treasurer - unclaimed property   |                   |
| Personal services                                 | 878,109           |
| Operating expenses                                | <u>261,084</u>    |
| Total   | 1,139,193         |
| Source of funds                                   |                   |
| Private purpose trust funds                       | <u>1,139,193</u>  |
| Total   | 1,139,193         |
| Sec. B.133 Vermont state retirement system        |                   |
| Personal services                                 | 7,964,390         |
| Operating expenses                                | <u>30,191,072</u> |
| Total   | 38,155,462        |
| Source of funds                                   |                   |
| Pension trust funds                               | <u>38,155,462</u> |
| Total   | 38,155,462        |
| Sec. B.134 Municipal employees' retirement system |                   |
| Personal services                                 | 2,596,930         |
| Operating expenses                                | <u>577,701</u>    |
| Total   | 3,174,631         |
| Source of funds                                   |                   |
| Pension trust funds                               | <u>3,174,631</u>  |
| Total   | 3,174,631         |
| Sec. B.135 State labor relations board            |                   |
| Personal services                                 | 184,811           |
| Operating expenses                                | <u>43,512</u>     |
| Total   | 228,323           |
| Source of funds                                   |                   |
| General fund                                      | 218,747           |
| Special funds                                     | 6,788             |
| Interdepartmental transfers                       | <u>2,788</u>      |
| Total   | 228,323           |
| Sec. B.136 VOSHA review board                     |                   |
| Personal services                                 | 37,200            |
| Operating expenses                                | <u>12,010</u>     |
| Total   | 49,210            |
| Source of funds                                   |                   |

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|--|-------------------|
| General fund   | 24,605            |
| Interdepartmental transfers                                  | <u>24,605</u>     |
| Total  | 49,210            |
| Sec. B.137 Homeowner rebate                                  |                   |
| Grants   | <u>15,917,000</u> |
| Total  | 15,917,000        |
| Source of funds  |                   |
| General fund   | <u>15,917,000</u> |
| Total  | 15,917,000        |
| Sec. B.138 Renter rebate                                     |                   |
| Grants   | <u>6,900,000</u>  |
| Total  | 6,900,000         |
| Source of funds  |                   |
| General fund   | 2,070,000         |
| Education fund   | <u>4,830,000</u>  |
| Total  | 6,900,000         |
| Sec. B.139 Tax department - reappraisal and listing payments |                   |
| Grants   | <u>3,275,000</u>  |
| Total  | 3,275,000         |
| Source of funds  |                   |
| Education fund   | <u>3,275,000</u>  |
| Total  | 3,275,000         |
| Sec. B.140 Municipal current use                             |                   |
| Grants   | <u>14,000,000</u> |
| Total  | 14,000,000        |
| Source of funds  |                   |
| General fund   | <u>14,000,000</u> |
| Total  | 14,000,000        |
| Sec. B.141 Lottery commission                                |                   |
| Personal services  | 1,876,533         |
| Operating expenses   | 1,292,910         |
| Grants   | <u>150,000</u>    |
| Total  | 3,319,443         |
| Source of funds  |                   |
| Enterprise funds   | <u>3,319,443</u>  |
| Total  | 3,319,443         |

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Sec. B.142 Payments in lieu of taxes

|                 |                  |
|-----------------|------------------|
| Grants          | <u>5,800,000</u> |
| Total           | 5,800,000        |
| Source of funds |                  |
| Special funds   | <u>5,800,000</u> |
| Total           | 5,800,000        |

## Sec. B.143 Payments in lieu of taxes - Montpelier

|                 |                |
|-----------------|----------------|
| Grants          | <u>184,000</u> |
| Total           | 184,000        |
| Source of funds |                |
| Special funds   | <u>184,000</u> |
| Total           | 184,000        |

## Sec. B.144 Payments in lieu of taxes - correctional facilities

|                 |               |
|-----------------|---------------|
| Grants          | <u>40,000</u> |
| Total           | 40,000        |
| Source of funds |               |
| Special funds   | <u>40,000</u> |
| Total           | 40,000        |

## Sec. B.145 Total general government

|                             |                  |
|-----------------------------|------------------|
| Source of funds             |                  |
| General fund                | 73,158,712       |
| Transportation fund         | 3,983,398        |
| Special funds               | 10,501,639       |
| Education fund              | 8,105,000        |
| Federal funds               | 926,413          |
| Internal service funds      | 72,551,322       |
| Interdepartmental transfers | 9,151,966        |
| Enterprise funds            | 3,356,238        |
| Pension trust funds         | 41,330,093       |
| Private purpose trust funds | <u>1,139,193</u> |
| Total                       | 224,203,974      |

## Sec. B.200 Attorney general

|                    |                  |
|--------------------|------------------|
| Personal services  | 7,963,181        |
| Operating expenses | <u>1,242,623</u> |
| Total              | 9,205,804        |
| Source of funds    |                  |
| General fund       | 4,332,106        |

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|  |                  |
|--|------------------|
| Special funds                                  | 1,533,948        |
| Tobacco fund                                   | 348,000          |
| Federal funds                                  | 816,644          |
| Interdepartmental transfers                    | <u>2,175,106</u> |
| Total  | 9,205,804        |
| Sec. B.201 Vermont court diversion             |                  |
| Grants   | <u>1,931,483</u> |
| Total  | 1,931,483        |
| Source of funds                                |                  |
| General fund                                   | 1,411,486        |
| Special funds                                  | <u>519,997</u>   |
| Total  | 1,931,483        |
| Sec. B.202 Defender general - public defense   |                  |
| Personal services                              | 9,172,266        |
| Operating expenses                             | <u>1,013,318</u> |
| Total  | 10,185,584       |
| Source of funds                                |                  |
| General fund                                   | 9,570,516        |
| Special funds                                  | <u>615,068</u>   |
| Total  | 10,185,584       |
| Sec. B.203 Defender general - assigned counsel |                  |
| Personal services                              | 4,161,963        |
| Operating expenses                             | <u>49,819</u>    |
| Total  | 4,211,782        |
| Source of funds                                |                  |
| General fund                                   | 4,188,298        |
| Special funds                                  | <u>23,484</u>    |
| Total  | 4,211,782        |
| Sec. B.204 Judiciary                           |                  |
| Personal services                              | 33,471,779       |
| Operating expenses                             | 8,728,658        |
| Grants   | <u>70,000</u>    |
| Total  | 42,270,437       |
| Source of funds                                |                  |
| General fund                                   | 36,391,687       |
| Special funds                                  | 2,598,672        |
| Tobacco fund                                   | 39,871           |

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|   |                  |
|---|------------------|
| Federal funds                             | 858,811          |
| Interdepartmental transfers               | <u>2,381,396</u> |
| Total                                     | 42,270,437       |
| Sec. B.205 State's attorneys              |                  |
| Personal services                         | 10,327,677       |
| Operating expenses                        | <u>1,830,089</u> |
| Total                                     | 12,157,766       |
| Source of funds                           |                  |
| General fund                              | 9,638,628        |
| Special funds                             | 75,363           |
| Federal funds                             | 31,000           |
| Interdepartmental transfers               | <u>2,412,775</u> |
| Total                                     | 12,157,766       |
| Sec. B.206 Special investigative unit     |                  |
| Personal services                         | 85,676           |
| Grants                                    | <u>1,589,162</u> |
| Total                                     | 1,674,838        |
| Source of funds                           |                  |
| General fund                              | <u>1,674,838</u> |
| Total                                     | 1,674,838        |
| Sec. B.207 Sheriffs                       |                  |
| Personal services                         | 3,517,732        |
| Operating expenses                        | <u>371,525</u>   |
| Total                                     | 3,889,257        |
| Source of funds                           |                  |
| General fund                              | <u>3,889,257</u> |
| Total                                     | 3,889,257        |
| Sec. B.208 Public safety - administration |                  |
| Personal services                         | 3,548,125        |
| Operating expenses                        | 2,457,095        |
| Grants                                    | <u>1,900,000</u> |
| Total                                     | 7,905,220        |
| Source of funds                           |                  |
| General fund                              | 2,986,248        |
| Federal funds                             | 3,877,825        |
| Interdepartmental transfers               | <u>1,041,147</u> |
| Total                                     | 7,905,220        |

## Sec. B.209 Public safety - state police

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 49,824,602       |
| Operating expenses          | 8,279,942        |
| Grants                      | <u>820,000</u>   |
| Total                       | 58,924,544       |
| Source of funds             |                  |
| General fund                | 29,666,838       |
| Transportation fund         | 22,750,000       |
| Special funds               | 2,745,998        |
| Federal funds               | 2,675,986        |
| Interdepartmental transfers | <u>1,085,722</u> |
| Total                       | 58,924,544       |

## Sec. B.210 Public safety - criminal justice services

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 6,879,112        |
| Operating expenses          | <u>1,610,302</u> |
| Total                       | 8,489,414        |
| Source of funds             |                  |
| General fund                | 6,091,507        |
| Special funds               | 1,749,302        |
| Federal funds               | 564,858          |
| Interdepartmental transfers | <u>83,747</u>    |
| Total                       | 8,489,414        |

## Sec. B.211 Public safety - emergency management and homeland security

|                             |                   |
|-----------------------------|-------------------|
| Personal services           | 3,582,129         |
| Operating expenses          | 888,766           |
| Grants                      | <u>15,137,210</u> |
| Total                       | 19,608,105        |
| Source of funds             |                   |
| General fund                | 687,101           |
| Federal funds               | 18,859,172        |
| Interdepartmental transfers | <u>61,832</u>     |
| Total                       | 19,608,105        |

## Sec. B.212 Public safety - fire safety

|                    |                |
|--------------------|----------------|
| Personal services  | 5,796,205      |
| Operating expenses | 1,916,612      |
| Grants             | <u>107,000</u> |
| Total              | 7,819,817      |
| Source of funds    |                |



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|   |                   |
|---|-------------------|
| General fund                                    | 672,618           |
| Special funds                                   | 6,758,427         |
| Federal funds                                   | 343,772           |
| Interdepartmental transfers                     | <u>45,000</u>     |
| Total   | 7,819,817         |
| Sec. B.214 Radiological emergency response plan |                   |
| Personal services                               | 571,875           |
| Operating expenses                              | 276,108           |
| Grants  | <u>1,256,649</u>  |
| Total   | 2,104,632         |
| Source of funds                                 |                   |
| Special funds                                   | <u>2,104,632</u>  |
| Total   | 2,104,632         |
| Sec. B.215 Military - administration            |                   |
| Personal services                               | 698,615           |
| Operating expenses                              | 360,393           |
| Grants  | <u>100,000</u>    |
| Total   | 1,159,008         |
| Source of funds                                 |                   |
| General fund                                    | <u>1,159,008</u>  |
| Total   | 1,159,008         |
| Sec. B.216 Military - air service contract      |                   |
| Personal services                               | 4,909,339         |
| Operating expenses                              | <u>1,088,600</u>  |
| Total   | 5,997,939         |
| Source of funds                                 |                   |
| General fund                                    | 463,123           |
| Federal funds                                   | <u>5,534,816</u>  |
| Total   | 5,997,939         |
| Sec. B.217 Military - army service contract     |                   |
| Personal services                               | 4,041,859         |
| Operating expenses                              | <u>9,141,931</u>  |
| Total   | 13,183,790        |
| Source of funds                                 |                   |
| General fund                                    | 144,854           |
| Federal funds                                   | <u>13,038,936</u> |
| Total   | 13,183,790        |

## Sec. B.218 Military - building maintenance

|                    |                |
|--------------------|----------------|
| Personal services  | 966,804        |
| Operating expenses | <u>464,405</u> |
| Total              | 1,431,209      |
| Source of funds    |                |
| General fund       | 1,380,277      |
| Federal funds      | <u>50,932</u>  |
| Total              | 1,431,209      |

## Sec. B.219 Military - veterans' affairs

|                    |                |
|--------------------|----------------|
| Personal services  | 586,009        |
| Operating expenses | 126,009        |
| Grants             | <u>154,984</u> |
| Total              | 867,002        |
| Source of funds    |                |
| General fund       | 754,984        |
| Special funds      | 65,000         |
| Federal funds      | <u>47,018</u>  |
| Total              | 867,002        |

## Sec. B.220 Center for crime victim services

|                    |                  |
|--------------------|------------------|
| Personal services  | 1,426,583        |
| Operating expenses | 278,836          |
| Grants             | <u>8,205,733</u> |
| Total              | 9,911,152        |
| Source of funds    |                  |
| General fund       | 1,163,747        |
| Special funds      | 4,875,409        |
| Federal funds      | <u>3,871,996</u> |
| Total              | 9,911,152        |

## Sec. B.221 Criminal justice training council

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 1,366,969        |
| Operating expenses          | <u>1,239,853</u> |
| Total                       | 2,606,822        |
| Source of funds             |                  |
| General fund                | 2,365,241        |
| Interdepartmental transfers | <u>241,581</u>   |
| Total                       | 2,606,822        |

## Sec. B.222 Agriculture, food and markets - administration

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|   |                  |
|---|------------------|
| Personal services   | 1,238,029        |
| Operating expenses  | 248,162          |
| Grants  | <u>305,034</u>   |
| Total   | 1,791,225        |
| Source of funds   |                  |
| General fund  | 1,040,127        |
| Special funds   | 466,399          |
| Federal funds   | <u>284,699</u>   |
| Total   | 1,791,225        |
| Sec. B.223 Agriculture, food and markets - food safety and consumer protection  |                  |
| Personal services   | 3,180,467        |
| Operating expenses  | 755,482          |
| Grants  | <u>2,600,000</u> |
| Total   | 6,535,949        |
| Source of funds   |                  |
| General fund  | 2,289,170        |
| Special funds   | 3,374,114        |
| Federal funds   | 831,737          |
| Global Commitment fund  | 34,006           |
| Interdepartmental transfers   | <u>6,922</u>     |
| Total   | 6,535,949        |
| Sec. B.224 Agriculture, food and markets - agricultural development   |                  |
| Personal services   | 1,095,075        |
| Operating expenses  | 678,620          |
| Grants  | <u>2,170,275</u> |
| Total   | 3,943,970        |
| Source of funds   |                  |
| General fund  | 2,499,902        |
| Special funds   | 915,846          |
| Federal funds   | 415,587          |
| Interdepartmental transfers   | <u>112,635</u>   |
| Total   | 3,943,970        |
| Sec. B.225 Agriculture, food and markets - laboratories, agricultural resource management and environmental stewardship |                  |
| Personal services   | 4,220,329        |
| Operating expenses  | 927,514          |
| Grants  | <u>1,238,231</u> |

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|   |                  |
|---|------------------|
| Total   | 6,386,074        |
| Source of funds                                     |                  |
| General fund  | 2,472,419        |
| Special funds                                       | 2,358,755        |
| Federal funds                                       | 1,142,878        |
| Global Commitment fund                              | 56,272           |
| Interdepartmental transfers                         | <u>355,750</u>   |
| Total   | 6,386,074        |
| Sec. B.226 Financial regulation - administration    |                  |
| Personal services                                   | 1,794,130        |
| Operating expenses                                  | <u>163,454</u>   |
| Total   | 1,957,584        |
| Source of funds                                     |                  |
| Special funds                                       | <u>1,957,584</u> |
| Total   | 1,957,584        |
| Sec. B.227 Financial regulation - banking           |                  |
| Personal services                                   | 1,502,310        |
| Operating expenses                                  | <u>304,782</u>   |
| Total   | 1,807,092        |
| Source of funds                                     |                  |
| Special funds                                       | <u>1,807,092</u> |
| Total   | 1,807,092        |
| Sec. B.228 Financial regulation - insurance         |                  |
| Personal services                                   | 6,360,027        |
| Operating expenses                                  | <u>526,831</u>   |
| Total   | 6,886,858        |
| Source of funds                                     |                  |
| Special funds                                       | 5,196,858        |
| Federal funds                                       | 1,369,989        |
| Interdepartmental transfers                         | <u>320,011</u>   |
| Total   | 6,886,858        |
| Sec. B.229 Financial regulation - captive insurance |                  |
| Personal services                                   | 3,831,831        |
| Operating expenses                                  | <u>479,808</u>   |
| Total   | 4,311,639        |
| Source of funds                                     |                  |
| Special funds                                       | <u>4,311,639</u> |

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|---|------------------|
| Total   | 4,311,639        |
| Sec. B.230 Financial regulation - securities      |                  |
| Personal services                                 | 500,118          |
| Operating expenses                                | <u>170,924</u>   |
| Total   | 671,042          |
| Source of funds                                   |                  |
| Special funds                                     | <u>671,042</u>   |
| Total   | 671,042          |
| Sec. B.232 Secretary of state                     |                  |
| Personal services                                 | 8,171,691        |
| Operating expenses                                | 2,089,440        |
| Grants  | <u>20,000</u>    |
| Total   | 10,281,131       |
| Source of funds                                   |                  |
| Special funds                                     | 7,895,931        |
| Federal funds                                     | 2,310,200        |
| Interdepartmental transfers                       | <u>75,000</u>    |
| Total   | 10,281,131       |
| Sec. B.233 Public service - regulation and energy |                  |
| Personal services                                 | 12,834,281       |
| Operating expenses                                | 943,498          |
| Grants  | <u>5,895,202</u> |
| Total   | 19,672,981       |
| Source of funds                                   |                  |
| Special funds                                     | 18,684,328       |
| Federal funds                                     | 712,951          |
| ARRA funds  | 238,000          |
| Enterprise funds                                  | <u>37,702</u>    |
| Total   | 19,672,981       |
| Sec. B.234 Public service board                   |                  |
| Personal services                                 | 2,941,140        |
| Operating expenses                                | <u>457,936</u>   |
| Total   | 3,399,076        |
| Source of funds                                   |                  |
| Special funds                                     | <u>3,399,076</u> |
| Total   | 3,399,076        |
| Sec. B.235 Enhanced 9-1-1 Board                   |                  |

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|--|------------------|
| Personal services  | 3,435,547        |
| Operating expenses                                       | 284,283          |
| Grants   | <u>885,000</u>   |
| Total  | 4,604,830        |
| Source of funds  |                  |
| Special funds  | <u>4,604,830</u> |
| Total  | 4,604,830        |
| Sec. B.236 Human rights commission                       |                  |
| Personal services  | 413,945          |
| Operating expenses                                       | <u>85,870</u>    |
| Total  | 499,815          |
| Source of funds  |                  |
| General fund   | 426,510          |
| Federal funds  | <u>73,305</u>    |
| Total  | 499,815          |
| Sec. B.237 Liquor control - administration               |                  |
| Personal services  | 3,408,532        |
| Operating expenses                                       | <u>641,367</u>   |
| Total  | 4,049,899        |
| Source of funds  |                  |
| Enterprise funds   | <u>4,049,899</u> |
| Total  | 4,049,899        |
| Sec. B.238 Liquor control - enforcement and licensing    |                  |
| Personal services  | 2,229,505        |
| Operating expenses                                       | <u>488,303</u>   |
| Total  | 2,717,808        |
| Source of funds  |                  |
| Special funds  | 28,225           |
| Tobacco fund   | 218,444          |
| Federal funds  | 254,841          |
| Interdepartmental transfers                              | 88,000           |
| Enterprise funds   | <u>2,128,298</u> |
| Total  | 2,717,808        |
| Sec. B.239 Liquor control - warehousing and distribution |                  |
| Personal services  | 917,474          |
| Operating expenses                                       | <u>456,047</u>   |
| Total  | 1,373,521        |

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|   |                      |
|---|----------------------|
| Source of funds   |                      |
| Enterprise funds  | <u>1,373,521</u>     |
| Total   | 1,373,521            |
| Sec. B.240 Total protection to persons and property                       |                      |
| Source of funds   |                      |
| General fund  | 127,360,490          |
| Transportation fund   | 22,750,000           |
| Special funds   | 79,337,019           |
| Tobacco fund  | 606,315              |
| Federal funds   | 57,967,953           |
| ARRA funds  | 238,000              |
| Global Commitment fund  | 90,278               |
| Interdepartmental transfers   | 10,486,624           |
| Enterprise funds  | <u>7,589,420</u>     |
| Total   | 306,426,099          |
| Sec. B.300 Human services - agency of human services - secretary's office |                      |
| Personal services   | 10,644,482           |
| Operating expenses  | 3,796,083            |
| Grants  | <u>5,259,658</u>     |
| Total   | 19,700,223           |
| Source of funds   |                      |
| General fund  | 5,597,772            |
| Special funds   | 91,017               |
| Tobacco fund  | 224,698              |
| Federal funds   | 10,077,015           |
| Global Commitment fund  | 415,000              |
| Interdepartmental transfers   | <u>3,294,721</u>     |
| Total   | 19,700,223           |
| Sec. B.301 Secretary's office - global commitment                         |                      |
| Operating expenses  | 5,340,670            |
| Grants  | <u>1,329,202,174</u> |
| Total   | 1,334,542,844        |
| Source of funds   |                      |
| General fund  | 194,246,297          |
| Special funds   | 24,058,084           |
| Tobacco fund  | 33,031,032           |
| State health care resources fund  | 269,982,898          |
| Federal funds   | 813,184,533          |

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|---|------------------|
| Interdepartmental transfers                                     | <u>40,000</u>    |
| Total   | 1,334,542,844    |
| Sec. B.302 Rate setting   |                  |
| Personal services   | 879,023          |
| Operating expenses  | <u>98,596</u>    |
| Total   | 977,619          |
| Source of funds   |                  |
| Global Commitment fund  | <u>977,619</u>   |
| Total   | 977,619          |
| Sec. B.303 Developmental disabilities council                   |                  |
| Personal services   | 225,453          |
| Operating expenses  | 67,012           |
| Grants  | <u>248,388</u>   |
| Total   | 540,853          |
| Source of funds   |                  |
| Federal funds   | <u>540,853</u>   |
| Total   | 540,853          |
| Sec. B.304 Human services board                                 |                  |
| Personal services   | 740,493          |
| Operating expenses  | <u>89,986</u>    |
| Total   | 830,479          |
| Source of funds   |                  |
| General fund  | 126,534          |
| Federal funds   | 388,686          |
| Interdepartmental transfers                                     | <u>315,259</u>   |
| Total   | 830,479          |
| Sec. B.305 AHS - administrative fund                            |                  |
| Personal services   | 350,000          |
| Operating expenses  | <u>4,650,000</u> |
| Total   | 5,000,000        |
| Source of funds   |                  |
| Interdepartmental transfers                                     | <u>5,000,000</u> |
| Total   | 5,000,000        |
| Sec. B.306 Department of Vermont health access - administration |                  |
| Personal services   | 145,615,180      |
| Operating expenses  | 4,210,327        |



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|---|--------------------|
| Grants  | <u>21,143,239</u>  |
| Total   | 170,968,746        |
| Source of funds   |                    |
| General fund  | 1,330,489          |
| Special funds   | 3,626,895          |
| Federal funds   | 95,548,406         |
| Global Commitment fund  | 60,314,826         |
| Interdepartmental transfers   | <u>10,148,130</u>  |
| Total   | 170,968,746        |
| Sec. B.307 Department of Vermont health access - Medicaid program - global commitment     |                    |
| Grants  | <u>652,863,611</u> |
| Total   | 652,863,611        |
| Source of funds   |                    |
| Global Commitment fund  | <u>652,863,611</u> |
| Total   | 652,863,611        |
| Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver |                    |
| Grants  | <u>207,120,217</u> |
| Total   | 207,120,217        |
| Source of funds   |                    |
| General fund  | 90,190,991         |
| Federal funds   | <u>116,929,226</u> |
| Total   | 207,120,217        |
| Sec. B.309 Department of Vermont health access - Medicaid program - state only            |                    |
| Grants  | <u>45,216,298</u>  |
| Total   | 45,216,298         |
| Source of funds   |                    |
| General fund  | 32,906,898         |
| Global Commitment fund  | <u>12,309,400</u>  |
| Total   | 45,216,298         |
| Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched              |                    |
| Grants  | <u>45,795,681</u>  |
| Total   | 45,795,681         |
| Source of funds   |                    |

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|   |                   |
|---|-------------------|
| General fund  | 19,348,700        |
| Federal funds                                       | <u>26,446,981</u> |
| Total   | 45,795,681        |
| Sec. B.311 Health - administration and support      |                   |
| Personal services                                   | 6,429,497         |
| Operating expenses                                  | 3,086,498         |
| Grants  | <u>3,465,000</u>  |
| Total   | 12,980,995        |
| Source of funds                                     |                   |
| General fund  | 2,267,507         |
| Special funds                                       | 1,019,232         |
| Federal funds                                       | 5,420,656         |
| Global Commitment fund                              | <u>4,273,600</u>  |
| Total   | 12,980,995        |
| Sec. B.312 Health - public health                   |                   |
| Personal services                                   | 35,272,377        |
| Operating expenses                                  | 7,190,703         |
| Grants  | <u>38,938,938</u> |
| Total   | 81,402,018        |
| Source of funds                                     |                   |
| General fund  | 8,276,959         |
| Special funds                                       | 13,028,733        |
| Tobacco fund  | 2,461,377         |
| Federal funds                                       | 36,996,383        |
| Global Commitment fund                              | 19,511,210        |
| Interdepartmental transfers                         | 1,102,356         |
| Permanent trust funds                               | <u>25,000</u>     |
| Total   | 81,402,018        |
| Sec. B.313 Health - alcohol and drug abuse programs |                   |
| Personal services                                   | 3,614,712         |
| Operating expenses                                  | 391,758           |
| Grants  | <u>32,629,070</u> |
| Total   | 36,635,540        |
| Source of funds                                     |                   |
| General fund  | 3,110,943         |
| Special funds                                       | 442,829           |
| Tobacco fund  | 1,386,234         |
| Federal funds                                       | 8,736,090         |

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|   |                    |
|---|--------------------|
| Global Commitment fund  | 22,609,444         |
| Interdepartmental transfers   | <u>350,000</u>     |
| Total   | 36,635,540         |
| Sec. B.314 Mental health - mental health  |                    |
| Personal services   | 28,187,222         |
| Operating expenses  | 3,426,492          |
| Grants  | <u>186,354,903</u> |
| Total   | 217,968,617        |
| Source of funds   |                    |
| General fund  | 1,835,478          |
| Special funds   | 429,904            |
| Federal funds   | 5,137,194          |
| Global Commitment fund  | 210,546,041        |
| Interdepartmental transfers   | <u>20,000</u>      |
| Total   | 217,968,617        |
| Sec. B.316 Department for children and families - administration & support services |                    |
| Personal services   | 42,102,235         |
| Operating expenses  | 10,054,038         |
| Grants  | <u>1,322,998</u>   |
| Total   | 53,479,271         |
| Source of funds   |                    |
| General fund  | 19,615,093         |
| Special funds   | 638,986            |
| Federal funds   | 16,162,050         |
| Global Commitment fund  | 16,495,072         |
| Interdepartmental transfers   | <u>568,070</u>     |
| Total   | 53,479,271         |
| Sec. B.317 Department for children and families - family services                   |                    |
| Personal services   | 24,160,528         |
| Operating expenses  | 3,521,433          |
| Grants  | <u>65,435,139</u>  |
| Total   | 93,117,100         |
| Source of funds   |                    |
| General fund  | 23,015,020         |
| Special funds   | 1,691,637          |
| Federal funds   | 26,286,550         |
| Global Commitment fund  | 41,957,839         |

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|   |                   |
|---|-------------------|
| Interdepartmental transfers   | <u>166,054</u>    |
| Total   | 93,117,100        |
| Sec. B.318 Department for children and families - child development               |                   |
| Personal services   | 3,540,292         |
| Operating expenses  | 435,820           |
| Grants  | <u>70,353,010</u> |
| Total   | 74,329,122        |
| Source of funds   |                   |
| General fund  | 34,431,403        |
| Special funds   | 1,820,000         |
| Federal funds   | 26,781,807        |
| Global Commitment fund  | <u>11,295,912</u> |
| Total   | 74,329,122        |
| Sec. B.319 Department for children and families - office of child support         |                   |
| Personal services   | 9,479,790         |
| Operating expenses  | <u>4,080,498</u>  |
| Total   | 13,560,288        |
| Source of funds   |                   |
| General fund  | 3,371,006         |
| Special funds   | 455,718           |
| Federal funds   | 9,345,964         |
| Interdepartmental transfers   | <u>387,600</u>    |
| Total   | 13,560,288        |
| Sec. B.320 Department for children and families - aid to aged, blind and disabled |                   |
| Personal services   | 1,915,532         |
| Grants  | <u>11,477,094</u> |
| Total   | 13,392,626        |
| Source of funds   |                   |
| General fund  | 9,642,626         |
| Global Commitment fund  | <u>3,750,000</u>  |
| Total   | 13,392,626        |
| Sec. B.321 Department for children and families - general assistance              |                   |
| Grants  | <u>10,283,816</u> |
| Total   | 10,283,816        |
| Source of funds   |                   |
| General fund  | 8,480,025         |

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|---|-------------------|
| Federal funds   | 1,111,320         |
| Global Commitment fund  | <u>692,471</u>    |
| Total   | 10,283,816        |
| Sec. B.322 Department for children and families - 3SquaresVT                          |                   |
| Grants  | <u>27,575,722</u> |
| Total   | 27,575,722        |
| Source of funds   |                   |
| Federal funds   | <u>27,575,722</u> |
| Total   | 27,575,722        |
| Sec. B.323 Department for children and families - reach up                            |                   |
| Operating expenses  | 226,675           |
| Grants  | <u>49,091,105</u> |
| Total   | 49,317,780        |
| Source of funds   |                   |
| General fund  | 19,143,717        |
| Special funds   | 22,096,676        |
| Federal funds   | 5,702,987         |
| Global Commitment fund  | <u>2,374,400</u>  |
| Total   | 49,317,780        |
| Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP |                   |
| Grants  | <u>23,351,664</u> |
| Total   | 23,351,664        |
| Source of funds   |                   |
| General fund  | 6,000,000         |
| Federal funds   | <u>17,351,664</u> |
| Total   | 23,351,664        |
| Sec. B.325 Department for children and families - office of economic opportunity      |                   |
| Personal services   | 276,378           |
| Operating expenses  | 29,421            |
| Grants  | <u>5,331,989</u>  |
| Total   | 5,637,788         |
| Source of funds   |                   |
| General fund  | 1,723,191         |
| Special funds   | 57,990            |
| Federal funds   | 3,652,465         |

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|   |                   |
|---|-------------------|
| Global Commitment fund  | <u>204,142</u>    |
| Total   | 5,637,788         |
| Sec. B.326 Department for children and families - OEO - weatherization assistance   |                   |
| Personal services   | 255,552           |
| Operating expenses  | 52,098            |
| Grants  | <u>10,629,344</u> |
| Total   | 10,936,994        |
| Source of funds   |                   |
| Special funds   | 9,936,994         |
| Federal funds   | <u>1,000,000</u>  |
| Total   | 10,936,994        |
| Sec. B.327 Department for children and families - Woodside rehabilitation center    |                   |
| Personal services   | 3,876,220         |
| Operating expenses  | <u>692,591</u>    |
| Total   | 4,568,811         |
| Source of funds   |                   |
| General fund  | 863,579           |
| Global Commitment fund  | 3,650,340         |
| Interdepartmental transfers   | <u>54,892</u>     |
| Total   | 4,568,811         |
| Sec. B.328 Department for children and families - disability determination services |                   |
| Personal services   | 4,887,459         |
| Operating expenses  | <u>494,927</u>    |
| Total   | 5,382,386         |
| Source of funds   |                   |
| Federal funds   | 5,151,322         |
| Global Commitment fund  | <u>231,064</u>    |
| Total   | 5,382,386         |
| Sec. B.329 Disabilities, aging, and independent living - administration & support   |                   |
| Personal services   | 27,463,293        |
| Operating expenses  | <u>4,438,345</u>  |
| Total   | 31,901,638        |
| Source of funds   |                   |

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|---|-------------------|
| General fund  | 8,869,530         |
| Special funds   | 1,390,457         |
| Federal funds   | 12,337,350        |
| Global Commitment fund  | 6,712,988         |
| Interdepartmental transfers   | <u>2,591,313</u>  |
| Total   | 31,901,638        |
| Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants |                   |
| Grants  | <u>21,574,139</u> |
| Total   | 21,574,139        |
| Source of funds   |                   |
| General fund  | 8,306,069         |
| Federal funds   | 7,640,264         |
| Global Commitment fund  | 5,472,181         |
| Interdepartmental transfers   | <u>155,625</u>    |
| Total   | 21,574,139        |
| Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired            |                   |
| Grants  | <u>1,481,457</u>  |
| Total   | 1,481,457         |
| Source of funds   |                   |
| General fund  | 364,064           |
| Special funds   | 223,450           |
| Federal funds   | 648,943           |
| Global Commitment fund  | <u>245,000</u>    |
| Total   | 1,481,457         |
| Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation              |                   |
| 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   | <u>3,120,387</u>  |
| Total   | 8,795,971         |
| Sec. B.333 Disabilities, aging, and independent living - developmental services                 |                   |

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|--|--------------------|
| Grants   | <u>180,931,930</u> |
| Total  | 180,931,930        |
| Source of funds  |                    |
| General fund   | 155,125            |
| Special funds  | 15,463             |
| Federal funds  | 359,857            |
| Global Commitment fund   | 180,343,485        |
| Interdepartmental transfers  | <u>58,000</u>      |
| Total  | 180,931,930        |
| Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver |                    |
| Grants   | <u>5,074,988</u>   |
| Total  | 5,074,988          |
| Source of funds  |                    |
| Global Commitment fund   | <u>5,074,988</u>   |
| Total  | 5,074,988          |
| Sec. B.335 Corrections - administration  |                    |
| Personal services  | 2,127,142          |
| Operating expenses   | <u>226,070</u>     |
| Total  | 2,353,212          |
| Source of funds  |                    |
| General fund   | <u>2,353,212</u>   |
| Total  | 2,353,212          |
| Sec. B.336 Corrections - parole board  |                    |
| Personal services  | 238,111            |
| Operating expenses   | <u>80,803</u>      |
| Total  | 318,914            |
| Source of funds  |                    |
| General fund   | <u>318,914</u>     |
| Total  | 318,914            |
| Sec. B.337 Corrections - correctional education  |                    |
| Personal services  | 3,809,009          |
| Operating expenses   | <u>530,774</u>     |
| Total  | 4,339,783          |
| Source of funds  |                    |
| Education fund   | 3,804,425          |
| Interdepartmental transfers  | <u>535,358</u>     |



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|  |                   |
|--|-------------------|
| Total  | 4,339,783         |
| Sec. B.338 Corrections - correctional services                   |                   |
| Personal services  | 98,146,904        |
| Operating expenses   | 20,761,932        |
| Grants   | <u>9,510,834</u>  |
| Total  | 128,419,670       |
| Source of funds  |                   |
| General fund   | 121,181,652       |
| Special funds  | 483,963           |
| Federal funds  | 470,962           |
| Global Commitment fund   | 5,886,778         |
| Interdepartmental transfers                                      | <u>396,315</u>    |
| Total  | 128,419,670       |
| Sec. B.339 Corrections - Correctional services-out of state beds |                   |
| Personal services  | <u>12,553,629</u> |
| Total  | 12,553,629        |
| Source of funds  |                   |
| General fund   | <u>12,553,629</u> |
| Total  | 12,553,629        |
| Sec. B.340 Corrections - correctional facilities - recreation    |                   |
| Personal services  | 510,933           |
| Operating expenses   | <u>345,501</u>    |
| Total  | 856,434           |
| Source of funds  |                   |
| Special funds  | <u>856,434</u>    |
| Total  | 856,434           |
| Sec. B.341 Corrections - Vermont offender work program           |                   |
| Personal services  | 1,170,139         |
| Operating expenses   | <u>548,231</u>    |
| Total  | 1,718,370         |
| Source of funds  |                   |
| Internal service funds   | <u>1,718,370</u>  |
| Total  | 1,718,370         |
| Sec. B.342 Vermont veterans' home - care and support services    |                   |
| Personal services  | 16,592,891        |
| Operating expenses   | <u>4,910,682</u>  |

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|---|------------------|
| Total                                       | 21,503,573       |
| Source of funds                             |                  |
| General fund                                | 2,817,331        |
| Special funds                               | 10,360,890       |
| Federal funds                               | 7,914,366        |
| Global Commitment fund                      | <u>410,986</u>   |
| Total                                       | 21,503,573       |
| Sec. B.343 Commission on women              |                  |
| Personal services                           | 258,272          |
| Operating expenses                          | <u>90,702</u>    |
| Total                                       | 348,974          |
| Source of funds                             |                  |
| General fund                                | 343,974          |
| Special funds                               | <u>5,000</u>     |
| Total                                       | 348,974          |
| Sec. B.344 Retired senior volunteer program |                  |
| Grants                                      | <u>151,096</u>   |
| Total                                       | 151,096          |
| Source of funds                             |                  |
| General fund                                | <u>151,096</u>   |
| Total                                       | 151,096          |
| Sec. B.345 Green Mountain Care Board        |                  |
| Personal services                           | 7,454,787        |
| Operating expenses                          | 369,860          |
| Grants                                      | <u>477,000</u>   |
| Total                                       | 8,301,647        |
| Source of funds                             |                  |
| General fund                                | 635,193          |
| Special funds                               | 1,557,079        |
| Global Commitment fund                      | 2,626,782        |
| Interdepartmental transfers                 | <u>3,482,593</u> |
| Total                                       | 8,301,647        |
| Sec. B.346 Total human services             |                  |
| Source of funds                             |                  |
| General fund                                | 645,109,712      |
| Special funds                               | 94,357,431       |
| Tobacco fund                                | 37,103,341       |

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|   |                   |
|---|-------------------|
| State health care resources fund                  | 269,982,898       |
| Education fund                                    | 3,804,425         |
| Federal funds                                     | 1,292,962,005     |
| Global Commitment fund                            | 1,271,252,679     |
| Internal service funds                            | 1,718,370         |
| Interdepartmental transfers                       | 31,786,673        |
| Permanent trust funds                             | <u>25,000</u>     |
| Total   | 3,648,102,534     |
| Sec. B.400 Labor - programs                       |                   |
| Personal services                                 | 24,664,021        |
| Operating expenses                                | 4,921,135         |
| Grants  | <u>1,781,435</u>  |
| Total   | 31,366,591        |
| Source of funds                                   |                   |
| General fund                                      | 3,036,896         |
| Special funds                                     | 3,363,869         |
| Federal funds                                     | 23,902,400        |
| Interdepartmental transfers                       | <u>1,063,426</u>  |
| Total   | 31,366,591        |
| Sec. B.401 Total labor                            |                   |
| Source of funds                                   |                   |
| General fund                                      | 3,036,896         |
| Special funds                                     | 3,363,869         |
| Federal funds                                     | 23,902,400        |
| Interdepartmental transfers                       | <u>1,063,426</u>  |
| Total   | 31,366,591        |
| Sec. B.500 Education - finance and administration |                   |
| Personal services                                 | 7,220,192         |
| Operating expenses                                | 2,467,828         |
| Grants  | <u>12,591,200</u> |
| Total   | 22,279,220        |
| Source of funds                                   |                   |
| General fund                                      | 3,134,289         |
| Special funds                                     | 13,415,247        |
| Education fund                                    | 1,163,360         |
| Federal funds                                     | 3,674,129         |
| Global Commitment fund                            | <u>892,195</u>    |
| Total   | 22,279,220        |

## Sec. B.501 Education - education services

|                             |                    |
|-----------------------------|--------------------|
| Personal services           | 14,147,448         |
| Operating expenses          | 1,780,412          |
| Grants                      | <u>123,918,147</u> |
| Total                       | 139,846,007        |
| Source of funds             |                    |
| General fund                | 5,967,798          |
| Special funds               | 3,463,696          |
| Federal funds               | 130,390,263        |
| Interdepartmental transfers | <u>24,250</u>      |
| Total                       | 139,846,007        |

## Sec. B.502 Education - special education: formula grants

|                 |                    |
|-----------------|--------------------|
| Grants          | <u>173,292,153</u> |
| Total           | 173,292,153        |
| Source of funds |                    |
| Education fund  | <u>173,292,153</u> |
| Total           | 173,292,153        |

## Sec. B.503 Education - state-placed students

|                 |                   |
|-----------------|-------------------|
| Grants          | <u>16,900,000</u> |
| Total           | 16,900,000        |
| Source of funds |                   |
| Education fund  | <u>16,900,000</u> |
| Total           | 16,900,000        |

## Sec. B.504 Education - adult education and literacy

|                 |                  |
|-----------------|------------------|
| Grants          | <u>7,351,468</u> |
| 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          | <u>1,258,535,630</u> |
| Total           | 1,258,535,630        |
| Source of funds |                      |
| Education fund  | <u>1,258,535,630</u> |
| Total           | 1,258,535,630        |

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Sec. B.506 Education - transportation

|                 |                   |
|-----------------|-------------------|
| Grants          | <u>17,163,059</u> |
| Total           | 17,163,059        |
| Source of funds |                   |
| Education fund  | <u>17,163,059</u> |
| Total           | 17,163,059        |

## Sec. B.507 Education - small school grants

|                 |                  |
|-----------------|------------------|
| Grants          | <u>7,650,000</u> |
| Total           | 7,650,000        |
| Source of funds |                  |
| Education fund  | <u>7,650,000</u> |
| Total           | 7,650,000        |

## Sec. B.508 Education - capital debt service aid

|                 |                |
|-----------------|----------------|
| Grants          | <u>126,000</u> |
| Total           | 126,000        |
| Source of funds |                |
| Education fund  | <u>126,000</u> |
| Total           | 126,000        |

## Sec. B.509 Education - tobacco litigation

|                    |                |
|--------------------|----------------|
| Personal services  | 109,523        |
| Operating expenses | 32,599         |
| Grants             | <u>624,419</u> |
| Total              | 766,541        |
| Source of funds    |                |
| Tobacco fund       | <u>766,541</u> |
| Total              | 766,541        |

## Sec. B.510 Education - essential early education grant

|                 |                  |
|-----------------|------------------|
| Grants          | <u>6,296,479</u> |
| Total           | 6,296,479        |
| Source of funds |                  |
| Education fund  | <u>6,296,479</u> |
| Total           | 6,296,479        |

## Sec. B.511 Education - technical education

|                 |                   |
|-----------------|-------------------|
| Grants          | <u>13,708,162</u> |
| Total           | 13,708,162        |
| Source of funds |                   |

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|   |                    |
|---|--------------------|
| Education fund  | <u>13,708,162</u>  |
| Total   | 13,708,162         |
| Sec. B.512 Education - Act 117 cost containment               |                    |
| Personal services   | 1,090,293          |
| Operating expenses  | 144,697            |
| Grants  | <u>91,000</u>      |
| Total   | 1,325,990          |
| Source of funds   |                    |
| Special funds   | <u>1,325,990</u>   |
| Total   | 1,325,990          |
| Sec. B.513 Appropriation and transfer to education fund       |                    |
| Grants  | <u>295,816,793</u> |
| Total   | 295,816,793        |
| Source of funds   |                    |
| General fund  | <u>295,816,793</u> |
| Total   | 295,816,793        |
| Sec. B.514 State teachers' retirement system                  |                    |
| Personal services   | 8,461,967          |
| Operating expenses  | 1,250,497          |
| Grants  | <u>72,857,163</u>  |
| Total   | 82,569,627         |
| Source of funds   |                    |
| General fund  | 72,857,163         |
| Pension trust funds   | <u>9,712,464</u>   |
| Total   | 82,569,627         |
| Sec. B.515 Retired teachers' health care and medical benefits |                    |
| Operating expenses  | <u>28,600,000</u>  |
| Total   | 28,600,000         |
| Source of funds   |                    |
| General fund  | 8,252,007          |
| Special funds   | 2,500,000          |
| Permanent trust funds   | <u>17,847,993</u>  |
| Total   | 28,600,000         |
| Sec. B.516 Total general education                            |                    |
| Source of funds   |                    |
| General fund  | 386,816,045        |

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|   |                   |
|---|-------------------|
| Special funds                                     | 20,704,933        |
| Tobacco fund                                      | 766,541           |
| Education fund                                    | 1,500,634,843     |
| Federal funds                                     | 134,827,865       |
| Global Commitment fund                            | 892,195           |
| Interdepartmental transfers                       | 24,250            |
| Permanent trust funds                             | 17,847,993        |
| Pension trust funds                               | <u>9,712,464</u>  |
| Total   | 2,072,227,129     |
| Sec. B.600 University of Vermont                  |                   |
| Grants  | <u>42,509,093</u> |
| Total   | 42,509,093        |
| Source of funds                                   |                   |
| General fund                                      | 38,462,876        |
| Global Commitment fund                            | <u>4,046,217</u>  |
| Total   | 42,509,093        |
| Sec. B.601 Vermont Public Television              |                   |
| Grants  | <u>553,160</u>    |
| Total   | 553,160           |
| Source of funds                                   |                   |
| General fund                                      | <u>553,160</u>    |
| Total   | 553,160           |
| Sec. B.602 Vermont state colleges                 |                   |
| Grants  | <u>24,300,463</u> |
| Total   | 24,300,463        |
| Source of funds                                   |                   |
| General fund                                      | <u>24,300,463</u> |
| Total   | 24,300,463        |
| Sec. B.603 Vermont state colleges - allied health |                   |
| Grants  | <u>1,157,775</u>  |
| Total   | 1,157,775         |
| Source of funds                                   |                   |
| General fund                                      | 748,314           |
| Global Commitment fund                            | <u>409,461</u>    |
| Total   | 1,157,775         |
| Sec. B.604 Vermont interactive technology         |                   |

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|   |                   |
|---|-------------------|
| Grants  | <u>817,341</u>    |
| Total   | 817,341           |
| Source of funds   |                   |
| General fund  | <u>817,341</u>    |
| Total   | 817,341           |
| Sec. B.605 Vermont student assistance corporation                           |                   |
| Grants  | <u>19,825,404</u> |
| Total   | 19,825,404        |
| Source of funds   |                   |
| General fund  | <u>19,825,404</u> |
| Total   | 19,825,404        |
| Sec. B.606 New England higher education compact                             |                   |
| Grants  | <u>84,000</u>     |
| Total   | 84,000            |
| Source of funds   |                   |
| General fund  | <u>84,000</u>     |
| Total   | 84,000            |
| Sec. B.607 University of Vermont - Morgan Horse Farm                        |                   |
| Grants  | <u>1</u>          |
| Total   | 1                 |
| Source of funds   |                   |
| General fund  | <u>1</u>          |
| Total   | 1                 |
| Sec. B.608 Total higher education   |                   |
| Source of funds   |                   |
| General fund  | 84,791,559        |
| Global Commitment fund  | <u>4,455,678</u>  |
| Total   | 89,247,237        |
| Sec. B.700 Natural resources - agency of natural resources - administration |                   |
| Personal services   | 3,214,228         |
| Operating expenses  | 2,021,823         |
| Grants  | <u>45,510</u>     |
| Total   | 5,281,561         |
| Source of funds   |                   |
| General fund  | 5,038,028         |
| Special funds   | 19,395            |



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|   |                  |
|---|------------------|
| Federal funds   | 20,000           |
| Interdepartmental transfers   | <u>204,138</u>   |
| Total   | 5,281,561        |
| Sec. B.701 Natural resources - state land local property tax assessment |                  |
| Operating expenses  | <u>2,351,821</u> |
| Total   | 2,351,821        |
| Source of funds   |                  |
| General fund  | 1,930,321        |
| Interdepartmental transfers   | <u>421,500</u>   |
| Total   | 2,351,821        |
| Sec. B.702 Fish and wildlife - support and field services               |                  |
| Personal services   | 14,971,049       |
| Operating expenses  | 4,972,074        |
| Grants  | <u>1,038,000</u> |
| Total   | 20,981,123       |
| Source of funds   |                  |
| General fund  | 4,982,851        |
| Special funds   | 30,000           |
| Fish and wildlife fund  | 8,531,727        |
| Federal funds   | 7,251,045        |
| Interdepartmental transfers   | 184,000          |
| Permanent trust funds   | <u>1,500</u>     |
| Total   | 20,981,123       |
| Sec. B.703 Forests, parks and recreation - administration               |                  |
| Personal services   | 1,228,919        |
| Operating expenses  | 621,465          |
| Grants  | <u>1,777,791</u> |
| Total   | 3,628,175        |
| Source of funds   |                  |
| General fund  | 1,150,762        |
| Special funds   | 1,307,878        |
| Federal funds   | <u>1,169,535</u> |
| Total   | 3,628,175        |
| Sec. B.704 Forests, parks and recreation - forestry                     |                  |
| Personal services   | 5,008,653        |
| Operating expenses  | 662,242          |
| Grants  | <u>500,700</u>   |

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|   |                  |
|---|------------------|
| Total   | 6,171,595        |
| Source of funds   |                  |
| General fund  | 3,839,095        |
| Special funds   | 975,000          |
| Federal funds   | 1,200,000        |
| Interdepartmental transfers   | <u>157,500</u>   |
| Total   | 6,171,595        |
| Sec. B.705 Forests, parks and recreation - state parks                |                  |
| Personal services   | 6,622,664        |
| Operating expenses  | <u>2,385,995</u> |
| Total   | 9,008,659        |
| Source of funds   |                  |
| General fund  | 651,211          |
| Special funds   | <u>8,357,448</u> |
| Total   | 9,008,659        |
| Sec. B.706 Forests, parks and recreation - lands administration       |                  |
| Personal services   | 459,738          |
| Operating expenses  | <u>1,203,292</u> |
| Total   | 1,663,030        |
| Source of funds   |                  |
| General fund  | 415,075          |
| Special funds   | 179,205          |
| Federal funds   | 1,050,000        |
| Interdepartmental transfers   | <u>18,750</u>    |
| Total   | 1,663,030        |
| Sec. B.707 Forests, parks and recreation - youth conservation 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 highway maintenance |                  |
| Personal services   | 94,000           |
| Operating expenses  | <u>85,925</u>    |

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|   |                  |
|---|------------------|
| 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   | 5,232,473        |
| Operating expenses  | 1,145,813        |
| Grants  | <u>111,280</u>   |
| Total   | 6,489,566        |
| Source of funds   |                  |
| General fund  | 770,576          |
| Special funds   | 536,222          |
| Federal funds   | 448,450          |
| Interdepartmental transfers   | <u>4,734,318</u> |
| Total   | 6,489,566        |
| Sec. B.710 Environmental conservation - air and waste management        |                  |
| Personal services   | 9,672,744        |
| Operating expenses  | 8,317,152        |
| Grants  | <u>2,095,254</u> |
| Total   | 20,085,150       |
| Source of funds   |                  |
| General fund  | 405,741          |
| Special funds   | 16,173,706       |
| Federal funds   | 3,412,703        |
| Interdepartmental transfers   | <u>93,000</u>    |
| Total   | 20,085,150       |
| Sec. B.711 Environmental conservation - office of water programs        |                  |
| Personal services   | 15,704,693       |
| Operating expenses  | 4,934,124        |
| Grants  | <u>2,144,694</u> |
| Total   | 22,783,511       |
| Source of funds   |                  |
| General fund  | 8,203,517        |
| Special funds   | 6,540,910        |
| Federal funds   | 6,985,254        |
| Interdepartmental transfers   | <u>1,053,830</u> |
| Total   | 22,783,511       |

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Sec. B.712 Environmental conservation - tax-loss Connecticut river flood control

|                    |               |
|--------------------|---------------|
| Operating expenses | <u>34,700</u> |
| Total              | 34,700        |
| Source of funds    |               |
| General fund       | 3,470         |
| Special funds      | <u>31,230</u> |
| Total              | 34,700        |

## Sec. B.713 Natural resources board

|                    |                  |
|--------------------|------------------|
| Personal services  | 2,454,016        |
| Operating expenses | <u>390,742</u>   |
| Total              | 2,844,758        |
| Source of funds    |                  |
| General fund       | 827,770          |
| Special funds      | <u>2,016,988</u> |
| Total              | 2,844,758        |

## Sec. B.714 Total natural resources

|                             |              |
|-----------------------------|--------------|
| Source of funds             |              |
| General fund                | 28,448,662   |
| Special funds               | 36,356,364   |
| Fish and wildlife fund      | 8,531,727    |
| Federal funds               | 21,630,987   |
| Interdepartmental transfers | 7,057,036    |
| Permanent trust funds       | <u>1,500</u> |
| Total                       | 102,026,276  |

## Sec. B.800 Commerce and community development - agency of commerce and community development - administration

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 2,103,508        |
| Operating expenses          | 637,521          |
| Grants                      | <u>3,204,570</u> |
| Total                       | 5,945,599        |
| Source of funds             |                  |
| General fund                | 3,075,599        |
| Special funds               | 2,000,000        |
| Federal funds               | 800,000          |
| Interdepartmental transfers | <u>70,000</u>    |
| Total                       | 5,945,599        |

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Sec. B.801 Economic development

|                    |                  |
|--------------------|------------------|
| Personal services  | 3,291,085        |
| Operating expenses | 708,712          |
| Grants             | <u>2,092,203</u> |
| Total              | 6,092,000        |
| Source of funds    |                  |
| General fund       | 4,700,650        |
| Special funds      | 730,350          |
| Federal funds      | <u>661,000</u>   |
| Total              | 6,092,000        |

## Sec. B.802 Housing &amp; community development

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 6,813,123        |
| Operating expenses          | 833,582          |
| Grants                      | <u>2,224,174</u> |
| Total                       | 9,870,879        |
| Source of funds             |                  |
| General fund                | 2,374,468        |
| Special funds               | 4,975,188        |
| Federal funds               | 2,256,223        |
| Interdepartmental transfers | <u>265,000</u>   |
| Total                       | 9,870,879        |

## Sec. B.803 Historic sites - special improvements

|                    |               |
|--------------------|---------------|
| Operating expenses | <u>13,000</u> |
| Total              | 13,000        |
| Source of funds    |               |
| Special funds      | <u>13,000</u> |
| Total              | 13,000        |

## Sec. B.804 Community development block grants

|                 |                   |
|-----------------|-------------------|
| Grants          | <u>14,974,489</u> |
| Total           | 14,974,489        |
| Source of funds |                   |
| Federal funds   | <u>14,974,489</u> |
| Total           | 14,974,489        |

## Sec. B.805 Downtown transportation and capital improvement fund

|                   |                |
|-------------------|----------------|
| Personal services | 87,746         |
| Grants            | <u>296,220</u> |
| Total             | 383,966        |

|  |                |
|--|----------------|
| Source of funds                        |                |
| Special funds                          | <u>383,966</u> |
| Total                                  | 383,966        |
| Sec. B.806 Tourism and marketing       |                |
| Personal services                      | 1,178,755      |
| Operating expenses                     | 1,900,439      |
| Grants                                 | <u>221,500</u> |
| Total                                  | 3,300,694      |
| Source of funds                        |                |
| General fund                           | 3,200,694      |
| Interdepartmental transfers            | <u>100,000</u> |
| Total                                  | 3,300,694      |
| Sec. B.807 Vermont life                |                |
| Personal services                      | 762,108        |
| Operating expenses                     | <u>68,585</u>  |
| Total                                  | 830,693        |
| Source of funds                        |                |
| Enterprise funds                       | <u>830,693</u> |
| Total                                  | 830,693        |
| Sec. B.808 Vermont council on the arts |                |
| Grants                                 | <u>651,723</u> |
| Total                                  | 651,723        |
| Source of funds                        |                |
| General fund                           | <u>651,723</u> |
| Total                                  | 651,723        |
| Sec. B.809 Vermont symphony orchestra  |                |
| Grants                                 | <u>142,626</u> |
| Total                                  | 142,626        |
| Source of funds                        |                |
| General fund                           | <u>142,626</u> |
| Total                                  | 142,626        |
| Sec. B.810 Vermont historical society  |                |
| Grants                                 | <u>919,184</u> |
| Total                                  | 919,184        |
| Source of funds                        |                |
| General fund                           | <u>919,184</u> |

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|  |                   |
|--|-------------------|
| Total  | 919,184           |
| Sec. B.811 Vermont housing and conservation board      |                   |
| Grants   | <u>29,341,812</u> |
| Total  | 29,341,812        |
| Source of funds  |                   |
| Special funds  | 16,050,936        |
| Federal funds  | <u>13,290,876</u> |
| Total  | 29,341,812        |
| Sec. B.812 Vermont humanities council                  |                   |
| Grants   | <u>220,138</u>    |
| Total  | 220,138           |
| Source of funds  |                   |
| General fund   | <u>220,138</u>    |
| Total  | 220,138           |
| Sec. B.813 Total commerce and community development    |                   |
| Source of funds  |                   |
| General fund   | 15,285,082        |
| Special funds  | 24,153,440        |
| Federal funds  | 31,982,588        |
| Interdepartmental transfers                            | 435,000           |
| Enterprise funds                                       | <u>830,693</u>    |
| Total  | 72,686,803        |
| Sec. B.900 Transportation - finance and administration |                   |
| Personal services                                      | 10,044,881        |
| Operating expenses                                     | 2,273,283         |
| Grants   | <u>275,000</u>    |
| Total  | 12,593,164        |
| Source of funds  |                   |
| Transportation fund                                    | 11,570,784        |
| Federal funds  | <u>1,022,380</u>  |
| Total  | 12,593,164        |
| Sec. B.901 Transportation - aviation                   |                   |
| Personal services                                      | 3,481,513         |
| Operating expenses                                     | 16,290,006        |
| Grants   | <u>177,000</u>    |
| Total  | 19,948,519        |

|  |                   |
|--|-------------------|
| Source of funds                                      |                   |
| Transportation fund                                  | 5,192,205         |
| Federal funds  | <u>14,756,314</u> |
| Total  | 19,948,519        |
| Sec. B.902 Transportation - buildings                |                   |
| Operating expenses                                   | <u>2,760,000</u>  |
| Total  | 2,760,000         |
| Source of funds                                      |                   |
| Transportation fund                                  | 1,060,000         |
| TIB fund   | <u>1,700,000</u>  |
| Total  | 2,760,000         |
| Sec. B.903 Transportation - program development      |                   |
| Personal services                                    | 42,916,407        |
| Operating expenses                                   | 270,586,371       |
| Grants   | <u>23,125,586</u> |
| Total  | 336,628,364       |
| Source of funds                                      |                   |
| Transportation fund                                  | 40,704,471        |
| TIB fund   | 14,897,087        |
| Federal funds  | 277,542,839       |
| Interdepartmental transfers                          | 1,817,041         |
| Local match  | <u>1,666,926</u>  |
| Total  | 336,628,364       |
| Sec. B.904 Transportation - rest areas construction  |                   |
| Operating expenses                                   | <u>850,000</u>    |
| Total  | 850,000           |
| Source of funds                                      |                   |
| Transportation fund                                  | 355,000           |
| Federal funds  | <u>495,000</u>    |
| Total  | 850,000           |
| Sec. B.905 Transportation - maintenance state system |                   |
| Personal services                                    | 39,757,772        |
| Operating expenses                                   | 40,317,145        |
| Grants   | <u>120,000</u>    |
| Total  | 80,194,917        |
| Source of funds                                      |                   |
| Transportation fund                                  | 78,792,117        |



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|   |                   |
|---|-------------------|
| Federal funds                                   | 1,302,800         |
| Interdepartmental transfers                     | <u>100,000</u>    |
| Total   | 80,194,917        |
| Sec. B.906 Transportation - policy and planning |                   |
| Personal services                               | 4,297,708         |
| Operating expenses                              | 1,603,439         |
| Grants  | <u>5,197,417</u>  |
| Total   | 11,098,564        |
| Source of funds                                 |                   |
| Transportation fund                             | 2,121,421         |
| Federal funds                                   | 8,726,143         |
| Interdepartmental transfers                     | <u>251,000</u>    |
| Total   | 11,098,564        |
| Sec. B.907 Transportation - rail                |                   |
| Personal services                               | 5,127,808         |
| Operating expenses                              | 31,852,434        |
| Grants  | <u>357,029</u>    |
| Total   | 37,337,271        |
| Source of funds                                 |                   |
| Transportation fund                             | 14,088,993        |
| TIB fund  | 2,720,000         |
| Federal funds                                   | <u>20,528,278</u> |
| Total   | 37,337,271        |
| Sec. B.908 Transportation - public transit      |                   |
| Personal services                               | 1,055,679         |
| Operating expenses                              | 111,413           |
| Grants  | <u>28,679,829</u> |
| Total   | 29,846,921        |
| Source of funds                                 |                   |
| Transportation fund                             | 8,473,293         |
| Federal funds                                   | <u>21,373,628</u> |
| Total   | 29,846,921        |
| Sec. B.909 Transportation - central garage      |                   |
| Personal services                               | 4,384,259         |
| Operating expenses                              | <u>15,815,967</u> |
| Total   | 20,200,226        |
| Source of funds                                 |                   |

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|   |                   |
|---|-------------------|
| Internal service funds  | <u>20,200,226</u> |
| Total   | 20,200,226        |
| Sec. B.910 Department of motor vehicles                                     |                   |
| Personal services   | 16,104,305        |
| Operating expenses  | <u>9,316,770</u>  |
| Total   | 25,421,075        |
| Source of funds   |                   |
| Transportation fund   | 23,985,937        |
| Federal funds   | <u>1,435,138</u>  |
| Total   | 25,421,075        |
| Sec. B.911 Transportation - town highway structures                         |                   |
| Grants  | <u>6,333,500</u>  |
| Total   | 6,333,500         |
| Source of funds   |                   |
| Transportation fund   | <u>6,333,500</u>  |
| Total   | 6,333,500         |
| Sec. B.912 Transportation - town highway local technical assistance program |                   |
| Grants  | <u>400,000</u>    |
| 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   | <u>7,248,750</u>  |
| Total   | 7,248,750         |
| Sec. B.914 Transportation - town highway bridges                            |                   |
| Personal services   | 4,250,000         |
| Operating expenses  | 12,032,361        |
| Grants  | <u>200,000</u>    |
| Total   | 16,482,361        |
| Source of funds   |                   |
| Transportation fund   | 1,663,224         |

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|  |                   |
|--|-------------------|
| TIB fund   | 578,000           |
| Federal funds  | 13,315,652        |
| Local match  | <u>925,485</u>    |
| Total  | 16,482,361        |
| Sec. B.915 Transportation - town highway aid program                         |                   |
| Grants   | <u>25,982,744</u> |
| 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   | <u>128,750</u>    |
| 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   | <u>1,150,000</u>  |
| Total  | 1,150,000         |
| Source of funds  |                   |
| Transportation fund  | <u>1,150,000</u>  |
| Total  | 1,150,000         |
| Sec. B.918 Transportation - town highway: state aid for federal disasters    |                   |
| Grants   | <u>1,440,000</u>  |
| Total  | 1,440,000         |
| Source of funds  |                   |
| Transportation fund  | 160,000           |
| Federal funds  | <u>1,280,000</u>  |
| Total  | 1,440,000         |
| Sec. B.919 Transportation - municipal mitigation grant program               |                   |
| Grants   | <u>871,500</u>    |
| Total  | 871,500           |
| Source of funds  |                   |
| Transportation fund  | 440,000           |
| Federal funds  | 204,500           |
| Interdepartmental transfers  | <u>227,000</u>    |

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|   |                   |
|---|-------------------|
| Total   | 871,500           |
| Sec. B.920 Transportation - public assistance grant program |                   |
| Grants  | <u>48,630,222</u> |
| Total   | 48,630,222        |
| Source of funds   |                   |
| Special funds   | 3,630,222         |
| Federal funds   | <u>45,000,000</u> |
| Total   | 48,630,222        |
| Sec. B.921 Transportation board                             |                   |
| Personal services   | 185,248           |
| Operating expenses  | <u>31,652</u>     |
| Total   | 216,900           |
| Source of funds   |                   |
| Transportation fund   | <u>216,900</u>    |
| Total   | 216,900           |
| Sec. B.922 Total transportation                             |                   |
| Source of funds   |                   |
| Transportation fund   | 229,903,089       |
| TIB fund  | 19,895,087        |
| Special funds   | 3,630,222         |
| Federal funds   | 407,147,672       |
| Internal service funds                                      | 20,200,226        |
| Interdepartmental transfers                                 | 2,395,041         |
| Local match   | <u>2,592,411</u>  |
| Total   | 685,763,748       |
| Sec. B.1000 Debt service                                    |                   |
| Operating expenses  | <u>71,791,440</u> |
| Total   | 71,791,440        |
| Source of funds   |                   |
| General fund  | 65,401,531        |
| Transportation fund   | 2,094,555         |
| TIB debt service fund                                       | 2,502,313         |
| Special funds   | 632,940           |
| ARRA funds  | <u>1,160,101</u>  |
| Total   | 71,791,440        |
| Sec. B.1001 Total debt service                              |                   |

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|                       |                  |
|-----------------------|------------------|
| Source of funds       |                  |
| General fund          | 65,401,531       |
| Transportation fund   | 2,094,555        |
| TIB debt service fund | 2,502,313        |
| Special funds         | 632,940          |
| ARRA funds            | <u>1,160,101</u> |
| Total                 | 71,791,440       |

Sec. B.1100      NEXT    GENERATION;    APPROPRIATIONS    AND  
TRANSFERS

(a) In fiscal year 2015, \$3,293,000 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed:

(1) Workforce education and training. 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 education and training. Up to seven percent of the funds may be used for administration of the program. Of this amount, \$350,000 shall be allocated for competitive grants for internships through 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 in consultation with the State Workforce Investment Board. This appropriation is for the purpose of awarding competitive grants to regional technical centers and 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 consistent with 2013 Acts and Resolves No. 77. 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 the student will be better served at a non-State college or when available programs are not 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 2016 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 State Workforce

Investment Board, shall recommend to the Governor no later than November 1, 2014 how \$3,293,000 from the Next Generation Fund should be allocated or appropriated in fiscal year 2016 to provide maximum benefit to workforce education and training, participation in secondary or postsecondary education by underrepresented groups, and support for promising economic sectors in Vermont. The Department of Labor shall promote actively and publicly the availability of these funds to eligible entities that have not previously been funded.

#### Sec. B.1101 ONE-TIME ELECTIONS EXPENSE APPROPRIATION

(a) In fiscal year 2015, there is appropriated to the Secretary of State for 2014 primary and general elections:

|                     |                  |
|---------------------|------------------|
| <u>General Fund</u> | <u>\$400,000</u> |
|---------------------|------------------|

#### Sec. B.1102 FISCAL YEAR 2015 APPROPRIATION REDUCTION DUE TO DII ASSESSMENT REDUCTION

(a) To reflect adjustments to budgets due to DII assessment adjustments, the Secretary of Administration is authorized to reduce operating expense appropriations by \$103,000 in general funds.

#### Sec. C.100 FISCAL YEAR 2014 FUND TRANSFERS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2014, the following amounts shall be transferred to the General Fund from the funds indicated:

|  |                  |
|--|------------------|
| <u>(1) Fire Prevention Building Inspection Fund #21901</u> | <u>3,200,000</u> |
| <u>(2) Act 250 Permit Fund #21260</u>                      | <u>100,000</u>   |

#### Sec. C.101 REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2014, \$30,000 shall revert to the General Fund from the Sergeant at Arms (#1230001000).

#### Sec. C.102 LEGAL AID HOMEOWNER ASSISTANCE ALLOCATION

(a) Of the funds appropriated to the Secretary of Administration in fiscal year 2013 under the provision of 32 V.S.A. § 308c(a)(3), \$50,000 shall be granted to Vermont Legal Aid to fund legal services for homeowners facing foreclosure.

Sec. C.103 2013 Acts and Resolves No. 50, Sec. C.100.1(b) is amended to read:

(b) The Secretary of State is authorized to expend up to \$50,000 from the ~~Vermont Campaign Fund~~ Secretary of State Services Fund during fiscal year 2013 2014 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.104 [DELETED]

Sec. C.105 COST ALLOCATION; SECRETARY OF COMMERCE AND COMMUNITY DEVELOPMENT

(a) The Department of Health Access shall ensure the appropriate funds are transferred to the Agency of Commerce and Community Development for Agency costs related to the time and expense of the Secretary allocated to his work for the Department in fiscal year 2014.

(b) At the close of fiscal year 2014, the Agency of Commerce and Community Development shall transfer \$50,000 to the Agency of Human Services – Global Commitment for the time and expenses allocated in subsection (a) of this section.

Sec. C.106 FISCAL YEAR 2014 SUPPLEMENTAL ONE-TIME APPROPRIATIONS

(a) The following appropriations are made from the General Fund in 2014:

(1) To the Treasurer for deposit in fiscal year 2015 in the Vermont Retired Teachers' Health and Medical Benefits Fund: \$300,000

(2) To the Department of Public Safety for the replacement of vehicles: \$1,400,000

(3) To Vermont Crime Victims Services to be carried forward for fiscal year 2015 funding needs: \$697,397

(4) To the Joint Fiscal Office for analysis of the transition of the health care system: \$600,000

(5) To the Agency of Human Services – Global Commitment for traumatic brain injury program analysis: \$22,000

(6) To the Department of Public Safety for information technology, software, and equipment expenses: \$572,000

(7) To the Department of Corrections to be carried forward to fiscal year 2015 for correctional services funding needs: \$8,300,000

(8) To the Treasurer for the expense related to the cost of a Public Retirement Plan Study as defined in Sec. C.108 of this act: \$5,000



(9) To the Legislature for training and expenses related to data-based information to be used by the General Assembly to determine how well State government is working toward achieving the population-level outcomes that have been put in place to measure Vermont's quality of life. This work will be done in conjunction with the activities of the State Chief Performance Officer:  
\$10,000

(10) To the Legislature for per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 and for legal and other support services for the Committee on Child Protection established in Sec. C.109 of this act:  
\$25,000

(11) To the Department of State's Attorneys and Sheriffs – Special Investigation Units for enhanced funding to three county child advocacy centers:  
\$45,000

(12) To the Agency of Agriculture, Food and Markets for New England regional milk pricing activities:  
\$20,000

(13) To the Agency of Natural Resource to provide one-time pro-rated payments in fiscal year 2015 to towns with lands owned by the Agency. The payments and formula shall be determined by the Agency and made to towns with parcels for which the development status of the land has changed as determined by the Agency:  
\$35,000

(14) To the Department of Tourism and Marketing for a grant to the Lake Champlain Maritime Museum:  
\$25,000

#### Sec. C.106.1 FLOOD-RELATED PAYMENT

(a) Appropriated from the General Fund to the Agency of Commerce and Community Development for a grant to Latchis Arts Inc. This grant is for payment for qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011 as defined in 32 V.S.A. § 5930bb(d) that would be awarded as a tax credit to an individual:  
\$88,000

#### Sec. C.106.2 CONTINGENT FISCAL YEAR 2014 APPROPRIATION

(a) After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met and prior to any funds reserved pursuant to 32 V.S.A. § 308c, any remaining unreserved and undesignated end of fiscal year General Fund surplus up to \$5,000,000 shall be appropriated to the extent available, in the following order:

(1) \$500,000 to the Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb as amended by S.220 of 2014;

(2) \$4,500,000 to the Vermont Enterprise Fund for the purposes specified in Sec. E.100.5 of this act.

Sec. C.107 [DELETED]

Sec. C.108 INTERIM STUDY ON THE FEASIBILITY OF ESTABLISHING  
A PUBLIC RETIREMENT PLAN

(a) Creation of Committee. There is created a Public Retirement Plan Study Committee to evaluate the feasibility of establishing a public retirement plan.

(b) Membership. The Public Retirement Plan Study Committee shall be composed of seven members as follows:

(1) the State Treasurer or designee;

(2) the Commissioner of Labor or designee;

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

(4) an individual with private sector experience in the area of providing retirement products and financial services to small businesses, to be appointed by the Speaker;

(5) an individual with experience or expertise in the area of the financial needs of an aging population, to be appointed by the Committee on Committees;

(6) a representative of employers, to be appointed by the Speaker; and

(7) a representative of employees who currently lack access to employer-sponsored retirement plans, to be appointed by the Committee on Committees.

(c) Powers and duties.

(1)(A) The Committee shall study the feasibility of establishing a public retirement plan, including the following:

(i) the access Vermont residents currently have to employer-sponsored retirement plans and the types of employer-sponsored retirement plans;

(ii) data and estimates on the amount of savings and resources Vermont residents will need for a financially secure retirement;

(iii) data and estimates on the actual amount of savings and resources Vermont residents will have for retirement, and whether those savings and resources will be sufficient for a financially secure retirement;

(iv) current incentives to encourage retirement savings, and the effectiveness of those incentives;

(v) whether other states have created a public retirement plan and the experience of those states;

(vi) whether there is a need for a public retirement plan in Vermont;

(vii) whether a public retirement plan would be feasible and effective in providing for a financially secure retirement for Vermont residents;

(viii) other programs or incentives the State could pursue in combination with a public retirement plan or, instead of such a plan, in order to encourage residents to save and prepare for retirement; and

(B) If the Committee determines that a public retirement plan is necessary, feasible, and effective, the Committee shall study:

(i) potential models for the structure, management, organization, administration, and funding of such a plan;

(ii) how to ensure that the plan is available to private sector employees who are not covered by an alternative retirement plan;

(iii) how to build enrollment to a level that enrollee costs can be lowered;

(iv) whether such a plan should impose any obligation or liability upon private sector employers; and

(v) any other issue the Committee deems relevant.

(2) The Committee shall have the assistance of the staff of the Office of the Treasurer, the Department of Labor, and the Department of Disabilities, Aging, and Independent Living.

(d) Report. By January 15, 2015, the Committee shall report to the General Assembly its findings and any recommendations for legislative action. In its report, the Committee shall state its findings as to every factor set forth in subdivision (c)(1)(A) of this section, whether it recommends that a public retirement plan be created, and the reasons for that recommendation. If the

Committee recommends that a public retirement plan be created, the Committee's report shall include specific recommendations as to the factors listed in subdivision (c)(1)(B) of this section.

(e) Meetings; term of Committee; chair. The Committee may meet no more than six times and shall cease to exist on January 15, 2015. The State Treasurer shall serve as Chair of the Committee and shall call the first meeting.

(f) Reimbursement. For attendance at meetings, 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 and shall be reimbursed for mileage and travel expenses.

#### Sec. C.109 COMMITTEE ON CHILD PROTECTION

(a) There is created a Committee on Child Protection. The Committee shall be composed of seven members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees. The Committee on Committees shall designate two Senators to serve as Co-Chairs of the Committee.

(b) The Committee shall investigate and evaluate Vermont's current system of child protection, including:

(1) examining Vermont's laws, policies, and procedures and evaluating whether those laws, policies, and procedures are effective in protecting children;

(2) comparing Vermont's laws, policies, and procedures to those in other jurisdictions and to best practices in the area of child protection;

(3) understanding how federal requirements shape Vermont's laws, policies, and procedures and the child protection system;

(4) examining whether the departments, agencies, branches, and entities that are responsible for child protection cooperate and are effectively fulfilling their role in the child protection system;

(5) examining whether specific crimes or incidents reveal shortcomings in current laws, policies, and procedures and how the current system operates. In doing so, the Committee shall not interfere in any ongoing investigations;

(6) examining how the child protection system operates in different parts of the State and whether similar cases or allegations are handled differently. If the Committee determines that similar cases or allegations are handled differently, the Committee shall examine the reasons for, and results of, those differences;

(7) determining whether legislative or other changes are necessary to improve the child protection system.

(c) The Committee may conduct hearings and may administer oaths to, and examine under oath, any person. The Committee shall have the power, by a majority vote of the Committee, to issue subpoenas to compel the attendance and testimony of witnesses, and the production of books, papers, records, and documents.

(d) Notwithstanding any other provision of law to the contrary, the Committee may receive records that are confidential, privileged, or the release of which is restricted under Vermont law. All State agencies and departments may provide such records to the Committee upon request. Any such records obtained by the Committee shall be exempt from public inspection and copying, shall be kept confidential by the Committee, and shall not be disclosed.

(e) No person who is an employee of the State of Vermont, or of any State, local, county, and municipal department, agency, or entity involved in child protection, and who testifies before, supplies information to, or cooperates with the Committee's investigation shall be subject to retaliation by his or her employer. Retaliation shall include job termination, demotion in rank, reduction in pay, alteration in duties and responsibilities, transfer, or a negative job performance evaluation based on the person's having testified before, supplied information to, or cooperated with the Committee.

(f) The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council. The Committee may retain additional legal and other services as necessary.

(g) On or before January 6, 2015, the Committee shall report to the General Assembly its findings and any recommendations for legislative action.

(h) The Committee may meet no more than ten times, unless additional meetings are determined to be necessary by the Co-Chairs and approved by the President Pro Tempore of the Senate and Speaker of the House. The Co-Chairs shall call the first meeting of the Committee, and the Committee may hold hearings at whatever locations the Co-Chairs determine to be appropriate. A majority of the members of the Committee shall be physically present at the same location to constitute a quorum. A member may vote only if physically present at the meeting and action shall be taken only if there is both a quorum and a majority vote of all members of the Committee members physically present and voting.

(i) The Committee shall cease to exist on January 6, 2015.

(j) For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

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 \$15,454,840 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 \$15,454,840 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 \$3,779,661 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$3,779,661 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,779,661 shall be allocated as follows:

(A) \$2,924,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$476,544 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: \$635,000.

(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: \$1,693,408.

(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 to fund fiscal year 2016 transportation infrastructure bonds debt service: \$2,504,913.

#### 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 2014 in the Tobacco Litigation Settlement Fund shall remain for appropriation in fiscal year 2015.

#### 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 2015 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2015 is not negative shall be transferred from the Tobacco Trust Fund to the Tobacco Litigation Settlement Fund in fiscal year 2015.

Sec. D.104 32 V.S.A. § 308c is amended to read:

#### § 308c. GENERAL FUND AND TRANSPORTATION FUND BALANCE RESERVES

(a) There is hereby created within the General Fund a General Fund Balance Reserve, also known as the “rainy day reserve.” After satisfying the requirements of section 308 of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve. The General Fund Balance Reserve shall not exceed five percent of the appropriations from the General Fund for the prior fiscal year without legislative authorization. ~~Monies from this Reserve shall be available for appropriation by the General Assembly.~~

~~(1) The Emergency Board shall, at the end of fiscal year 2013, determine at its July meeting the amount of available general funds that is greater than the amount of forecasted available general funds most recently adopted by the Board for fiscal year 2013.~~

~~(2) Of the amount added to the General Fund Balance Reserve in fiscal year 2013, to the extent available, one-half of the amount identified in subdivision (1) of this subsection is hereby appropriated in the fiscal year just concluded for deposit in the Supplemental Property Tax Relief Fund established by section 6075 of this title. If the amount added to the General Fund Balance Reserve is insufficient to support both the appropriation in this subdivision and the appropriation in subdivision (3) of this subsection, the appropriation in this subdivision shall take precedence.~~

~~(3) Of the amount added to the General Fund Balance Reserve in fiscal year 2013, to the extent available, one-quarter of the amount identified in subdivision (1) of this subsection is hereby appropriated in the fiscal year just concluded to the Secretary of Administration to be used only upon Emergency Board action to transfer these funds to appropriations to offset reduced federal funding.~~

Of the funds which would otherwise be reserved in the General Fund Balance Reserve under this subsection, 50 percent of any such funds shall be transferred to the Retired Teachers' Health and Medical Benefits Fund established by 16 V.S.A. § 1944(b) to reduce any outstanding balance of any interfund loan authorized by the State Treasurer from the General Fund. Upon joint determination by the Commissioner of Finance and Management and the State Treasurer that there is no longer any outstanding balance, no further transfers in accordance with this subdivision shall occur.

(b) Use of General Fund Balance Reserve:

(1) The General Assembly may specifically appropriate the use of up to 50 percent of the amounts added in the prior fiscal year from the General Fund Balance Reserve to fund unforeseen or emergency needs.

(2) If the official State revenue estimates of the Emergency Board for the General Fund, the Transportation Fund, or federal funds determined under section 305a of this title have been reduced by two percent or more from the estimates determined and assumed for purposes of the general appropriations act or budget adjustment act, funds in the General Fund Balance Reserve may be appropriated to compensate for a reduction of revenues.

(c) There is hereby created within the Transportation Fund a Transportation Fund Balance Reserve. After satisfying the requirements of section 308a of



this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year Transportation Fund surplus shall be reserved in the Transportation Fund Balance Reserve. Monies from this Reserve shall be available for appropriation by the General Assembly.

~~(c) In any fiscal year, if the General Assembly determines there are insufficient revenues to fund expenditures for the operation of State government at a level the General Assembly finds prudent and required, it may specifically appropriate the use of the General Fund and Transportation Fund Balance Reserves to compensate for a reduction of revenues or fund such unforeseen or emergency needs as the General Assembly may determine.~~

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#### Sec. D.105 REPEALS

(a) 2012 Acts and Resolves No. 162, Secs. D.103.1(a) (calculation, appropriation, and deposit in the supplemental property tax relief fund repeal effective on June 30, 2014) and D.103(b) (supplemental property tax relief fund repeal effective on June 30, 2014) are repealed.

(b) 32 V.S.A. § 6075 (supplemental property tax relief fund) is repealed on July 1, 2017.

(c) 2013 Acts and Resolves No. 50, Sec B.1104 (Fiscal Year 2014 Surplus) is repealed.

#### Sec. D.106 [DELETED]

#### Sec. D.107 DEPOSIT OF SETTLEMENT RECEIPTS

(a) Any funds received by the State in fiscal year 2014 from settlement with the R.J. Reynolds Tobacco Co. regarding deceptive advertising shall be deposited into the General Fund in fiscal year 2014.

\* \* \* GENERAL GOVERNMENT \* \* \*

#### Sec. E.100 EXECUTIVE BRANCH – POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent positions is authorized in fiscal year 2015 as follows:

(1) In the Department of Information and Innovation – three (3) classified positions – one (1) IT Contract Specialist and two (2) Enterprise Architect.

(2) In the Department of State's Attorneys and Sheriffs – four (4) exempt positions – Deputy State's Attorney.

(3) In the Department of Public Safety – three (3) classified positions – one (1) Marijuana Registry Administrator, one (1) Fire Prevention Safety Officer, and one (1) Electrical Inspector.

(4) In the Agency of Agriculture, Food and Markets – two (2) classified positions – Food Safety Specialist.

(5) In the Department of Financial Regulation – one (1) classified position – Financial Examiner II.

(6) In the Department of Health – one (1) classified position – Public Health Dental Hygienist.

(7) In the Department for Children and Families – one (1) classified position – Financial Specialist III.

(8) In the Department of Environmental Conservation – one (1) classified position – Environmental Engineer VI.

(9) In the Department of Economic Development – one (1) classified position – Economic Development Director.

(b) The establishment of the following new classified limited service positions is authorized in fiscal year 2015 as follows:

(1) In the Department of Environmental Conservation – one (1) Solid Waste Analyst, one (1) Environmental Analyst III, and one (1) Wetland Ecologist.

(2) In the Department of Liquor Control – one (1) Tobacco Compliance Officer.

(c) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2015 as follows:

(1) In the Agency of Agriculture, Food and Markets – two (2) working lands staff positions - Agricultural Development Coordinator and Grants Program Specialist II.

(d) Position Pilot Program. A position pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

(1) The Agency of Transportation, the Department for Children and Families, and the Department of Environmental Conservation shall not be subject to the cap on positions for the duration of the pilot.

(2) Any new positions created under the pilot shall be authorized by the Secretary of Administration and funded within existing appropriations.

(3) Any new positions created under the pilot shall not be transferrable outside the agency or department of the pilot.

(4) At least 15 days prior to the establishment of pilot positions, the Joint Fiscal Committee and the Government Accountability Committee shall be provided a written description from the pilot entity and the Commissioner of Human Resources of the method for evaluating the cost-effectiveness of the positions.

(5) As part of their annual budget testimony, participating departments shall report on the number and type of positions created under the pilot and the source of funds used to support the positions.

(6) By November 2014, the Commissioner of Human Resources shall provide the Joint Fiscal Committee a report of any employee impacts such as reduction in force rights that may arise from the implementation of the pilot.

(7) This pilot shall sunset on July 1, 2017, unless extended or modified by the General Assembly.

Sec. E.100.1 FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) AND STATE MATCH PAYMENTS FOR TROPICAL STORM IRENE AND SPRING 2011 FLOODING

(a) The Secretary of Administration shall report to the Joint Fiscal Committee at its September 2014 and September 2015 meetings on cumulative expenditures in the prior fiscal year in the Public Assistance Program (810005500) of Federal Emergency Management Agency (FEMA) funds and associated emergency relief and assistance funds match for the damages due to Tropical Storm Irene and Spring 2011 flooding, including to the extent possible, details about the expended funds by State agency or municipality. The report shall also include, if applicable, information on any audit findings that may result in financial impacts to the State.

(b) Reports shall be posted on the Legislative and Administration websites after submission.

(c) 2012 Acts and Resolves No. 75, Sec. 77a(b) (quarterly reports on payments from the emergency relief and assistance fund) is repealed.

Sec. E.100.2 VERMONT VETERANS' HOME; FUNDING REVIEW

(a) The Secretary of Administration shall carry out a review of the revenue and budget options for the Vermont Veterans' Home and develop a business

plan with the following goals:

(1) creation of a revenue and budget approach that does not present a long-term structural deficit for the Vermont State budget; and

(2) development of a strategy that eliminates the need for ongoing General Fund subsidies by fiscal year 2018.

(b) This review shall be submitted to the Joint Fiscal Committee before November 15, 2014.

#### Sec. E.100.3 REVERSION

(a) Of the General Funds appropriated to the Secretary of Administration in fiscal year 2013 under the provision of 32 V.S.A. § 308c(a)(3), \$1,910,000 shall revert to the General Fund in fiscal year 2015.

#### Sec. E.100.4 VTHR UNIT; TRANSFER AUTHORITY

(a) The Commissioner of Finance and Management, with the approval of the Secretary of Administration, may make transfers of appropriations within the Financial Management Fund, Medical Insurance Fund, Dental Insurance Fund, and Life Insurance Fund for fiscal year 2015, provided the total fiscal year 2015 appropriations from these funds do not exceed the total amount authorized in the fiscal year 2015 Appropriations Act.

#### Sec. E.100.5 VERMONT ENTERPRISE FUND

(a) There is created a Vermont Enterprise Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.

(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5 of this title.

(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.

(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.

(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.

(c) The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection (e) of this section.

(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:

(1) adequately demonstrates:

(A) a substantial statewide or regional economic or employment impact; or

(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and

(2) is experiencing one or more of the following circumstances:

(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;

(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;

(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or

(D) is considering Vermont for relocation or expansion.

(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.

(2) The Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.

(3) The Governor or designee, shall present to the Emergency Board for its approval:

(A) information on the company;

(B) the circumstances supporting the offer of economic and financial resources;

(C) a summary of the economic activity proposed or that would be forgone;

(D) other State incentives and programs offered or involved;

(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;

(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and

(G) terms and conditions of the economic and financial resources offered, including:

(i) the total dollar amount and form of the economic and financial resources offered;

(ii) employment creation, employment retention, and capital investment performance requirements; and

(iii) disallowance and recapture provisions.

(4) The Emergency Board shall have the authority to approve, disapprove, or modify an offer of economic and financial resources in its discretion, including consideration of the following:

(A) whether the business has presented sufficient documentation to demonstrate compliance with subsection (d) of this section;

(B) whether the Governor has presented sufficient information to the Board under subdivision (3) of this subsection;

(C) whether the business has received other State resources and incentives, and if so, the type and amount; and

(D) whether the business and the Governor have made available to the Board sufficient information and documentation for the Auditor of Accounts to perform an adequate performance audit of the program, including the extent to which necessary information or documentation is or will be withheld under a claim that it is confidential, proprietary, or subject to executive privilege.

(f)(1) Proprietary business information and materials or other confidential financial information submitted by a business to the State, or submitted by the Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization

of the Chair of the Joint Fiscal Committee, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; provided, however, that the Joint Fiscal Office or its agent, and the Auditor of Accounts, shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report on the resources made available pursuant to this section, including:

(1) the name of the recipient;

(2) the amount and type of the resources;

(3) the aggregate number of jobs created or retained as a result of the resources;

(4) a statement of costs and benefits to the State; and

(5) whether any offer of resources was disallowed or recaptured.

(h) This section shall sunset on June 30, 2016 and any remaining balance in the Fund shall be transferred to the General Fund.

Sec. E.105 Information and innovation – communications and information technology

(a) Of this appropriation, \$635,000 is for a grant to the Vermont Telecommunications Authority established in 30 V.S.A. § 8061.

Sec. E.106 [DELETED]

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.

Sec. E.112 USE OF STATE SPACE; CLARIFICATION

(a) Notwithstanding 29 V.S.A. § 165(h) the Commissioner of Buildings and General Services shall extend through June 30, 2015 the lease for space for the Chittenden Unit for Special Investigations at current payment rates. For fiscal year 2016 and beyond, the Commissioner shall consult with the Director of States' Attorneys and Sheriffs and the Director of the Chittenden Unit for Special Investigations and develop a long-term lease or fee-for-space arrangement. In the event such arrangements include a payment below prevailing market prices, it shall be presented to the Joint Fiscal Committee as required by 29 V.S.A. § 165(h) for approval at a regularly scheduled Joint Fiscal Committee meeting after September 1, 2014.

Sec. E.113 Buildings and general services – engineering

(a) The \$3,196,163 interdepartmental transfer in this appropriation shall be from the fiscal year 2015 General Bond Fund appropriation in 2013 Acts and Resolves No. 51, Sec. 2(c)(5), as amended in the 2014 legislative session.

Sec. E.113.1 2013 Acts and Resolves No.1, Sec. 100(c) is amended to read:

(c) Sec. 97 (general obligation debt financing) shall take effect on ~~July 1,~~ 2014 July 1, 2015.

Sec. E.113.2 DEPARTMENT OF BUILDINGS AND GENERAL SERVICES; ALLOCATION OF ENGINEERING COSTS

(a) The Commissioner of Buildings and General Services shall implement the following recommendations from the report required by 2013 Acts and Resolves No. 51, Sec. 39, relating to accounting standards for engineering costs:

(1) initiate a process to track engineering costs to specific projects through the VTHR payroll system; and

(2) once engineering costs are tracked to specific projects, allocate these known capital costs to expenses paid from general obligation debt financing and allocate noncapital costs to expenses paid from the General Fund.

(b) The Secretary of Administration shall work with the Commissioner of Buildings and General Services to implement a project tracking procedure through the VTHR payroll system described in subdivision (a)(1) of this section.

(c) On or before January 15, 2015, the Commissioner of Buildings and General Services shall update the House Committee on Corrections and



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Institutions and the Senate Committee on Institutions on the implementation of the recommendations described in subsection (a) of this section.

Sec. E.118 Buildings and general services - fleet management services

(a) Any State employee that uses the standard mileage reimbursement rate for use of his or her private vehicle shall be required to use a State-owned or -leased vehicle if the mileage that is submitted for reimbursement exceeds 12,400 miles 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 12,400 limit on mileage that is eligible for reimbursement for use of a private vehicle.

Sec. E.118.1 2010 Acts and Resolves No. 156, Sec. E.114(a), as amended by 2011 Acts and Resolves No. 3, Sec. 60, and 2013 Acts and Resolves No. 50, Sec. E.118, is further amended to read:

(a) The Commissioner of Buildings and General Services shall submit a report to the House and Senate Committees on Appropriations by January 15th of each year ~~through fiscal year 2015~~ detailing the number of state State employees, by department, that ~~during the previous fiscal year~~ exceeded a ~~11,400 mileage amount for use of their private vehicle during the previous fiscal year~~ the “mileage breakeven point,” the point at which employee mileage reimbursement becomes more expensive than use of State-owned or -leased vehicles, as calculated as part of this report.

Sec. E.125 Legislative council

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Legislative Council and carried forward into fiscal year 2015, 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 2014 funds appropriated to the Legislature and carried forward into fiscal year 2015, the amount of \$80,000 shall revert to the General Fund.

(b) It is the intent of the General Assembly that funding for the Legislature in fiscal year 2016 be included at a level sufficient to support an 18-week legislative session.

(c) The appropriation in Sec. B.126 of this act includes \$10,000 to support costs associated with obtaining data-based information to be used by the General Assembly to determine how well State government is working toward achieving the population-level outcomes that have been put in place to measure

Vermont's quality of life. This data will also assist the General Assembly in determining how best to invest taxpayer dollars.

Sec. E.127 Joint fiscal committee

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Joint Fiscal Committee and carried forward into fiscal year 2015, the amount of \$10,000 shall revert to the General Fund.

Sec. E.127.1 [DELETED]

Sec. E.128 Sergeant at Arms

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Sergeant at Arms and carried forward into fiscal year 2015, the amount of \$10,000 shall revert to the General Fund.

Sec. E.130 [DELETED]

Sec. E.131 VERMONT COMMUNITY LOAN FUND

(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). The provisions of Sec. A.102(c) of this act shall not apply to this subsection.

(b) 2004 Acts and Resolves No. 80, Sec. 6a (authority to invest up to \$200,000.00) is repealed.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2015, investment fees shall be paid from the corpus of the Fund.

Sec. E.133.1 3V.S.A. § 479a(b)(1) is amended to read:

(1) All assets remitted to the state as a subsidy on behalf of the members of the Vermont state employees' retirement system for employer-sponsored qualified prescription drug plans pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003, except that any subsidy received from an Employer Group Waiver program is not subject to this requirement.

Sec. E.139 2013 Acts and Resolves No. 50, Sec. E.139, as amended by 2014 Acts and Resolves No. 95, Sec. 73a is further amended to read:

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.

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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 will continue to provide financial support and recommendations for addressing problem gambling among Vermont's citizens, to include marketing, event sponsorships, and printed material.

Sec. E.141.1 REPORT; TRANSITION OF COUNCIL ON PROBLEM GAMBLING

(a) The Executive Director of the Vermont Lottery Commission and the Commissioner of Health shall provide a written update to the Joint Fiscal Committee in July 2014 on how the gambling addiction program will be operated in fiscal year 2015 and how the funds allocated in this act for gambling addiction programs will be used.

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 JUDICIARY; REPORT ON TRAFFIC TICKETS

(a) On or before December 1, 2014, the Court Administrator shall report to the House and Senate Committees on Appropriations and on Judiciary on the trends and data for traffic tickets filed with the Judicial Bureau. The report shall:

(1) compare the number of tickets filed with the number of tickets for which fines were collected; and

(2) provide information about the reasons tickets were dismissed by the Judicial Bureau during the three-year period, to the extent that such reports can be produced by query to the Judicial Bureau's case management software.

#### Sec. E.204.1 JUDICIARY; SECURITY AND TRANSPORT REPORT

(a) The Court Administrator shall submit a report to the House and Senate Committees on Judiciary and on Appropriations by January 15, 2015 with findings on the current operation and costs of providing security in all the State's courts and shall make recommendations to restructure such operations to result in financial savings without increasing security risk to the Judiciary. The Court Administrator shall consult with third party experts which may include national organizations to examine these issues. Specifically, the report shall address:

(1) options to reduce costs when any court is not in session; and

(2) options to reduce costs through shared security arraignments with other co-located state agencies.

(b) The Court Administration and the Department of State's Attorneys and Sheriffs shall by January 15, 2015 present a plan to maximize the cost-effectiveness of secure transports, including the transfer to the Judiciary of funding for and payment of State-paid deputies.

#### Sec. E.205 STATE'S ATTORNEYS; "CALL-OUT" COMPENSATION

(a) The amount of \$50,000 is appropriated to the State's Attorneys for the purpose of providing compensation for Deputy State's Attorneys who provide "call-out duties, including search warrants, juvenile emergencies, and traveling to potential homicide scenes.

(b) The Executive Director of the Department of State's Attorneys and Sheriffs shall provide a written report to the Joint Fiscal Committee in July 2014 regarding the conditions under which these funds can be accessed and the procedures put in place to ensure that the use of these funds comport with the conditions identified.

Sec. E.206 SPECIAL INVESTIGATIONS UNIT FUNDING STUDY COMMITTEE

(a) Creation. There is created a Special Investigations Unit Funding Study Committee for the purpose of identifying and recommending equitable and sustainable funding options for specialized investigative units.

(b) Membership, interested parties.

(1) The Committee shall be composed of the following 6 members:

(A) three current members of the House of Representatives, one of whom is a member of the Joint Fiscal Committee, appointed by the Speaker of the House;

(B) three current members of the Senate, one of whom is a member of the Joint Fiscal Committee, appointed by the Committee on Committees;

(2) The Committee shall consult with any interested parties, including the Attorney General, the Commissioner of Taxes, the Executive Director of State's Attorneys and Sheriffs, the Administrator of the Specialized Investigative Units Grants Board, the Vermont League of Cities and Towns, the Vermont Children's Alliance, and the directors of the Specialized Investigative Units.

(c) Powers and duties. The Study Committee shall identify all possible funding sources for specialized investigative units and shall consider the sustainability and equitability of each possible source on local, county, and State levels.

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

(e) Report. On or before December 15, 2014, the Committee shall submit a report to the House Committees on Ways and Means and on Judiciary and the

Senate Committees on Finance and on Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) A Senate member shall be the Chair and shall call the first meeting of the Committee to occur on the same date as a meeting of the Joint Fiscal Committee.

(2)(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 all members of the Committee.

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

(g) Reimbursement. 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 four meetings.

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.208.1 FIREARM STORAGE SPECIAL FUND; APPROPRIATION

(a) The sum of \$75,000 is appropriated to the Department of Public Safety from the Firearm Storage Special Fund, which is hereby created, to be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, for the purpose of assisting law enforcement agencies and court-approved federally licensed firearm dealers to create facilities for the storage of firearms and other weapons pursuant to Sec. 20 of H.735 of 2014 [fee bill] (to be codified as 20 V.S.A. § 2307). The Department is authorized to administer this appropriation in its discretion in the form of interest-free loans to law enforcement agencies and court-approved federally licensed firearm dealers that apply to and are deemed eligible by the Department. Successful applicants shall enter into a repayment agreement with the Department and shall repay the loan using fees or other proceeds collected as a result of the implementation of Sec. 20 of H.735 of 2014 [fee bill] (to be codified as 20 V.S.A. § 2307).

Repayments received by the Department shall be deposited into the Firearm Storage Special Fund. The Department is authorized to prepare and execute on behalf of the State any documents necessary to make and secure such loans. Notwithstanding Sec. A.102(c) of this act, this appropriation shall carry forward until expended.

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.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.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, \$2,500 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 be granted to the Vermont State Council of the Vietnam Veterans of America to fund the Service Officer Program; \$5,000

shall be used for the Military, Family, and Community Network; and \$10,000 shall be granted to the American Legion for the Boys' State and Girls' State programs.

(b) Of this General Fund appropriation, \$39,484 shall be deposited into the Armed Services Scholarship Fund established in 16 V.S.A. § 2541.

Sec. E. 220 Center for crime victims services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victims Services shall transfer \$51,574 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

Sec. E.221 [DELETED]

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.224 Agriculture, food and markets – agricultural development

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$1,486,500 in general funds is appropriated 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 and \$75,000 of these funds shall be used to support the Domestic Export Program established in Sec. 6 of S.220 of 2014.

(b) Of the funds appropriated in Sec. B.224 of this act, the amount of \$13,500 in General Funds shall be used to fund grants that enable farmers' markets to accept electronic benefit transfer funds.

Sec. E.224.1 2012 Acts and Resolves No. 142, Sec. 5 is amended to read:

Sec. 5. FUNDING PRIORITIES

(a) The amounts appropriated from the ~~general fund to the Vermont working lands enterprise fund established in 6 V.S.A. § 4605~~ shall be used



General Fund for use by the ~~working lands enterprise board~~ Working Lands Enterprise Board shall be used for the following purposes:

\* \* \*

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 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.225.1 AGRICULTURE, FOOD AND MARKETS; MOSQUITO CONTROL

(a) The Secretary of Agriculture, Food and Markets may use any unexpended or unobligated funds in the budget of the laboratories, agricultural resource management and environmental stewardship program for grants to eligible mosquito control districts:

(1) for larvicide applications approved by the Secretary of Agriculture, Food and Markets to control nuisance species; or

(2) to implement management or control measures approved by the Secretary of Agriculture, Food and Markets to address a public health hazard declared under 18 V.S.A. § 2 due to an outbreak of West Nile virus, eastern equine encephalitis, or other mosquito-borne illness.

Sec. E.228 8 V.S.A. § 7116(c) is amended to read

(c) All fees and payments received by the Department under subsection (a) of this section and 10 percent of the transfer tax under subsection (b) of this section shall be credited to the ~~insurance regulatory and supervision fund~~ Insurance Regulatory and Supervision Fund under section 80 of this title. The remaining 90 percent of the transfer tax shall be deposited directly into the ~~general fund~~ General fund and reserved in the General Fund Balance Reserve established under 32 V.S.A. § 308c.

Sec. E.234 18 V.S.A. chapter 34 is amended to read:

CHAPTER 34. NUCLEAR DECOMMISSIONING CITIZENS ADVISORY  
PANEL

§ 1700. CREATION; MEMBERSHIP; OFFICERS; QUORUM

(a) There is created a ~~nuclear advisory panel~~ Nuclear Decommissioning Citizens Advisory Panel which shall consist of the following:

(1) the ~~secretary of human services~~ Secretary of Human Services, ex officio, or designee;

(2) the ~~secretary of natural resources~~ Secretary of Natural Resources, ex officio, or designee;

(3) the ~~commissioner of public service~~ Commissioner of Public Service, ex officio, or ~~his or her~~ designee;

(4) the Secretary of Commerce and Community Development, ex officio, or designee;

(5) one member of ~~an energy committee of the Vermont house of representatives~~ the House Committee on Natural Resources and Energy, chosen by the ~~speaker~~ Speaker of the ~~house~~ House;

~~(5)(6)~~ one member of ~~an energy committee of the Vermont senate~~ the Senate Committee on Natural Resources and Energy, chosen by the ~~committee~~ Committee on committees Committees; and

(7) one representative of the Town of Vernon or designee, selected by the legislative body of that town;

~~(6)(8)~~ two six members of the public, two each selected by the ~~governor~~ Governor, the Speaker of the House, and the President Pro Tempore of the Senate. Under this subdivision, each appointing authority initially shall appoint a member for a three-year term and a member for a four-year term. Subsequent appointments under this subdivision shall be for terms of four years;

(9) two representatives of the Vermont Yankee Nuclear Power Station (VYNPS or Station) selected by the owner of the Station;

(10) a representative of the International Brotherhood of Electric Workers (IBEW) selected by the IBEW who shall be a present or former employee at the VYNPS;

(11) one member who will represent collectively the Towns of Chesterfield, Hinsdale, Richmond, Swanzey, and Winchester, New Hampshire, when selected by the Governor of New Hampshire at the invitation of the Commissioner of Public Service; and

(12) one member who will represent collectively the Towns of Bernardston, Colrain, Gill, Greenfield, Leyden, Northfield, and Warwick,

Massachusetts, when selected by the Governor of Massachusetts at the invitation of the Commissioner of Public Service.

(b) Ex officio members shall serve for the duration of their time in office or until a successor has been appointed. Members of the ~~general assembly~~ General Assembly shall be appointed for two years or until their successors are appointed, beginning on or before January 15 in the first year of the biennium. Representatives designated by ex officio members shall serve at the direction of the designating authority.

(c) ~~The commissioner of public service~~ Commissioner of Public Service shall serve as ~~chairperson~~ the Chair until the Panel elects a Chair or Co-Chairs under subsection (d) of this section.

(d) The Panel annually shall elect a Chair or Co-Chairs, and a Vice Chair, for one-year terms commencing with its first meeting following the effective date of this section.

(e) A majority of the Panel's members ~~of the panel~~ shall constitute a quorum. The ~~panel~~ Panel shall act only by vote of a majority of its entire membership and only at meetings called by the ~~chairperson~~ Chair or a Co-Chair or by any ~~three~~ five of the members. The person or persons calling the meeting shall provide adequate notice to all its members.

~~(e)(f)~~ (f) Members of the panel, ~~except for who are not ex officio members and except for legislative members while the general assembly is in session,~~ employees of the State of Vermont, representatives of the VYNPS, or members representing towns outside Vermont, and who are not otherwise compensated or reimbursed for their attendance shall be entitled to \$30.00 \$50.00 per diem and their necessary and actual expenses. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the public service board Department of Public Service. Legislative members shall not be entitled to a per diem under this section for meetings while the General Assembly is in session.

~~(f)(g)~~ (g) ~~The department of public service~~ Commissioner of Public Service shall:

(1) manage the provision of administrative support to the Panel, including scheduling meetings and securing meeting locations, providing public notice of meetings, producing minutes of meetings, and assisting in the compilation and production of the Panel's annual report described in section 1701 of this title;

(2) keep the ~~panel~~ Panel informed of the status of matters within the jurisdiction of the ~~panel~~ Panel;

(2)(3) notify members of the ~~panel~~ Panel in a timely manner upon receipt of information relating to matters within the jurisdiction of the ~~panel~~ Panel; and

(3)(4) upon request, provide to all members of the ~~panel~~ Panel all relevant information within the ~~department's~~ control of the Department of Public Service relating to subjects within the scope of the duties of the ~~panel~~ Panel;

(5) provide workshops or training for Panel members as may be appropriate; and

(6) hire experts, contract for services, and provide for materials and other reasonable and necessary expenses of the Panel as the Commissioner may consider appropriate on request of the Panel from time to time. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service and such other sources as may be or become available.

#### § 1701. DUTIES

The Panel shall serve in an advisory capacity only and shall not have authority to direct decommissioning of the VYNPS. The duties of the ~~panel~~ Panel shall be:

(1) To hold a minimum of ~~three~~ four public meetings each year for the purpose of discussing issues relating to the ~~present and future use of nuclear power and to~~ decommissioning of the VYNPS. The Panel may hold additional meetings.

(2) To advise the ~~governor~~ Governor, the ~~general assembly~~ General Assembly, and the agencies of the ~~state thereon~~ State, and the public on issues related to the decommissioning of the VYNPS, with a written report being provided annually to the ~~governor~~ Governor and to the energy committees of the ~~general assembly~~ General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of reports) shall not apply to this report.

(2) ~~To define the responsibilities of state agencies for assuring the safety and health of the public as the result of the operation of a fixed nuclear facility and to assess the ability of state and local governments to meet this responsibility in terms of both technical expertise and financial support;~~

~~(3) To discuss proposed changes in operations or specific problems that arise in the operation of a fixed nuclear facility, and to prepare and present technical data to serve as a basis for establishing the state's position on such changes or problems; To serve as a conduit for public information and education on and to encourage community involvement in matters related to the decommissioning of the VYNPS and to receive written reports and presentations on the decommissioning of the Station at its regular meetings.~~

~~(4) To maintain communications with the operators of any fixed nuclear facility, including the receipt of written reports and presentations to the panel at its regular meetings; To periodically receive reports on the Decommissioning Trust Fund and other funds associated with decommissioning of or site restoration at the VYNPS, including fund balances, expenditures made, and reimbursements received.~~

~~(5) To develop awareness in the state and in the state government of the potential liabilities, benefits, or repercussions of nuclear power generation in the state in comparison to other electrical energy sources; and To receive reports regarding the decommissioning plans for the VYNPS, including any site assessments and post-shutdown decommissioning assessment reports; provide a forum for receiving public comment on these plans and reports; and to provide comment on these plans and reports as the Panel may consider appropriate to State agencies and the owner of the VYNPS and in the annual report described in subdivision (2) of this section~~

~~(6) To review the current status of state relations with the Nuclear Regulatory Commission and to seek some agreement on federal and state regulatory efforts.~~

#### § 1702. ASSISTANCE

~~Staff services for the committee shall be furnished by the department of public service, the agency of human services, the agency of environmental conservation, and the office of the attorney general~~ The Department of Public Service, the Agency of Human Services, and the Agency of Natural Resources shall furnish administrative support to the Panel, with assistance from the owners of the VYNPS as the Commissioner of Public Service may consider appropriate.

#### Sec. E.234.1 DECOMMISSIONING ADVISORY PANEL; ASSESSMENT OF CHARGE

(a) After providing an opportunity for public comment, the Nuclear Decommissioning Citizens Advisory Panel created under 18 V.S.A. chapter 34 shall assess whether further changes to the Panel's membership or duties as

amended by this act are appropriate and shall include recommendations on such further changes in the annual report to the Governor and energy committees of the General Assembly under 18 V.S.A. § 1701(2) to be filed on or before January 15, 2015.

Sec. E.238 [DELETED]

\* \* \* HUMAN SERVICES \* \* \*

Sec. E.300 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2015 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.1 APPROPRIATION ADJUSTMENT AUTHORITY FOR COMBINED WAIVER

(a) In the event that the Centers for Medicare and Medicaid Services approves combining the two Section 1115 waivers during State fiscal year 2015, the Secretary of Administration with the approval of the Joint Fiscal Committee, may make net neutral adjustments among Agency of Human Services appropriations as appropriate, to reflect the necessary changes in fund accounting. This authority does not allow the transfer of programs among departments.

Sec. E.300.2 REVIEW; ADAP RESIDENTIAL SUBSTANCE ABUSE TREATMENT

(a) The Agency of Human Services in consultation with the Department of Vermont Health Access, the Department of Health, the Department of Finance and Management, and the Joint Fiscal Office shall review the fiscal impact of increasing the number of preapproved residential substance treatment days from the current 15 days for adult Medicaid recipients. The review shall consider the following:

(1) the American Society for Addiction Medicine Patient Placements Criteria;

(2) third-party payers processes for determination of length of stay;

(3) the process for extending the number of days of residential treatment beyond 15; and

(4) the relationship between the number of days in residence and patient outcomes.

(b) The review shall be submitted to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare by December 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 \$28,065,597 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$17,621,550 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$22,878,450 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) \$3,896,863 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) \$2,176,679 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) \$1,848,540 certified State match available via the University of Vermont's Child Health Improvement Program for quality improvement initiatives for the Medicaid program.

(5) \$2,521,965 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

Sec. E.304 3 V.S.A. § 3090(e) is added to read:

(e) On or before January 15 of each year, the Board shall report to the House Committees on Appropriations, on Human Services, and on Health Care and the Senate Committees on Appropriations, on Health and Welfare, and on Finance regarding the fair hearings conducted by the Board during the three preceding calendar years, including:

(1) the total number of fair hearings conducted over the three-year period and per year;

(2) the number of hearings per year involving appeals of decisions by the Agency itself and each department within the Agency, with the appeals and decisions relating to health insurance through the Vermont Health Connect exchange reported distinctly from other programs;

(3) the number of hearings per year based on appeals of decisions regarding:

(A) eligibility;

(B) benefits;

(C) coverage;

(D) financial assistance;

(E) child support; and

(F) other categories of appeals;

(4) the number of hearings per year based on appeals of decisions regarding each State program over which the Board has jurisdiction;

(5) the number of decisions per year made in favor of the appellant; and

(6) the number of decisions per year made in favor of the department or the Agency.

Sec. E. 306 32 V.S.A. § 307(d) is amended to read:

(d) The 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. The 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 consistent with provider reimbursements



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~~ expenditure trends reported under 18 V.S.A. § 9375a;

\* \* \*

#### Sec. E. 306.1 EMERGENCY RULES

(a) The Agency of Human Services shall adopt rules pursuant to 3 V.S.A. chapter 25 prior to June 30, 2015 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 rules shall be adopted to achieve timely compliance with federal laws and guidance and shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

#### Sec. E.306.2 OFFICE OF ALCOHOL AND DRUG ABUSE PROGRAMS; TRANSFER

(a) The Secretary of Administration and the Chief of Health Care Reform are authorized in fiscal year 2015 to transfer the Office of Alcohol and Drug Abuse Programs from the Department of Health to the Department of Vermont Health Access, except that the Secretary and the Chief shall ensure that positions in the Office of Alcohol and Drug Abuse Programs that serve public health functions remain in the Department of Health and may transfer the positions and associated State and federal funding to the Division of Public Health within that Department. The transfer shall be completed by June 30, 2015.

(b) If the Secretary and the Chief are confident that increased expenditures through the Care Alliance for Opioid Addiction will result in identifiable savings to DVHA or other State programs, they may transfer Global Commitment funds from the Department of Vermont Health Access to the Office of Alcohol and Drug Abuse Programs for that purpose.

(1) To the extent possible within the savings identified as a result of the increased expenditures through the Care Alliance for Opioid Addiction, up to \$30,000 of existing funds may be utilized for needle exchange programs.

(c) The Secretary and the Chief shall report to the Joint Fiscal Committee at its September meeting and to the Health Care Oversight Committee on or before October 1, 2014 on the progress of the transfer of the direct service delivery functions of the Office of Alcohol and Drug Abuse Programs to the

Department of Vermont Health Access, including the transfer of funds for increasing the Care Alliance for Opioid Addiction and the corresponding savings to DVHA programs, residential treatment programs, and other programs. The report shall include the impact on capacity and sustainability of residential substance abuse treatment facilities in the State within the context of all aspects of the State's public and private substance abuse treatment system.

Sec. E.306.3 2 V.S.A. chapter 20 is added to read:

CHAPTER 20. OVERSIGHT COMMITTEE ON HEALTH CARE REFORM

§ 691. COMMITTEE CREATION

There is created a legislative Oversight Committee on Health Care Reform. The Committee shall be composed of the following eight members:

- (1) the Chair of the House Committee on Appropriations;
- (2) the Chair of the Senate Committee on Appropriations;
- (3) the Chair of the House Committee on Ways and Means;
- (4) the Chair of the Senate Committee on Finance;
- (5) the Chair of the House Committee on Health Care;
- (6) the Chair of the Senate Committee on Health and Welfare;
- (7) the Chair of the House Committee on Commerce and Economic Development; and
- (8) the Chair of the Senate Committee on Economic Development, Housing and General Affairs.

§ 692. POWERS AND DUTIES

- (a) When the General Assembly is adjourned, the Committee shall provide legislative oversight and review of revenue collection, expenditures, and planning related to health care reform efforts in Vermont.
- (b) When the General Assembly is adjourned, the Commissioner of Vermont Health Access shall provide quarterly updates regarding Vermont Health Benefit Exchange operations, enrollment data, coverage status, customer support, and Exchange website functionality.
- (c) Effective January 1, 2015, all reports previously submitted to the Health Care Oversight Committee shall be submitted to the Oversight Committee on Health Care Reform.

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§ 693. ASSISTANCE

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

(b)(1) The Secretary of Administration and other members of the Executive Branch shall report to the Committee upon request.

(2) If applicable, the Secretary shall submit an electronic report to the Joint Fiscal Office for distribution to members of the Committee that summarizes any plans or actions taken by the Executive Branch to delay health care reform project schedules as a result of:

(A) increased costs exceeding official estimates;

(B) changes in the consensus revenue forecast of the Health Care Resources Fund;

(C) changes in the availability of federal funding; or

(D) any other changes related to the planning for and implementation of health care reform as directed by 2011 Acts and Resolves No. 48.

§ 694. MEETINGS

(a) The Chair of the House Committee on Appropriations shall call the first meeting of the Committee to occur on or before October 1 each year.

(b) The Committee shall select a chair from among its members at the first meeting of each biennium.

(c) Meetings shall be convened by the Chair and when practicable shall be held in conjunction with meetings of the Joint Fiscal Committee.

(d)(1) A majority of the members of the Committee shall be physically present at the same location to constitute a quorum.

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

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

§ 695. REIMBURSEMENT

For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to section 406 of this title for no more than six meetings.

## Sec. E.306.4 REPEALS

(a) 2 V.S.A. chapter 24 (Health Care Oversight Committee) is repealed on January 1, 2015.

(b) 2004 Acts and Resolves No. 122, Sec. 141c (Mental Health Oversight Committee), as amended by 2006 Acts and Resolves No. 215, Sec. 293a and 2007 Acts and Resolves No. 65, Sec. 124b, is repealed on January 1, 2015.

## Sec. E.306.5 MEDICAID PRIMARY CARE RATES

(a) The State shall continue its efforts to bring the Medicaid reimbursement rates for providers of primary care closer to Medicare levels.

## Sec. E.306.6 HUMAN SERVICE PROGRAMS OVERSIGHT PROPOSAL

(a) As part of the January, 2015, report requirement under 2 V.S.A. § 852 (c) the Health Care Oversight Committee shall, in consultation with the Mental Health Oversight Committee, recommend an oversight structure for human service programs funded by the state when the legislature is not in session. Consideration of the membership, scope, powers, duties, and meetings as well as anticipated coordination with the respective legislative standing committees shall be included with the recommendation.

Sec. E.307 2013 Acts and Resolves No. 79, Sec. 53(d) is amended to read:

(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~~ 2015.

## Sec. E.308 CHOICES FOR CARE; SAVINGS, REINVESTMENTS, AND SYSTEM ASSESSMENT

(a) In the Choices for Care program, “savings” means the difference remaining at the conclusion of the fiscal year 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. Savings shall be calculated by the Department of Disabilities, Aging, and Independent Living and reported to the Joint Fiscal Office.

(1) It is the intent of the General Assembly that the Department of Disabilities, Aging, and Independent Living only obligate funds for expenditures approved under current law.

(b)(1) Any funds appropriated for long-term care under the Choices for

Care program 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 Choices for Care waiver.

(2)(A) First 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 also be used for quality improvement purposes in nursing homes but shall not be used to increase nursing home rates under 33 V.S.A. § 905.

(B) Savings either shall be one-time investments or shall be used in ways that are sustainable into the future. Excluding appropriations allocated for acute services, any unexpended and unobligated State General Fund or Special Fund appropriation remaining at the close of a fiscal year shall be carried over to the next fiscal year.

(C) The Department of Disabilities, Aging, and Independent Living shall not 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 Choices for Care participants, participants' families, and 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 the Senate Committees on Appropriations and on Health and Welfare in order to inform the reinvestment of savings during the budget adjustment process.

(d) On or before January 15 of each year, the Department of Disabilities, Aging, and Independent Living shall propose reinvestment of the savings 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.

(f) 2013 Acts and Resolves No. 50, Sec. E.308 shall be repealed effective on passage of this act.

## Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2015 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 2015, 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 2015 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 18 V.S.A. § 1130 is amended to read:

§ 1130. IMMUNIZATION ~~PILOT PROGRAM~~ FUNDING

(a) As used in this section:

(1) “Health care facility” shall have the same meaning as in section 9402 of this title.

(2) “Health care professional” means an individual, partnership, corporation, facility, or institution licensed or certified or authorized by law to provide professional health care services.

(3) “Health insurer” shall have the same meaning as in section 9402 of this title, but does not apply to insurers providing coverage only for a specified disease or other limited benefit coverage.

(4) “Immunizations” means vaccines and the application of the vaccines as recommended by the practice guidelines for children and adults established by the Advisory Committee on Immunization Practices (ACIP) to the Centers for Disease Control and Prevention (CDC).

(5) “State health care programs” ~~shall include Medicaid, Dr. Dynasaur, and any other~~ means any health care program providing immunizations with funds available through the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the

~~Social Security Act~~ State and federal sources.

(6) “Covered lives” means the number of Vermont residents covered under a health insurance plan provided or administered by a health insurer.

(b)(1) The Department of Health shall ~~establish~~ administer an immunization ~~pilot~~ program with the ~~ultimate goal~~ goals of ensuring universal access to vaccines for all Vermonters at no charge to the individual and ~~to reduce~~ reducing the cost at which the ~~state~~ State may purchase vaccines. The ~~pilot program shall be in effect from January 1, 2010, through December 31, 2014. During the term of the pilot program, the~~ Department shall purchase, provide for the distribution of, and monitor the use of vaccines as provided for in this subsection and subsection (c) of this section. The cost of the vaccines and an administrative surcharge shall be reimbursed by health insurers as provided for in subsections (e) and (f) of this section.

(2) The Department shall solicit, facilitate, and supervise the participation of health care professionals, health care facilities, and health insurers in the immunization ~~pilot~~ program in order to accomplish the State’s goal of universal access to immunizations at the lowest practicable cost to individuals, insurers, and ~~state~~ State health care programs.

(3) The ~~department~~ Department shall gather and analyze data regarding the immunization ~~pilot~~ program for the purpose of ensuring its quality and maximizing protection of Vermonters against diseases preventable by vaccination.

(c) The immunization ~~pilot~~ program shall ~~include a bulk purchasing pool to maximize the discounts, rebates, or negotiated price of all vaccines for children and certain recommended vaccines for adults~~ purchase vaccines from the federal Centers for Disease Control and Prevention at the lowest available cost. The Department shall determine annually which vaccines for adults shall be purchased under the program. ~~The Department may join a multi-state purchasing pool or contract with a wholesale distributor to negotiate prices for the vaccines provided through the program.~~

(d) The immunization ~~pilot~~ program shall provide for distribution of the vaccines to health care professionals and health care facilities for administration to patients.

(e) Health insurers shall ~~reimburse~~ remit to the Department ~~for the actual cost of vaccines provided to their subscribers and for the administration surcharge established in subsection (f) of this section, as established by the Commissioner of Health based on the recommendation of the Immunization Funding Advisory Committee established in subsection (g) of this section.~~



(f) The Department shall charge each health insurer a surcharge for the costs and administration of the immunization ~~pilot~~ program. The surcharge shall be deposited into an existing special fund and used solely for the purpose of administering the ~~pilot~~ program.

~~(g)(1) No later than July 1, 2009, the Commissioner shall convene an advisory committee to provide recommendations regarding the immunization pilot program, including:~~

~~(A) the vaccines to be included in the pilot program;~~

~~(B) the pilot program's target patient utilization goal for each vaccine selected for inclusion in the pilot program;~~

~~(C) the purchase price of vaccines;~~

~~(D) the administrative surcharge established pursuant to subsection (f) of this section; and~~

~~(E) the design of the evaluation for the immunization pilot program.~~

~~(2) The advisory committee shall include representatives from the three largest health insurers licensed to do business in Vermont and the Department of Vermont Health Access and shall be chaired by the Chief of the Immunization Program for the Department of Health.~~

~~(3) The advisory committee shall meet throughout the term of the pilot program.~~

The Immunization Funding Advisory Committee is established to provide the Commissioner of Health with an annual per-member per-month cost for vaccines for the pediatric population, an annual per-member per-month cost for vaccines for the adult population, and a recommendation for the amount of the yearly vaccine assessment. The Committee shall comprise the following nine members:

(A) the Executive Officer of the Board of Pharmacy;

(B) the Executive Director of the Green Mountain Care Board;

(C) a representative of the Vermont Blueprint for Health, nominated by the Director of the Blueprint and appointed by the Commissioner of Health;

(D) three representatives of health insurers, one from each of the State's largest private health insurers, as determined by the number of covered lives, appointed by the Commissioner of Health;

(E) a representative of the American Academy of Pediatrics, Vermont chapter, appointed by the Commissioner of Health;

(F) a representative of the American Academy of Family Medicine, Vermont chapter, appointed by the Commissioner of Health; and

(G) a representative of employers that self-insure for health coverage, appointed by the Commissioner of Health.

(2) The Committee shall select a chair from among its members at the first meeting of each calendar year. The Committee shall receive administrative support from the Department of Health.

(3) By January 1 of each year, the Committee shall provide to the Commissioner the annual fiscal assessment and the per-member per-month cost for pediatric vaccines based on the total number of pediatric covered lives reported by health insurers and the per-member per-month cost for adult vaccines based on the total number of adult covered lives reported by health insurers.

(h) ~~The Department of Health shall develop, with input from the advisory committee established pursuant to subsection (g) of this section, an evaluation methodology to determine the costs and effectiveness of the pilot program, including whether the total cost to health insurers of participation in the pilot program is less than or equal to their estimated costs had they not participated in the program. If federal purchase requirements do not further the goal of ensuring universal access to vaccines for all, the Commissioner may, following consultation with the Immunization Funding Advisory Committee, discontinue the program with six months' advance notice to all health care professionals and to all health insurers with Vermont covered lives.~~

(i) The Department may adopt rules under 3 V.S.A. chapter 25 if necessary to implement this section.

#### Sec. E.312.2 DEPARTMENT OF HEALTH; AHEC MATCHING GRANT FUNDING

(a) In fiscal year 2014, prior to depositing any new funds into the Higher Education Trust Fund pursuant to 16 V.S.A. § 2885(a)(2), the sum of \$1,000,000 of the funds that would otherwise be deposited into that Fund shall be transferred to the Secretary of Administration and held for use by the Vermont Department of Health as a match for a four-year federal grant for which the Department is applying that would supplement the existing Vermont educational loan repayment program for health care professionals. The funds shall be appropriated in the budget adjustment process as necessary to meet match requirements of the grant.

(b) This transfer is to take advantage of federal funds which will help address a shortage of medical professionals in Vermont by creating loan repayment resources. In the event that the grant cited in subsection (a) is not received, the funds shall be deposited in the Higher Education Trust Fund in accordance with 16 V.S.A. § 2885(a)(2).

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.

Sec. E.313.1 [DELETED]

Sec. E.314 [DELETED]

Sec. E.314.1 MENTAL HEALTH BUDGET PRESENTATION

(a) In order for the General Assembly to evaluate whether the State is meeting the goals in 2012 Acts and Resolves No. 79 of increasing community

supports, decreasing inpatient care, and moving toward a less coercive system and to evaluate the outcomes of the systemwide investments made as the result of Act 79, the Departments of Mental Health and of Vermont Health Access shall in consultation with the State's Chief Performance Officer, as designee of the Secretary of Administration, provide a longitudinal capacity, caseload, expenditure, and utilization analysis with the fiscal year 2016 budget presentation for:

(1) Inpatient Services by the following funding categories:

(A) Level 1 inpatient psychiatric services;

(B) Other involuntary inpatient psychiatric services;

(C) Inpatient services for community rehabilitation and treatment clients;

(D) Inpatient services for other Medicaid patients; and

(E) Emergency department wait times for an acute inpatient psychiatric bed for minors and adults.

(2) Residential Services by categories of service, including:

(A) Intensive Recovery;

(B) Crisis Residential and Hospital Diversion;

(C) Group Homes;

(D) Supported Independent Living; and

(E) Secure Residential.

(3) Community Mental Services by categories of service, including:

(A) Community Rehabilitation and Treatment;

(B) Crisis Programs;

(C) Outpatient Clinics; and

(D) Peer Support Programs.

(4) Other Mental Health Support Services and Administration.

Sec. E.314.2 [DELETED]

Sec. E.314.3 [DELETED]

Sec. E.314.4 PSYCHIATRIC HOSPITAL STAFFING

(a) By July 1, 2014, the Department of Mental Health shall establish criteria by which to determine the appropriate staffing level at the Vermont Psychiatric Care Hospital. The criteria shall consider the need to provide sufficient direct care and administrative and support staff consistent with the requirement to provide effective treatment services in an environment that monitors patient care, and the safety needs of patients, and aligns with the guidelines of the federal Centers for Medicare and Medicaid Services.

(b) The Department shall provide a written report to the Joint Fiscal Committee and the Joint Mental Health Oversight Committee in July 2014 regarding the staffing plan for the Vermont Psychiatric Care Hospital. The report shall justify and demonstrate the need for each of the administrative and support staff included in the plan, with the goal of limiting positions to those that are essential to meet the needs of operating the hospital. The Department shall hold three non-direct care positions vacant until legislative approval is granted.

(c) By July 1, 2014, the Department of Mental Health, in consultation with the State's Chief Performance Officer, as designee of the Secretary of Administration, shall identify desired outcomes, performance measures, and data requirements required to measure whether the hospital is achieving the stated outcomes for reflect patient care, and the effectiveness of treatment services, patient monitoring, and safety requirements at the Vermont Psychiatric Care Hospital and shall provide a written report to the Joint Fiscal Committee and the Joint Mental Health Oversight Committee in July, 2014.

#### Sec. E.314.5 RATE INCREASE

(a) Designated agencies and specialized service agencies shall provide an increase in compensation for direct care workers that is in proportion to the Medicaid rate increase. Each designated and specialized service agency shall report to the Agency of Human Services how it has complied with this provision.

Sec. E.316 33 V.S.A. § 1702 is added to read:

#### § 1702. PAYMENT ERROR RATE REPORT

On or before January 1 of the year following any federal fiscal year in which the State of Vermont receives a federal sanction for a payment error rate greater than the federal threshold in the Supplemental Nutrition Assistance Program (SNAP), the Department for Children and Families shall 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 number of households that received SNAP benefits and were discovered to have an overpayment or underpayment in the sanction year due to agency error, including the average amount of the overpayments and underpayments and the total amount of each; and

(2) the Department's specific plans for sanction reinvestment to improve its error rate for the next federal fiscal year and prevent sanction in the future.

Sec. E.318 33 V.S.A. § 3504 is added to read:

§ 3504. SUPPLEMENTAL CHILD CARE GRANTS

In instances in which Extraordinary Financial Relief will not maintain ongoing access to high quality child care, the Department for Children and Families may provide additional support to ensure access to high-quality, comprehensive child care that meets the needs of working parents in high-poverty areas of Vermont. Licensed child care centers may be considered for this additional financial support to help ensure ongoing access to high-quality child care in areas of the State where none exists, as determined by the Commissioner. Financial assistance may be granted, at the discretion of the Commissioner, if the child care center meets the following criteria:

(1) provides full-day day care year-round;

(2) serves infants and toddlers;

(3) is located in a high-poverty area without access to public transportation, as determined by the Commissioner;

(4) maintains a 5 star rating in the SStep Ahead Recognition System (STARS) program;

(5) maintains a caseload in which at least 80 percent of enrollees receive a 100 percent child care subsidy; and

(6) receives child care subsidies as its primary source of program revenue.

Sec. E.321 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM

(a) For State fiscal year 2015, 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 General Assistance funds. The program shall operate in a consistent manner within existing statutes and rules and policies

effective on July 1, 2013, and any succeeding amendments thereto, 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) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2015 may be used for emergency housing in catastrophic situations, for the cold weather exemption, and, with supervisory approval, for vulnerable populations without a catastrophic need as defined in emergency rules adopted by the Agency after July 1, 2013, except in instances when:

(1) appropriate shelter space, as defined in rules adopted by the Agency pursuant to subsection (c) of this section, is available; or

(2) the applicant household has caused its own loss of housing, as defined in rules adopted by the Agency pursuant to subsection (c) of this section.

(b) Except as described in subsection (a) of this section, the Agency may only provide General Assistance emergency housing benefits in catastrophic situations as defined in rules. 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 Agency shall adopt permanent rules pursuant to 3 V.S.A. chapter 25 that implement the eligibility system for emergency housing to vulnerable populations that do not have a catastrophic need established by

emergency rules adopted after July 1, 2013. Until the Agency adopts permanent rules incorporating the eligibility system for emergency housing to vulnerable populations described in this section, the Agency shall continue to adopt emergency rules pursuant to 3 V.S.A. § 844, implementing such an eligibility system. Eligibility for vulnerable populations shall be limited to 28 calendar days and subject to available funds, supervisory review, and approval.

Sec. E.321.2 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 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, physician assistants, advanced practice registered nurses, or other health care providers 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 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, physician assistants, advanced practice registered nurses, or other health care providers designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

\* \* \*

(f) As used in this section, "health care provider" means a person, partnership, or corporation, other than a facility or institution, licensed or



certified or authorized by law to provide professional health care service in this State to an individual during that individual's medical care, treatment, or confinement.

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, 2014, 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 2014–2015 crisis set-aside and for seasonal home heating fuel assistance through December 31, 2014 and if LIHEAP funds awarded as of December 31, 2014 for fiscal year 2015 do not exceed \$2,550,000, subsequent payments under the Home Heating Fuel Assistance Program shall not be made prior to January 30, 2015. 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, 2014, the Commissioner of Finance and Management may anticipate receipts into the Home Weatherization Assistance Trust Fund.

Sec. E.324.1 33 V.S.A. § 2605 is amended to read:

§ 2605. BENEFIT AMOUNTS

\* \* \*

(f) Households that make undesignated payments for energy for home heat in the form of rent and are participating in a public, subsidized, or Section 8 housing program shall be eligible for a nominal annual home heating fuel assistance benefit of ~~\$5.00~~ \$21.00.

(g) Residents of the dwelling unit who make reasonable compensation in the form of room rent and who are not members of the same household shall be eligible for an annual home heating fuel assistance benefit in the amount of ~~\$50.00~~ \$21.00.

(h) Households receiving benefits from 3SquaresVT whose head of household is not otherwise eligible for a fuel benefit under this section shall be eligible for a nominal annual home heating fuel assistance benefit of ~~\$3.00~~ \$21.00.

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Sec. E 324.2 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner of the Department for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households who have applied for an expedited seasonal fuel benefit but have not yet received it, if the benefit cannot be executed in time to prevent them from running out of fuel.

Sec. E.324.3 33 V.S.A. § 2502(e) is added to read:

(e) ~~{Repealed.}~~ The Office of Economic Opportunity and the Economic Services Division shall report to the General Assembly, on or before January 15, 2015, with recommendations on how to account for the benefits that result for homes that have been weatherized under the Home Weatherization Assistance Program. The Offices shall jointly consider the existing data related to weatherization, and analyze the heating costs to such homes before and after weatherization. Based on this analysis, the Offices shall include in their report specific recommendations for adjusting the appropriations into, or benefits paid out of, the Low Income Home Energy Assistance Program to account for the benefits provided by the Home Weatherization Assistance Program in fiscal year 2016.

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, \$1,092,000 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 Emergency Solutions Grants 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 WEATHERIZATION PROGRAM

(a) The Department and the Office of Economic Opportunity shall examine the feasibility as well as programmatic and fiscal impacts of having an income-sensitive cost-sharing component in the weatherization program and shall include as part of its fiscal year 2016 budget proposal recommendations resulting from this examination.

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.330 Disabilities, aging, and independent living – advocacy and independent living

(a) Prior to the certification of any new adult day program, the Department shall require a demonstration that the new program is filling an unmet need for adult day services in a given geographic region.

Sec. E.330.1 [DELETED]

Sec. E.337 COMMUNITY HIGH SCHOOL OF VERMONT

(a) On or before July 15, 2014, the Commissioner of Corrections, in consultation with the Community High School of Vermont Board, shall prepare and submit a report to the Joint Legislative Corrections Oversight Committee on the current trends relating to the student population at the Community High School of Vermont. The report shall include the following:

(1) a detailed description of the School's programs, curriculum, and outcomes;

(2) data and projections on the student population, including the total number of students enrolled at the School, the number of students who are currently incarcerated, student ages, and the current cost per student;

(3) a comparison of the School's current cost per student with statewide education spending per student; and

(4) an analysis of the use of more efficient delivery systems, including technology.

(b) On or before January 1, 2015, the Joint Legislative Corrections Oversight Committee shall prepare and submit recommendations to the General Assembly based on the report submitted in subsection (a) of this section for a plan to fund programs and curriculum at the Community High School of Vermont. The Committee shall include recommendations whether the School may enroll students who are not in the custody of the Commissioner and who have not completed secondary education if space is available and no budget increase would be required. In making such recommendation, the Committee shall consider the current programs and

capacity available through adult basic education.

Sec. E.338 2008 Acts and Resolves No. 179, Sec. 22(a), as amended by 2010 Acts and Resolves No. 157, Sec. 14, as further amended by 2012 Acts and Resolves No. 104, Sec. 38 and by 2013 Acts and Resolves No. 41, Sec. 1a, is amended to read:

(a) Secs. 11 and 12 of this act shall take effect on ~~July 1, 2014~~ July 1, 2016.

Sec. E.339 Corrections – Correctional services - out of state beds

(a) Of the funds appropriated in Sec. B.339 of this act, up to \$202,000 shall be used to fund the Windham County Electronic Monitoring Pilot Program as follows:

(1) up to \$147,200 shall be used to reimburse the State's Attorneys and Sheriffs for costs incurred by the WCSO for operation of the Windham County Electronic Monitoring Pilot Project.

(2) up to \$54,800 shall be used to reimburse the Joint Fiscal Office for a contract with the Crime Research Group for evaluation of the pilot project.

Sec. E.339.1 13 V.S.A. § 7554c is added to read:

§ 7554c. WINDHAM COUNTY ELECTRONIC MONITORING PILOT PROGRAM

(a)(1) The Windham County Sheriff's Office (WCSO) shall establish and manage a two-year electronic monitoring pilot program in Windham County for the purpose of supervising persons ordered to be under electronic monitoring as a condition of release pursuant to section 7554 of this title, to home detention pursuant to section 7554b of this title, and home confinement furlough pursuant to 28 V.S.A. § 808b. The program shall be a part of an integrated community incarceration program and shall provide 24-hours-a-day, seven-days-a-week electronic monitoring with supervision and immediate response.

(2) For purposes of this program:

(A) if electronic monitoring is ordered by the Court pursuant to section 7554 of this title, the Court shall use the criteria in section 7554b for determining whether home detention is appropriate and the person shall be released into the custody of the WCSO;

(B) the seven-day waiting period under 7554b of this title shall not apply; and

(C) for persons who are under the custody of the Department of Corrections pursuant to section 7554b of this title and 28 V.S.A. § 808b, the WCSO shall notify the Department of any violations.

(b) The goal of the pilot program is to assist policymakers in determining whether electronically monitored home detention and home confinement can be utilized for pretrial detention and as a post-adjudication option to reduce recidivism, to improve public safety, and to save valuable bed space for detainees and inmates who should be lodged in a correctional facility. Additional benefits may include reducing transportation costs, increasing detainee access to services, reducing case resolution time and determining if the program can be replicated statewide.

(c) The WCSO shall work with the Crime Research Group (CRG) for design and evaluation assistance. The program shall be evaluated by CRG to determine if the stated goals have been attained, the cost and savings of the program, identifying what goals or objective were not met and if not, what could be changed to meet the goals and objectives to ensure program success. The Joint Fiscal Office shall contract with the CRG to provide design and evaluation services.

(d) The pilot program shall be in effect from July 1, 2014, through June 30, 2016.

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. § 1713 is amended to read:

§ 1713. VERMONT VETERANS' HOME BOARD OF TRUSTEES

(a) The Vermont ~~veterans' home~~ Veterans' Home is governed by the Vermont ~~veterans' home board of trustees~~ Veterans' Home Board of Trustees.

(b) The ~~board~~ Board shall consist of ~~20~~ 21 members, ~~15 of whom shall be veterans who have been honorably discharged from any branch of the United States armed services, to:~~

(1) Twenty members shall be appointed by the ~~governor~~ Governor for staggered terms of three years, at least 15 of whom shall be veterans who have been honorably discharged from any branch of the U.S. Armed Forces. Each appointed trustee shall serve until a successor has been appointed. In the event

~~a~~ an appointed trustee vacates the ~~board~~ Board, is unable to serve, or is removed by the Governor for cause, the ~~governor~~ Governor shall appoint another trustee to serve the unexpired term of the departing trustee.

(2)(A) One member of the Board shall be a classified employee who has at least five years of service at the Home. This trustee shall be elected by a secret ballot administered by the Board and cast by the classified employees of the Home. This trustee shall not vote in case of a real or apparent conflict of interest, shall serve a term of three years and until a successor is elected, and may be removed by the Governor for cause.

(B) The Board shall give notice of a vacancy of this trustee position and hold an election no more than 30 days from the notice date. In the event this trustee vacates the Board, is unable to serve, or is removed by the Governor for cause, the classified employees of the Home shall elect another classified employee of the Home to serve the remainder of the unexpired term.

(c) The ~~board~~ Board shall ~~annually~~ elect ~~annually~~ a ~~president~~ President, a ~~vice president~~ Vice President, and a ~~secretary~~ Secretary from among its members. Eleven members shall constitute a quorum at all meetings; provided, however, if there is a vacancy on the ~~board~~ Board, the number of trustees constituting a quorum shall be one more than one-half the number of ~~appointed~~ the remaining trustees.

(d) Pursuant to 32 V.S.A. § 1010, trustees who are not ~~state~~ State employees shall be entitled to per diem and reimbursement for actual and necessary expenses incurred in connection with performing their duties under this chapter.

#### Sec. E.342.2 REPEAL

(a) On July 1, 2017, 20 V.S.A. § 1713(b)(2)(A)–(B) (creating the classified employee position on the Vermont Veterans' Home Board of Trustees) is repealed and the requirement for a classified employee position on the Board shall cease.

Sec. E.342.3 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 Board shall have all powers necessary and convenient for governing the Home, providing services to veterans and other residents, and otherwise performing its duties under this chapter, including the authority to:

(1) Adopt policies, procedures, and bylaws regarding the operation of the Board and the operation and management of the Home.

(2) Receive, hold, accept, manage, and convey any interest in real or personal property acquired by the Home by gift, grant, purchase, devise, or otherwise for the purpose of managing the Home and providing services to veterans and such members of their families as the Board deems proper, under such conditions and regulations as the Board may from time to time prescribe. Included within the powers granted by this subdivision, and notwithstanding any other contrary provision of law, is the authority to apply and administer the real or personal property to further the purposes of the Home in accordance with the terms specified by gift, grant, or devise; provided that in the absence of specified terms, the ~~board~~ Board shall have the authority to apply and administer the property in the manner and for the purposes the Board deems appropriate. Also included within the powers granted in this subdivision is the authority to hold title to the real property originally conveyed to the Trustees of the Soldiers Home in Vermont by the Trenor W. Park Home for Destitute Children and Women by quitclaim deed dated January 15, 1887, which shall be administered in the manner provided by the gift.

(3) By written procedure, establish, revise, and collect charges for residential room and board. Charges collected under this subdivision shall be credited to special funds, established and administered pursuant to 32 V.S.A. chapter 7, subchapter 5, and shall be available to the Home to offset the cost of providing services.

(4) Recommend for appointment by the Governor a licensed nursing home administrator to serve as the ~~Commandant~~ Chief Executive Officer of the Home. The ~~Commandant~~ Chief Executive Officer shall be appointed for an indefinite term and shall be subject to removal, after consultation with the Governor, upon a majority vote of the ~~board~~ Board. The ~~Commandant~~ Chief Executive Officer shall be exempt from the State's classified service.

(5) Contract for professional services necessary and appropriate ~~for accounting and managing gifts, grants, or devises acquired by the Home~~ in a manner consistent with 3 V.S.A. chapter 14.

(6) Contract for managerial and administrative services, provided the contract is reviewed and either renewed or renegotiated each year by the Board in a manner consistent with 3 V.S.A. chapter 14.

(7) Contract with the federal Department of Veterans Affairs for services related to the purpose of the Home.

(8) ~~Contract for the services of a medical director.~~ [Repealed.]

(9) ~~Contract for chaplain services.~~ [Repealed.]

(10) Establish committees of the Board as necessary for the efficient and effective operation of the Home.

(11) Adopt rules in accordance with 3 V.S.A. chapter 25 for the purpose of administering the provisions of this chapter.

(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.342.4 20 V.S.A. § 1716 is amended to read:

§ 1716. ~~COMMANDANT~~ CHIEF EXECUTIVE OFFICER

The ~~commandant~~ Chief Executive Officer shall be the chief administrative officer of the ~~home~~ Home and shall exercise general supervision over the business and affairs of the ~~home~~ Home. In addition to other duties, the ~~commandant~~ Chief Executive Officer shall:

(1) Attend meetings of the ~~board~~ Board and act as its treasurer.

(2) Make reports concerning the ~~home~~ Home to the ~~board~~ Board at such times and in such detail as the ~~board~~ Board directs, together with recommendations the ~~commandant~~ Chief Executive Officer deems appropriate for the welfare and care of the residents of the ~~home~~ Home.

(3) Report annually to the ~~general assembly~~ legislative standing committees of jurisdiction regarding the ~~home's~~ Home's budget.

(4) Subject to approval of the ~~board~~ Board, appoint a deputy or an executive assistant, ~~and a private secretary, both a Marketing and Admissions Coordinator, a Financial Director, an Environmental Services Manager, and a Nursing Services Director, all of whom shall be appointed for an indefinite term and shall be subject to removal upon a majority vote of the board Board.~~ These positions shall be exempt from the ~~state's~~ State's classified service.

(5) ~~Subject to approval of the board, appoint a director of nursing services, a personnel manager, a finance manager, a facilities manager, and~~ Appoint all other ~~staff employees~~ necessary for the efficient management of the ~~home~~ Home, all of whom shall be classified ~~state~~ State employees subject to the provisions of Vermont statutes.



(6) Supervise and direct all employees of the ~~home~~ Home and prescribe their duties not otherwise established by the ~~board~~ Board or by ~~state~~ State or federal law.

(7) Ensure that all laws, rules, regulations, and policies pertaining to the ~~home~~ Home are observed.

(8) Prepare policies related to operation of the ~~home~~ Home, subject to approval by the ~~board~~ Board.

(9) Collect all sums due and payable to the ~~home~~ Home and transfer the same to the ~~state treasurer~~ State Treasurer when received.

(10) Perform such other duties as may be directed by the ~~board~~ Board to carry out the purposes of this chapter.

(11) Report annually on or before July 1 to the Secretary of Administration, the House Committees on Appropriations, on General, Housing and Military Affairs, and on Government Operations, the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Government Operations on the number of employees who work at the Vermont Veterans' Home for 16 hours or fewer per week.

Sec. E.342.5 20 V.S.A. § 1717 is amended to read:

§ 1717. MANAGEMENT OF FUNDS

(a) Notwithstanding the provisions of subdivision 1714(2) of this chapter, all funds of the ~~home not already managed in accordance with subchapter 1 of chapter 7 of Title 32~~ Home, except residents' funds as described in subsection (e) of this section, shall be ~~transferred to~~ held by the ~~state treasurer to be~~ State Treasurer and credited to appropriate accounts established in compliance with subsection (b) of this section and 32 V.S.A. § 401(a).

(b) There are created one or more ~~special and permanent~~ funds to be held in trust ~~and administered pursuant to subchapter 5 of chapter 7 of Title 32~~. To these funds shall be credited ~~those~~ donations and endowments ~~transferred to the state treasurer in subsection (a) of this section and any future donations and endowments~~ to the ~~home~~ Home with and without specific restrictions on their use. Interest and earnings ~~both prospectively and retrospectively earned on accruing to~~ the funds created by this subsection shall be credited to the respective fund. The funds deposited pursuant to this subsection shall not be considered funds of the ~~state~~ State and shall be used solely for the purposes of this chapter, subject to the terms and conditions of the gift and to the terms and conditions of the donation or endowment. Upon deposit with the State Treasurer's Office, the Home may request from the State Treasurer's Office

and may retain locally up to \$10,000.00 of donations and endowments, which may be expended consistent with their applicable terms and conditions, for supporting residents of the home. The funds shall be maintained in an account pursuant to 32.V.S.A § 431. The Chief Executive Officer shall make a report at each scheduled Board meeting of the locally retained donations and endowments. The report shall include any amounts requested by the Home from the State Treasurer's Office, the nature of the funds, the account balance, and any expenditures.

(c) Monies from the funds established by this section may be expended by the ~~home~~ Home upon submission of vouchers, submitted at the direction and with the approval of the ~~board~~ Board, to the ~~commissioner of finance and management~~ Commissioner of Finance and Management in compliance with 32 V.S.A. § 463, and issuance of warrants pursuant to 32 V.S.A. §§ 461 and 465. The ~~commissioner~~ Commissioner shall approve expeditiously any request for a release of funds if the request is in conformance with all applicable ~~state~~ State law.

(d) On no less than a quarterly basis, the ~~treasurer~~ Chief Executive Officer of the Home shall provide a statement of account activity and fund balances to the ~~board~~ Board.

(e) Notwithstanding ~~subchapter 1 of chapter 7 of Title 32~~ the provisions of 32 V.S.A. chapter 7, subchapter 1, the ~~home~~ Home is authorized to retain ~~those~~ funds when acting in a trustee capacity for individual residents of the ~~home~~ Home. Establishment and maintenance of accounts for this purpose shall be pursuant to 32 V.S.A. § 431 and any other relevant provisions of law.

(f) ~~Notwithstanding 32 V.S.A. § 5(a)(3), the \$1,000.00 limit for reporting pursuant to that subdivision shall be \$10,000.00 as applied to the home~~ Grants, gifts, donations, loans, or other things of value may be accepted pursuant to the provisions of 32 V.S.A. § 5.

Sec. E.342.6 20 V.S.A. § 1719 is amended to read:

#### § 1719. LEGAL ACTIONS

(a) Except for purposes of collecting charges due under subdivision ~~1714(a)(3)~~ 1714(3) of this ~~title~~ chapter, the ~~board~~ Board shall have no independent authority to sue, be sued, complain, or defend in its own name or on behalf of the ~~home~~ Home. The ~~attorney-general~~ Attorney General shall represent the ~~board~~ Board and the ~~home~~ Home in all civil actions as provided by law. Outside legal counsel may be obtained with the concurrence of the ~~attorney-general~~ Attorney General.

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\* \* \*

Sec. E.342.7 32 V.S.A. § 5 is amended to read:

§ 5. ACCEPTANCE OF GRANTS

(a) No original of any grant, gift, loan, or any sum of money or thing of value may be accepted by any agency, department, commission, board, or other part of State government except as follows:

\* \* \*

(3)(A) This section shall not apply to the following items, provided that the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities:

(i) the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less, or to;

(ii) the acceptance by the Department of Forests, Parks and Recreation of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less, provided that such acceptance will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities; or

(iii) the acceptance by the Vermont Veterans' Home of grants, gifts, donations, loans, or other things of value with a value of \$10,000.00 or less.

(B) The Secretary of Administration and Joint Fiscal Office shall be promptly notified of the source, value, and purpose of any items received under this subdivision. The Joint Fiscal Office shall report all such items to the Joint Fiscal Committee quarterly.

\* \* \*

Sec. E.342.8 3 V.S.A. § 3002(b) is amended to read:

(b) The following units are attached to the ~~agency~~ Agency for administrative support:

(1) ~~Vermont veterans' home.~~ [Repealed.]

(2) ~~Governor's committee on children and youth.~~ [Repealed.]

(3) ~~Interdepartmental council on aging.~~ [Repealed.]

(4)-(17) [Repealed.]

(18) Governor's ~~committee on employment of the handicapped~~  
Committee on Employment of Persons with Disabilities.

(19) [Repealed.]

(20) [Repealed.]

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 [DELETED]

\* \* \* LABOR \* \* \*

Sec. E.400 21 V.S.A. § 1314(c) is amended to read:

(c) If an employing unit fails to comply adequately with the provisions of subsection (b) of this section and section 1314a of this title, the Commissioner shall determine the benefit rights of a claimant upon such information as is available. Prompt notice in writing of the determination shall be given to the employing unit. The determination shall be final with respect to a noncomplying employer as to any charges against its experience-rating record for benefits paid to the claimant before the week following the receipt of the employing unit's reply. The employing unit's experience rating record shall not be relieved of these charges, notwithstanding any other provision of this chapter, ~~unless the amount of benefits is recovered from the claimant, or unless the Commissioner determines that failure to comply was due to unavoidable accident or mistake.~~

Sec. E.400.1 21 V.S.A. § 1347(c) is amended to read:

(c) The person liable under this section shall repay such amount to the Commissioner for the ~~fund~~ Fund. In addition to the repayment, if the Commissioner finds that a person intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, the person shall pay an additional penalty of 15 percent of the amount of the overpaid benefits. Any additional penalty amount collected shall be deposited in the Fund. Such amount may be collectible by civil action in a Vermont ~~district or superior court~~ District or Superior Court, in the name of the Commissioner.

\* \* \* 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.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 \$3,537,222 shall be used by the Agency of Education in fiscal year 2015 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 \$181,438 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, \$3,250,000 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), \$650,000 to pay college providers of the dual enrollment program on behalf of school districts, and \$100,000 to support the Vermont Virtual Learning Collaborative at the River Valley Regional Technical Center School District.

Sec. E.505 ADJUSTMENTS TO EDUCATION PAYMENTS

(a) For fiscal years 2014 and 2015 only, the Secretary of Education is authorized upon the request of a district to adjustment any payment authorized under 16 V.S.A. § 4011 or 4028, if the Secretary determines that the following conditions have been met:

(1) The district requesting the adjustment has documented the request to the satisfaction of the Secretary.

(2) The request for an adjustment was made with the Agency within one year of the circumstance necessitating the adjustment.

(3) The adjustment request is not the result of knowing or willful misfeasance on the part of the district or its employees.

(4) The district has conducted regular audits of its operations.

(b) Any decision of the Secretary under this section shall be final.

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 2015 from the General Fund for transfer to the Education Fund the amount of \$295,816,793.

Sec. E.513.1 16 V.S.A. § 4025(a)(2) is amended to read:

(2) For each fiscal year, the amount of the general funds appropriated or transferred to the ~~education fund~~ Education Fund shall be ~~\$276,240,000.00~~ \$277,400,000.00 increased by the most recent New England economic project cumulative price index, as of November 15, for state and local government purchases of goods and services from fiscal year 2012 through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent.

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$72,857,163.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$10,129,837 is the "normal contribution," and \$62,727,326 is the "accrued liability contribution."

Sec. E.514.1 16 V.S.A. § 1944b is added to read:

§ 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS FUND

(a) There is established a Retired Teachers' Health and Medical Benefits Fund (Benefits Fund) to pay retired teacher health and medical benefits, including prescription drug benefits, when due in accordance with the terms established by the Board of Trustees of the State Teachers' Retirement System

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of Vermont pursuant to subsection 1942(p) and subdivision 1944(c)(12) of this title. The Benefits Fund shall be administered by the Treasurer.

(b) The Benefits Fund shall consist of:

(1) all monies remitted to the State on behalf of the members of the State Teachers' Retirement System of Vermont for prescription drug plans pursuant to the Employer Group Waiver Plan with Wrap pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003;

(2) any monies appropriated by the General Assembly for the purpose of paying the health and medical benefits for retired members and their dependents provided by subsection 1942(p) and subdivision 1944(c)(12) of this title;

(3) any monies pursuant to subsection (e) of this section;

(4) any monies the General Assembly transfers from the Supplemental Property Tax Relief Fund pursuant to 32 V.S.A. § 6075; and

(5) any monies pursuant to section 1944d of this title.

(c) No employee contributions shall be deposited in the Benefits Fund.

(d) Interest earned shall remain in the Benefits Fund, and all balances remaining at the end of a fiscal year shall be carried over to the following year; provided, however, that any amounts received in repayment of interfund loans established under subsection (e) of this section may be reinvested by the State Treasurer.

(e) Notwithstanding any provision to the contrary, the State Treasurer is authorized to use interfund loans from the General Fund for payment into the Benefits Fund, which monies shall be identified exclusively for the purposes of payments of retired teacher health and medical benefits pursuant to this section. Any monies borrowed through an interfund loan pursuant to this section shall be paid from monies in the Benefits Fund or from other funds legally available for this purpose. It is the intent of the General Assembly to appropriate sufficient General Fund revenue, after consideration of all other revenue and disbursements, such that the interfund loan may be paid in full on or before June 30, 2023. The Governor shall include in the annual budget request an amount sufficient to repay any interfund borrowing according to a schedule developed by the State Treasurer. The State Treasurer shall pay the interest and principal as due in accordance with authority granted under 32 V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the outstanding balance of the interfund loan comparable to the rate paid by private depositories of the State's monies, or to the yield available on

investments made pursuant to 32 V.S.A. § 433. No interfund loans made under this authority shall, in the aggregate, exceed \$30,000,000.00.

(f) It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by combining annual increases in base spending and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments may be met in base appropriations by fiscal year 2024. To the extent that other revenue sources are identified, the General Fund obligation may be reduced, but only after all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied.

Sec. E.514.2 16 V.S.A. § 1944 is amended to read:

§ 1944. VERMONT TEACHERS' RETIREMENT FUND

(a) Fund. All of the assets of the system shall be credited to the ~~Vermont teachers' retirement fund~~ Vermont Teachers' Retirement Fund.

(b) Member contributions.

(1) Contributions deducted from the compensation of members shall be accumulated in the ~~fund~~ Fund and separately recorded for each member.

(2) The proper authority or officer responsible for making up each employer payroll shall cause to be deducted from the compensation of each group A member five and one-half percent of the member's earnable compensation ~~and~~; from each group C member with at least five years of membership service as of July 1, 2014, five percent of the member's earnable compensation; and from each group C member with less than five years of membership service as of July 1, 2014, six percent of the member's earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title. In determining the amount earnable by a member in a payroll period, the ~~board~~ Board may consider the rate of compensation payable to such member on the first day of a payroll period as continuing throughout the payroll period, and it may omit deduction from compensation for any period less than a full payroll period if a teacher was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as shall not exceed one-tenth of one percent of the annual earnable compensation upon the basis of which such deduction is made. The actuary shall make annual valuations of the reduction to the recommended State contribution attributable to the increase from five to six percent, and the Board shall include the amount of this reduction in its written report pursuant to subsection 1942(r) of this title.



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Sec. E.514.3 16 V.S.A. § 1944c is added to read:

§ 1944c. EMPLOYER CHARGES FOR FEDERAL GRANTS OR REIMBURSEMENTS

(a) Notwithstanding any provision of law to the contrary, effective July 1, 2016, the employer retirement costs and administrative operating expenses related to the retirement plans applicable to those teachers whose funding is provided from federal grants or through federal reimbursement shall be paid by local school systems or educational entities that participate in the Vermont Teachers' Retirement Fund from those federal monies.

(b) The percentage rates to be applied shall be determined by an actuary approved by the Board of Trustees of the State Teachers' Retirement System of Vermont and shall be applied to the total earnable compensation of members prepared by the actuary in compliance with subsection 1942(r) of this title. The Secretary of Education shall annually provide an accounting of federal grants and federal reimbursements, by school system, upon which payment by the participating schools shall be determined.

(c) The State Treasurer and the Secretary of Education shall establish procedures for the collection and deposit of those monies in the State Teachers' Retirement System of Vermont. The Secretary of Education may delay implementation upon review of the federal grant program to permit timely and accurate claims for reimbursement of retirement expenses under a particular federal program in order to receive funding under that program. The Secretary of Education shall provide an annual report to the House and Senate Committees on Appropriations and on Education regarding progress in implementation of this section.

Sec. E.514.4 16 V.S.A. § 1944d is added to read:

§ 1944d. EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH CARE

The employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015 shall pay an annual assessment for those teachers' health and medical benefits. The assessment shall be the value, as approved annually by the Board of Trustees based on the actuary's recommendation, of the portion of future retired teachers' health and medical benefits attributable to those teachers for each year of service in the State Teachers' Retirement System of Vermont. For the year starting on July 1, 2015, the assessment for each teacher becoming a member of the State

Teachers' Retirement System of Vermont as of or after that date shall be \$1,072.00, which is based on the June 30, 2013 actuarial valuation.

Sec. E.514.5 16 V.S.A. § 4001(6)(B)(ix) is added to read:

(ix) The assessment paid by the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015, pursuant to section 1944d of this title.

Sec. E.514.6 RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS TRANSITION COMMITTEE

(a) There is established a Retired Teachers' Health and Medical Benefits Transition Committee to develop recommendations regarding how retired teachers' health and medical benefits will make the transition when the State implements Green Mountain Care. The Committee shall consist of:

- (1) the State Treasurer or designee;
- (2) the Governor or designee;
- (3) the Secretary of Education or designee;
- (4) the Attorney General or designee;
- (5) a representative of the Vermont Retired Teachers' Association;
- (6) a representative of the Vermont School Boards Association; and
- (7) a representative of the Vermont-National Education Association.

\* \* \* 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.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 315 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 (b) 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.

Sec. E. 605.1 VERMONT STUDENT ASSISTANCE CORPORATION  
COLLEGE ASPIRATION PILOT PROPOSAL

(a) Of the funds appropriated in Sec. B.605 of this act, the Vermont Student Assistance Corporation (VSAC) shall use \$300,000 to establish a College Aspiration Pilot Initiative in consultation with the Vermont States Colleges and the University of Vermont. The initiative shall select up to three public secondary schools to participate in the initiative that:

(1) are located in a county in which there is a significant difference between the college aspiration rates of secondary school graduates whose parents have a four-year postsecondary degree and graduates whose parents do not; and

(2) are not currently receiving VSAC GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) program services for a cohort of the school's students whose parents do not have a postsecondary degree.

(b) VSAC shall report on the progress of the initiative to the legislative committees of jurisdiction by January 15, 2015.

#### Sec. E. 605.2 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Of the funds appropriated in Sec. B.605 of this act, \$110,891 shall be used to fund a flat-rate stipend or voucher program for financially needy students enrolled in a dual enrollment course or in early college to be used for the purchase of books, transportation costs, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis funds are depleted.

(b) VSAC shall report on the program to the legislative committees of jurisdiction by January 15, 2015.

#### \* \* \* NATURAL RESOURCES \* \* \*

#### Sec. E. 701 AGENCY OF NATURAL RESOURCES PAYMENT IN LIEU OF TAXES

(a) Appraisal moratorium. For the purpose of payments in lieu of taxes to municipalities in fiscal year 2015, lands held by the Agency of Natural Resources (ANR) and subject to the provisions of 32 V.S.A. § 3708(a)(1) shall be appraised at the fair market value of the land in fiscal year 2014, as certified by the Director of Property Valuation and Review, provided that in fiscal year 2015, such lands held by ANR shall be appraised at 102 percent of the fair market value of the land in fiscal year 2014. For lands held by ANR and subject to the provisions of 32 V.S.A. § 3708(a)(2), payments in lieu of taxes

to municipalities in fiscal year 2015 shall be made as specified in 32 V.S.A. § 3708(a)(2).

(b) Appeals of appraisal. During the moratorium established under subsection (a) of this section, there shall be no right, in fiscal year 2015, for a municipality to appeal the appraised values of ANR lands certified by the Director of Property Valuation and Review in fiscal year 2014.

(c) Report to General Assembly. On or before November 15, 2014, the Division of Property Valuation and Review (PVR), the Agency of Natural Resources, and the Joint Fiscal Office in consultation with the Vermont League of Cities and Towns, shall submit to the House and Senate Committees on Natural Resources and Energy, the House Committee on Ways and Means, and the Senate Committee on Finance a report regarding the formula used by PVR to calculate ANR's annual payment in lieu of taxes. The report shall include:

(1) recommendations as to the formulas to be used for valuation of ANR lands and ANR PILOT payments in the future, including whether ANR lands should be assessed at full appraised value and not contingent on the current use value;

(2) if a change is recommended to the formula under subdivision (1) of this subsection, a proposal for implementing the new formula, including a schedule for transition to the new formula.

(d) Repeal. Subsections (a) and (b) of this section shall be repealed on July 1, 2015.

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).

\* \* \* 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).

Sec. E. 800.1 10 V.S.A. § 122 is amended to read:

§ 122. VERMONT CENTER FOR GEOGRAPHIC INFORMATION;  
~~INCORPORATED~~; ESTABLISHMENT

(a) The ~~state~~ State of Vermont shall support a comprehensive strategy for the development and use of a geographic information system including:

\* \* \*

(9) ~~Financing considerations.~~ [Repealed.]

\* \* \*

(b) In order to develop and implement that strategy, and to ensure that all data gathered by state agencies that is relevant to the VGIS shall be in a form that is compatible with, useful to, and shared with that geographic information system, there is hereby established ~~a nonprofit public corporation to be known as the Vermont center for geographic information, hereinafter called "the center," as a body corporate and politic and a public instrumentality of the state as a division under the Agency of Commerce and Community Development~~ the Vermont Center for Geographic Information (the Center).

(c) ~~The center shall be a nonprofit corporation and shall not have authority to issue any capital stock. The property of the center shall be used solely to promote its purposes as herein defined. The center shall assume title to property other than the data acquired by the state for the support of a geographic information system, but shall return title to such property to the state if the property is not used to promote the center's purposes as herein defined or upon any dissolution of the corporation. No part of the activities of the center shall consist of participating in or intervening in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office. Upon any dissolution of the corporation, any assets remaining after payment of or provision for its debts and liabilities shall be distributed according to applicable provisions of state law. No part of the net assets or net earnings of the center shall inure to the benefit of or be paid or distributed to any officer, director, or employee of the center, or to any donor to the center. The state reserves the right at any time to alter, amend, repeal or otherwise change the structure, organization, programs or activities of the center, including the power to terminate the corporation, subject to any limitation on the impairment of the obligations of any contract or contracts entered into by the center.~~ [Repealed.]

Sec. E. 800.2 10 V.S.A. § 123 is amended to read:

§ 123. POWERS AND DUTIES

~~(a) The center shall have all the general powers conferred by 11B V.S.A. § 3.02 [chapter 19 of Title 11] and all amendments thereto, and all other powers necessary, desirable, or incidental fully to effectuate its corporate purposes except where otherwise limited by statute. [Repealed.]~~

\* \* \*

~~(e) The center shall be subject to the provisions of 1 V.S.A. §§ 312-314 with respect to the right of the public to receive notice of and attend meetings, 1 V.S.A. §§ 315-320 with respect to the access of the public to its records and documents, and 1 V.S.A. § 172 regarding joint authority of the board. [Repealed.]~~

Sec. E. 800.3 3 V.S.A. § 2402 is amended to read:

§ 2402. CREATION OF AGENCY

~~(a) An agency of commerce and community development~~ Agency of Commerce and Community Development is created consisting of the following:

\* \* \*

(6) The Vermont Center for Geographic Information.

\* \* \*

Sec. E. 800.4 3 V.S.A. § 2475 is added to read:

§ 2475. VERMONT CENTER FOR GEOGRAPHIC INFORMATION

The Vermont Center for Geographic Information is created as a division within the Agency of Commerce and Community Development and shall be administered and have the duties as set forth in 10 V.S.A. chapter 8 (geographic information).

Sec. E. 800.5 TRANSITIONAL PROVISIONS

(a) Funding. Funds appropriated in Sec. B.123 of this act shall be transferred as appropriate to the Agency of Commerce and Community Development to effectuate the transfer of the Vermont Center for Geographic Information, Incorporated to a division of the Agency as set forth in Sec. E.800.4 of this act, 3 V.S.A. § 2475. The fiscal year 2016 budget submission shall reflect the completed transfer to the Agency.

(b) Position creation and transfer.

(1) The following five classified positions are established within the Agency of Commerce and Community Development's Vermont Center for

Geographic Information (VCGI) created under Sec. E.800.4 of this act, 3 V.S.A. § 2475:

- (A) one (1) IT Systems Administrator;
- (B) one (1) Internet Website Specialist;
- (C) two (2) Information Technology Analyst III; and
- (D) one (1) Senior Information Technologist.

(2) The following exempt position is established within the Agency of Commerce and Community Development's Vermont Center for Geographic Information (VCGI) created under Sec. E.800.4 of this act, 3 V.S.A. § 2475:

- (A) one (1) Director of Center for Geographic Information.

(3) Existing employees of the nonprofit Vermont Center for Geographic Information who hold the six positions similar to those set forth in subdivisions (1) and (2) of this subsection shall be permitted to transfer to the positions within the VCGI established under subdivisions (1) and (2) of this subsection upon the effective date of this section.

(c) Personnel location. The Secretary of Commerce and Community Development shall determine where the offices of the VCGI shall be housed.

(d) Assets and liabilities. The assets and liabilities of the VCGI shall become the assets and liabilities of the Agency of Commerce and Community Development.

(e) Legal and contractual obligations. The Executive Director of the VCGI, in consultation with the Secretary of Commerce and Community Development, shall identify all grants and contracts of the VCGI and create a plan to redesignate the Agency of Commerce and Community Development as the responsible entity. The plan shall ensure that all existing grantors, grantees, and contractors are notified of the redesignation.

#### Sec. E. 800.6 REPEAL

(a) 10 V.S.A. §§ 124 (Board of Directors), 125 (Officers), and 126 (Audit) are repealed.

Sec. E.801 8 V.S.A. § 6017(a)(1) is amended to read:

(a)(1) There is hereby created a fund to be known as the Captive Insurance Regulatory and Supervision Fund for the purpose of providing the financial means for the Commissioner of Financial Regulation to administer this chapter, chapter 142, and chapter 142A of this title and for reasonable expenses incurred in promoting the captive insurance industry in Vermont.



The transfer of 11 percent of the premium tax under subsection 6014(h) of this title, and all fees and assessments received by the Department pursuant to the administration of these chapters shall be credited to this Fund. Of this amount, not more than ~~two~~ three percent of the premium tax under section 6014 may be ~~transferred to~~ expended by the Agency of Commerce and Community Development, with approval of the Secretary of Administration, for promotional expenses. All fees received by the Department from reinsurers who assume risk solely from captive insurance companies and are subject to the provisions of subsections 3634a(a) through (f) of this title, shall be deposited into the Captive Insurance Regulatory and Supervision Fund. All fines and administrative penalties, however, shall be deposited directly into the General Fund.

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, \$7,218,200 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. E.975 2014 Acts and Resolves No. 95, Sec. 75a is amended to read:

Sec. 75a. CHOICES FOR CARE; REINVESTMENT

(a) Of the ~~Provided there are sufficient~~ Choices for Care funds, either actually or projected to be, available for reinvestment in fiscal year 2014, the Department of Disabilities, Aging, and Independent Living is ~~authorized to~~ shall use up to a total of \$1,000,000 in fiscal years 2014 and 2015 on one-time investments that directly benefit eligible choices for care enrollees and one-time investments to home- and community-based providers that are consistent with and prioritized based on current needs analysis to meet the overall strategic goals and outcomes of the waiver. This authorization is in addition to the reinvestment plan submitted by the Department as submitted to the Committees on Appropriations in January 2014. The General Fund portion of this amount is \$435,600 which ~~may~~ shall be transferred to other Department

appropriations as needed to meet the objectives of this section. The Department shall report to the Joint Fiscal Committee in July 2014 regarding this provision.

Sec. F.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2014 fund transfers), C.101 (fiscal year 2014 reversions), C.102 (Legal Aid homeowner assistance allocation), C.103 (Secretary of State campaign finance system development), C.105 (ACCD Secretary cost allocation), C.106 (fiscal year 2014 supplemental one-time appropriations), C.106.1 (flood-related payment), C.106.2 (contingent fiscal year 2014 appropriation), C.108 (public retirement plan study), C.109 (committee on child protection), D.102 (tobacco litigation settlement fund balance), D.104 (General Fund and Transportation Fund Balance reserves), D.105 (supplemental property tax relief fund repeals; fiscal year 2014 surplus), D.106 (supplemental property tax relief fund), D.107 (deposit of settlement receipts), E.100.5 (Vermont Enterprise Fund), E.308 (choices for care savings, reinvestments, and assessment), E.234 (Decommissioning Advisory Panel), and E.505 (adjustments to education payments) of this act shall take effect on passage.

(b) Sec. E.118.1 (mileage reimbursement report) shall take effect on passage and shall apply to the report due by January 15, 2014.

(c) Sec. E.228 (LIMA fees/transfer tax in General Fund balance reserve) shall take effect on passage and shall apply as of February 19, 2014.

(d) Sec. E.308 shall take effect on passage and shall apply to fiscal year 2014 and fiscal year 2105.

(e) Sec. E. 701 (ANR pilot appraisal) shall take effect on passage and shall apply as of April 1, 2014.

(f) Sec. E.800.1 (10 V.S.A. § 122, GIS establishment), Sec. E 800.2 (10 V.S.A. § 123, GIS powers and duties), and Sec. E. 00.6 (repeal) shall take effect on March 30, 2015.

(g) All remaining sections shall take effect on July 1, 2014.

Pending the question, Will the House concur in the Senate proposal of amendment? **Rep. Heath of Westford** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

**Rep. Heath of Westford**  
**Rep. Johnson of South Hero**  
**Rep. Brennan of Colchester**

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

**Bill Read the Second Time; Consideration Interrupted by Recess**

**H. 883**

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

An act relating to expanded prekindergarten–grade 12 school districts

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

\* \* \* Prekindergarten–Grade 12 School Districts \* \* \*

Sec. 1. 16 V.S.A. chapter 135 is added to read:

CHAPTER 135. PREKINDERGARTEN–GRADE 12 SCHOOL  
DISTRICTS; REALIGNMENT PROCESS

§ 4051. PURPOSE

This act will encourage and support:

(1) equity in the quality and variety of educational opportunities available to students throughout the State;

(2) operational efficiencies and cost savings by facilitating the sharing of best practices and resources; and

(3) better connections between schools and the community through stronger school leadership.

§ 4052. DEFINITIONS

As used in this act:

(1) “Design Team” means the independent nine-member entity created by this act to conduct statewide public hearings and develop a preliminary and final Statewide Realignment Plan.

(2) “Statewide Realignment Plan” or “the Plan” means the plan developed and adopted pursuant to this act by which existing school districts shall be realigned into 45–55 supervisory districts that are responsible for the education of all resident students in prekindergarten through grade 12.

§ 4053. GUIDELINES

(a) The Statewide Realignment Plan required by this act shall be designed to recognize:

- (1) each community's unique character;
- (2) the tradition of community participation in the adoption of school budgets;
- (3) historic relationships among communities;
- (4) existing connections between school districts;
- (5) ongoing discussions between school districts engaged in the regional education district process set forth in 2010 Acts and Resolves No. 153, as amended by 2012 Acts and Resolves No. 156; and
- (6) potential obstacles caused by geography.

(b) The Statewide Realignment Plan shall preserve current opportunities for school choice and shall endeavor to enhance opportunities for public school choice.

§ 4054. STATEWIDE REALIGNMENT PLAN

(a) The Statewide Realignment Plan shall realign existing school districts into at least 45 and no more than 55 supervisory districts that are responsible for the education of all resident students in prekindergarten through grade 12 through educational opportunities that meet the educational quality standards adopted by the State Board of Education pursuant to 16 V.S.A. § 165.

(b) Under the Statewide Realignment Plan, each new district shall:

- (1) endeavor to have an average daily membership of between 1,000 and 4,000 students;
- (2) be governed by no more than one elected school board;
- (3) adopt one district budget;
- (4) have a common, districtwide education property tax rate;
- (5) negotiate districtwide collective bargaining agreements and employ all licensed and nonlicensed personnel as employees of the new district;
- (6) be the local education agency as that term is defined in 20 U.S.C. § 7801(26); and

(7) operate one or more career technical education (CTE) centers or enter into an agreement for resident students to attend one or more CTE centers not operated by the district, or both.

(c)(1) To the extent feasible, the Statewide Realignment Plan shall not realign a new district created under the regional education district (RED) process set forth in 2010 Acts and Resolves No. 153, as amended by 2012 Acts and Resolves No. 156.

(2) Under the RED process, existing school districts may realign into districts that meet specific criteria. Realignment follows the provisions of 16 V.S.A. chapter 11 governing the formation of unified union school districts under which districts appoint a study committee and prepare a plan of realignment that must be approved by both the State Board and the electorate of the districts. A plan of realignment may address issues of particular interest to the local communities, such as representation on the new district's school board, the manner in which school budgets are voted, and the conditions under which the new district would be permitted to close an existing school building. If approved, the plan becomes the new district's articles of agreement.

(d) During each of the first three years of realignment under the Plan:

(1) the equalized homestead property tax rate for each town within a new supervisory district shall not increase or decrease by more than five percent in a single year; and

(2) the household income percentage shall not increase or decrease by more than five percent in a single year.

(e) During and after the creation of supervisory districts under this act, districts are encouraged to explore innovative ways to expand opportunities for students and to seek waivers of State Board rules or other legal requirements that inhibit implementation. Innovations may address any area of education policy, including instructional practices and principles; the use of technology and data systems to improve instruction and expand learning opportunities; services provided to discrete populations of students, including gifted and talented students, students with limited English proficiency, and students at risk of academic failure or expulsion; early education and school readiness; and preparation and counseling of students for postsecondary education, training, and employment.

#### § 4055. DESIGN TEAM

(a) There is created a Design Team to be composed of nine members who are geographically representative, have a broad range of knowledge of and

experience in the Vermont education system and in Vermont communities, and represent diverse points of view, opinions, and interests.

(b) The nine members shall be appointed as follows:

(1) On or before June 1, 2014, the Speaker of the House, the Committee on Committees, and the Governor shall each choose three members. One of the members selected by the Speaker and one of the members selected by the Committee on Committees shall have experience serving on a school board in Vermont. One of the members selected by the Governor shall be the Chair of the State Board of Education or the Chair's designee. No member of the Design Team shall be a member of the House of Representatives or the Senate during the period of appointment.

(2) In order to ensure the diversity of knowledge, experience, and opinions required by this section, the Speaker, the Committee on Committees, and the Governor, or their designees, shall work collectively to identify potential candidates for appointment.

(3) The Speaker, the Committee on Committees, and the Governor shall jointly appoint one of the nine members to serve as Chair of the Design Team.

(c) The Design Team shall conduct its meetings pursuant to 1 V.S.A. chapter 5, subchapter 2.

(d) The Design Team shall have the authority to delegate to one or more of its members any responsibility or power granted to it in this act, including the responsibility to conduct public hearings.

(e) The Design Team shall have the administrative, technical, and legal assistance of the Agency of Education.

(f)(1) For attendance at meetings during adjournment of the General Assembly, any legislative members of the Design Team shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

(2) Members of the Design Team who are not employees of the State and who are not otherwise compensated or reimbursed for their participation shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

(g) The Design Team shall cease to exist on July 1, 2017.

#### § 4056. PRELIMINARY STATEWIDE REALIGNMENT PLAN

On or before April 1, 2016, the Design Team shall:

(1) consult with local education leaders, including members of school boards in every supervisory union;

(2) conduct no fewer than ten public hearings throughout the State to inform development of the Statewide Realignment Plan;

(3) conduct independent research and seek data, advice, and assistance from any individual and any public or private entity to inform development of the Statewide Realignment Plan;

(4) develop a preliminary Statewide Realignment Plan, which shall include a schedule and process by which transition to the new districts shall be fully implemented on or before July 1, 2020;

(5) make the preliminary Statewide Realignment Plan available to the public; and

(6) submit the preliminary Statewide Realignment Plan to the General Assembly for review.

#### § 4057. FINAL STATEWIDE REALIGNMENT PLAN

(a) Between April 1, 2016 and January 1, 2017, the Design Team shall:

(1) conduct no fewer than ten public hearings throughout the State and consult with local educational leaders concerning the preliminary Statewide Realignment Plan;

(2) conduct any additional independent research and seek any additional data, advice, and assistance the Design Team determines to be necessary to inform development of the final Statewide Realignment Plan; and

(3) develop a final Statewide Realignment Plan, which shall include a detailed process and time line by which transition to the new districts will be fully implemented on or before July 1, 2020.

(b) On or before January 1, 2017, the Design Team shall make the final Statewide Realignment Plan available to the public and submit it to the General Assembly

#### § 4058. STATEWIDE REALIGNMENT OF SCHOOL DISTRICTS

The final Statewide Realignment Plan presented to the General Assembly pursuant to § 4057 of this act shall take effect on July 1, 2017 unless disapproved by explicit legislative action before that date.

\* \* \* Joint Action and Regional Education Districts; Incentives \* \* \*

#### Sec. 2. REIMBURSEMENT OF FEES AND INCENTIVE GRANTS

Nothing in this act shall be construed to restrict or repeal the following:

(1) 2012 Acts and Resolves No. 156, Sec. 2 (reimbursement of up to \$5,000.00 for fees relating to initial exploration of joint activity by school districts or supervisory unions).

(2) 2012 Acts and Resolves No. 156, Sec. 4 (reimbursement of up to \$10,000.00 for fees relating to joint activity other than a merger by school districts or supervisory unions).

(3) 2012 Acts and Resolves No. 156, Sec. 5 (reimbursement of up to \$20,000.00 in fees relating to analysis of supervisory unions' potential merger).

(4) 2012 Acts and Resolves No. 156, Sec. 6 (\$150,000.00 facilitation grant for successful merger of supervisory unions).

(5) 2012 Acts and Resolves No. 156, Sec. 11 (facilitation grant for successful merger of school districts other than a RED).

(6) 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13 (financial and other incentives for successful formation of a RED).

\* \* \* Supervisory Unions; Special Education; Transportation \* \* \*

Sec. 3. 16 V.S.A. § 261a is amended to read:

§ 261a. DUTIES OF SUPERVISORY UNION BOARD

(a) Duties. The board of each supervisory union shall:

\* \* \*

(6) provide, or if agreed upon by unanimous vote of the supervisory union board, coordinate the provision of special education services on behalf of its member districts and, except as provided in section 144b of this title, compensatory and remedial services, and provide or coordinate the provision of other educational services as directed by the State Board or local boards; provided, however, if a supervisory union determines that services would be provided more efficiently and effectively in whole or in part at the district level, then it may ask the Secretary to grant it a waiver from this provision;

(7) employ a person or persons qualified to provide financial and student data management services for the supervisory union and the member districts;

(8) provide the following services for the benefit of member districts in a manner that promotes the efficient use of financial and human resources, which shall be provided pursuant to joint agreements under section 267 of this



title whenever feasible; provided, however, if a supervisory union determines that services would be provided more efficiently and effectively in another manner, then it may ask the Secretary to grant it a waiver from this subdivision:

\* \* \*

(E) ~~provide transportation or arrange for the provision of transportation, or both in any districts in which it is offered within the supervisory union; [Repealed.]~~

\* \* \*

(11) on or before June 30 of each year, adopt a budget for the ensuing school year; ~~and~~

(12) adopt supervisory union-wide truancy policies consistent with the model protocols developed by the commissioner; ~~and~~

~~(13)-(17) [Repealed.]~~ (13) at the option of the supervisory union board, provide transportation or arrange for the provision of transportation, or both, in any districts in which it is offered within the supervisory union.

~~(14)-(17) [Repealed.]~~

Sec. 4. 2010 Acts and Resolves No. 153, Sec. 23(b), as amended by 2011 Acts and Resolves No. 30, Sec. 1; 2011 Acts and Resolves No. 58, Sec. 34; and 2012 Acts and Resolves No. 156, Sec. 20, is further amended to read:

(b) Secs. 9 through 12 of this act shall take effect on passage and shall be fully implemented on July 1, 2013, subject to the provisions of existing contracts; ~~provided, however, that the special education provisions of Sec. 9, 16 V.S.A. § 261a(a)(6), and the transportation provisions of Sec. 9, 16 V.S.A. § 261a(a)(8)(E), shall be fully implemented on July 1, 2014.~~

Sec. 5. 2010 Acts and Resolves No. 153, Sec. 18, as amended by 2011 Acts and Resolves No. 30, Sec. 2; 2011 Acts and Resolves No. 58, Sec. 18; 2013 Acts and Resolves No. 56, Sec. 23; and 2014 Acts and Resolves No. 92, Sec. 303, is further amended to read:

#### Sec. 18. TRANSITION

(a) ~~Each~~ A supervisory union shall provide for any transition of employment of special education and transportation 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:~~

\* \* \*

(b) ~~For purposes of this section and Sec. 9 of this act~~ As used in this section, “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. [Repealed.]~~

Sec. 6. 24 V.S.A. § 5053a(a) is amended to read:

(a) ~~For purposes of~~ As used in this section, the term “transferred employee” means an employee under this chapter who transitioned from employment solely by a school district to employment, wholly or in part, by a supervisory union pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) ~~as amended on June 3, 2010.~~

\* \* \* North Bennington School District \* \* \*

#### Sec. 7. NORTH BENNINGTON SCHOOL DISTRICT

Notwithstanding any other provision of law to the contrary, on the day on which the North Bennington School District ceases to exist as a discrete entity and becomes realigned into a supervisory district pursuant to the provisions of this act, title to the building that is currently owned by the North Bennington School District and occupied by the Village School of North Bennington shall transfer to the Village of North Bennington.

\* \* \* Effective Date \* \* \*

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**Sec. 8. EFFECTIVE DATE**

This act shall take effect on passage.

**Rep. Donovan of Burlington**, for the committee on Education, recommended that the bill ought to pass when amended as recommended by the committee on Ways and Means, and when further amended as follows:

First: By striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read:

Sec. 1. 16 V.S.A. chapter 135 is added to read:

**CHAPTER 135. PREKINDERGARTEN–GRADE 12 EDUCATION DISTRICTS; REALIGNMENT PROCESS**

**§ 4051. PURPOSE**

This chapter is enacted to encourage and support:

(1) increased equity in the quality and variety of educational opportunities available to students throughout the State in order to enable all Vermont students to acquire 21st Century skills and to decrease the achievement gap between students from different socioeconomic backgrounds;

(2) operational efficiencies, more equitable deployment of resources, and sharing of best practices; and

(3) stronger relationships between schools and the community by fostering stable school leadership and opportunities for community engagement.

**§ 4052. REALIGNMENT**

As of July 1, 2020, pursuant to the processes and criteria set forth in this chapter, school districts in the State, except interstate school districts, and supervisory unions shall be realigned into an estimated 45–55 prekindergarten–grade 12 education districts that are responsible for the education of all resident students in prekindergarten–grade 12 and that shall assume the responsibilities currently assigned to supervisory unions.

**§ 4053. DEFINITIONS**

As used in this chapter:

(1) “Design Team” means the independent nine-member entity created by this chapter to conduct statewide public engagement meetings and develop a preliminary and final proposed Statewide Realignment Plan.

(2) “Education District” means a new district that shall be created from the realignment of existing school districts pursuant to this chapter that shall be responsible for the education of all resident students in prekindergarten–grade 12 through educational opportunities that meet the educational quality standards adopted by the State Board of Education pursuant to section 165 of this title.

(3) “Statewide Realignment Plan” or “the Plan” means the plan developed and adopted pursuant to this chapter by which existing school districts that have not voluntarily realigned into Education Districts shall be realigned.

§ 4054. DESIGN TEAM; CREATION

(a) There is created a Design Team to be composed of nine members who are geographically representative, have a broad range of knowledge of and experience in the Vermont education system and in Vermont communities, and represent diverse points of view, opinions, and interests.

(b) The nine members shall be appointed as follows:

(1) On or before June 1, 2014, the Speaker of the House, the Committee on Committees, and the Governor shall each choose three members. No member of the Design Team shall be a member of the House of Representatives or the Senate during the period of appointment.

(2) In order to ensure the diversity of knowledge, experience, and opinions required by this section, the Speaker, the Committee on Committees, and the Governor, or their designees, shall work collectively to identify potential candidates for appointment.

(3) The Speaker, the Committee on Committees, and the Governor shall jointly appoint one of the nine members to serve as Chair of the Design Team.

(c) The Design Team shall conduct its meetings pursuant to 1 V.S.A. chapter 5, subchapter 2.

(d) The Design Team shall have the authority to delegate to one or more of its members any responsibility or power granted to it in this chapter, provided, however, that no fewer than five of the Design Team members shall be present at the required public engagement meetings.

(e) The Design Team shall have the administrative, technical, and legal assistance of the Agency of Education and the Department of Taxes and may request data and other appropriate assistance from other public bodies, such as the Joint Fiscal Office, and private entities.

(f) Members of the Design Team who are not employees of the State and who are not otherwise compensated or reimbursed for their participation shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

(g) The Design Team shall cease to exist on July 1, 2018.

#### § 4055. VOLUNTARY REALIGNMENT

(a) Under the regional education district (RED) process set forth in 2010 Acts and Resolves No. 153, Secs. 2–4, as amended by 2012 Acts and Resolves No. 156, Secs. 1 and 13–17, and further amended by 2013 Acts and Resolves No. 56, Sec. 3, existing school districts may realign into districts that meet specific criteria.

(b) Realignment into a RED follows the process set forth in 16 V.S.A. chapter 11 governing the formation of union school districts, under which existing school districts appoint a study committee and prepare a plan of realignment (the Report). Through creation of the Report, the districts exploring realignment:

(1) decide issues specified in section 706b of this title, including ownership of buildings, representation on the RED board, and whether votes on the budget and other issues will be by Australian ballot;

(2) decide issues of particular interest to the local communities, such as the conditions under which the RED would be permitted to close an existing school building; and

(3) provide for the election of an initial RED board prior to the first day of the RED's existence in order to transition to the new structure by negotiating and entering into contracts, preparing an initial proposed budget, hiring a superintendent, adopting policies, and otherwise planning for the RED's implementation.

(c) In addition, the Report shall address how the proposed district shall meet the requirements of an Education District that are itemized in subdivision 4056(b)(10) of this chapter.

(d) If the Report is approved by both the State Board and the electorate of the districts, it shall become the RED's articles of agreement.

(e) If the electorate of two or more districts approves a Report pursuant to the RED process on or before July 1, 2017, then the Statewide Realignment Plan shall not realign the RED and the RED shall be an Education District under the Plan; provided, however, pursuant to criteria identified by the Design

Team, realignment is permissible if necessary to accommodate another existing district that:

(1) would become geographically isolated or would otherwise be an inappropriate member of any other potential Education District; and

(2) is an appropriate member of the RED.

§ 4056. STATEWIDE REALIGNMENT PLAN; ELEMENTS

(a) Guidelines. The Statewide Realignment Plan shall be informed by the public meetings and other public engagement processes required by sections 4058 and 4059 of this chapter and shall be designed to recognize:

(1) each community's unique character;

(2) the tradition of community participation in the adoption of school budgets;

(3) historic relationships among communities;

(4) existing connections between school districts;

(5) ongoing discussions between school districts engaged in the RED process;

(6) potential obstacles caused by geography; and

(7) to the extent possible, the effect that national Forest Service funds paid pursuant to section 557 of this title and other unique revenue sources have on public education and education property tax rates.

(b) Requirements. Subject to the provisions of sections 4055 and 4057 of this chapter, an Education District shall:

(1) be responsible for the education of all resident prekindergarten–grade 12 students through educational opportunities that meet the educational quality standards adopted by the State Board of Education pursuant to section 165 of this title;

(2) have an average daily membership at least 1,000 students;

(3) be governed by no more than one elected board;

(4) adopt one districtwide budget;

(5) have a common, districtwide education property tax rate;

(6) negotiate districtwide collective bargaining agreements and employ all licensed and nonlicensed personnel as employees of the new district;

(7) be the local education agency as that term is defined in 20 U.S.C. § 7801(26);

(8) account for and report financial information in accordance with Generally Accepted Accounting Principles and in a manner that promotes transparency and public accountability and supports a statewide integrated data collection system;

(9) operate one or more career technical education (CTE) centers or enter into an agreement for resident students to attend one or more CTE centers not operated by the district, or both; and

(10) be designed to:

(A) maximize the effective, flexible, and efficient use of fiscal, human, and facility resources to support student achievement and success;

(B) foster stable leadership by developing and supporting both school and district leaders;

(C) hire, train, support, and retain excellent administrators, teachers, and staff;

(D) promote budgetary stability leading to less volatility for taxpayers;

(E) account for and report financial information in accordance with Generally Accepted Accounting Principles and in a manner that promotes transparency and public accountability and supports a statewide integrated data collection system; and

(F) promote a shared commitment to a strong, flexible, and coherent system.

(c) Initial articles of agreement and other transitional issues. Among other things, the Statewide Plan:

(1) shall include one or more models of initial articles of agreement addressing issues required by section 706b of this title that will govern the actions of the Education Districts that were not created during the voluntary realignment process until such time as each Education District adopts its own amended articles, including the method of apportioning the representation on the Education District's board, whether votes on the budget and other issues will be by Australian ballot, and the conditions under which the Education District would be authorized to close a school building;

(2) shall establish transition procedures and guidance necessary for the creation of each Education District, including provisions for:

(A) the election of an initial education board prior to the first day of the Education District's existence in order to transition to the new structure by negotiating and entering into contracts, preparing an initial proposed budget, hiring a superintendent, adopting policies, and otherwise planning for the District's implementation;

(B) assumption of debt;

(C) ownership and management of property;

(D) the transition of employees to the new employer, including membership in collective bargaining units; and

(E) creation, at the Education District's option, of school-based community councils designed to build partnerships among families, staff, and the community and strong community involvement; and

(3) shall ensure that no school employee subject to employment transition under the Plan will experience a detrimental change in status within the Vermont Municipal Employees' Retirement System.

(d) Tax rates. During each of the first three years after realignment into an Education District created by the Plan:

(1) the equalized homestead property tax rate for each town within an Education District shall not increase or decrease by more than five percent in a single year; and

(2) the household income percentage shall not increase or decrease by more than five percent in a single year.

§ 4057. STATEWIDE REALIGNMENT PLAN; PROTECTION FOR  
TUITIONING DISTRICTS AND OPERATING DISTRICTS;  
FLEXIBILITY; STATEMENT OF INTENT

(a) Tuitioning districts. The Statewide Realignment Plan shall preserve the ability of a district that, as of the effective date of this act, provides for the education of all resident students in one or more grades by paying tuition on the students' behalf, to continue to provide education by paying tuition on behalf of all students in the grade or grades and shall not require the district to limit the options available to students when it ceases to exist as a discrete entity and becomes realigned into an Education District.

(b) Operating districts. The Plan shall preserve the ability of a district that, as of the effective date of this act, provides for the education of all resident students in one or more grades by operating a school offering the grade or grades, to continue to provide education by operating a school for all students



in the grade or grades and shall not require the district to pay tuition for students when it ceases to exist as a discrete entity and becomes realigned into an Education District.

(c) Flexibility.

(1) If the requirements in subsections (a) and (b) of this section preclude creation of an Education District that has an average daily membership of at least 1,000 students, then the Plan may create an alternative governance structure providing common services to two prekindergarten–grade 12 districts: one existing or newly realigned district that operates one or more public schools offering elementary and secondary education and one existing or newly realigned district that pays tuition for some or all grades.

(2) If other factors preclude creation of an Education District that has an average daily membership of at least 1,000 students, then the Plan may create an Education District that does not meet that criterion provided that the District otherwise meets the criteria of an Education District and furthers the purposes of this chapter.

(d) Statement of intent. Nothing in this chapter shall be construed to restrict or repeal, or to authorize the restriction or repeal of, the ability of a school district that, as of the effective date of this act, provides for the education of all resident students in one or more grades:

(1) by paying tuition on the students' behalf, to continue to provide education by paying tuition on behalf of all students in the grade or grades; or

(2) by operating a school offering the grade or grades, to continue to provide education by operating a school for all students in the grade or grades.

§ 4058. PRELIMINARY STATEWIDE REALIGNMENT PLAN

(a) On or before April 1, 2017, the Design Team shall:

(1) within the boundaries of each supervisory union, consult with members of school boards, parents, students, school administrators, teachers and other school staff, public and private entities that regularly collaborate with schools, and other local education and community leaders;

(2) conduct no fewer than ten facilitated public engagement meetings throughout the State, which:

(A) include an overview by the facilitator of the objectives and fundamental features of a 21st Century learning model;

(B) solicit public comments that identify individual and community visions, values, and goals relating to Vermont's education system; and

(C) provide Vermonters the opportunity to comment on and inform development of the prekindergarten–grade 12 realignment process;

(3) conduct independent research and seek data, advice, and assistance from any individual and any public or private entity to inform development of the Plan;

(4) develop the preliminary Plan that reflects public comments and pertinent educational research and related models, which shall include:

(A) a description of the State’s vision for the characteristics and delivery of prekindergarten–grade 12 education in Vermont;

(B) a schedule and process by which transition to the new districts shall be fully implemented on or before July 1, 2020;

(C) a process, distinct from the additional public engagement meetings required in subsection 4059(a) of this chapter, by which a district can request a change in its proposed placement within an Education District or otherwise voice unique concerns prior to adoption of the final Plan;

(5) make the preliminary Plan available to the public; and

(6) submit the preliminary Plan to the State Board and the General Assembly for review.

(b) Within 28 days of receipt, the Joint Fiscal Office shall review the preliminary Plan and prepare a fiscal note to assist the General Assembly and the public to conduct informed deliberations on the preliminary Plan. The fiscal note shall contain an estimate of the effect of the Plan upon the expenditures or revenues of the State and school districts for fiscal year 2021 and for the next five succeeding years

#### § 4059. FINAL STATEWIDE REALIGNMENT PLAN

(a) Between April 1, 2017 and November 1, 2017, the Design Team shall:

(1) conduct no fewer than ten public engagement meetings throughout the State and consult with local educational and community leaders to obtain opinions and comments on the preliminary Statewide Realignment Plan;

(2) conduct any additional independent research and seek any additional data, advice, and assistance the Design Team determines to be necessary to inform development of the final Statewide Realignment Plan;

(3) conduct the process by which a district can request a change in its proposed placement;

(4) consult with the State Board of Education; and

(5) develop a final Statewide Realignment Plan, which shall include a description of the State's vision for education and a detailed process and time line by which transition to the new districts will be fully implemented on or before July 1, 2020.

(b) On or before November 1, 2017, the Design Team shall submit the final Plan to the State Board, which shall post it on its website.

(c) On or before January 1, 2018:

(1) the State Board shall submit the final Plan with the Board's recommendations to the General Assembly; and

(2) the Joint Fiscal Office shall review the final Plan and prepare a fiscal note to assist the General Assembly and the public to conduct informed deliberations on the final Plan. The fiscal note shall contain an estimate of the effect of the Plan upon the expenditures or revenues of the State and school districts for fiscal year 2021 and for the next five succeeding years.

(d) The final Statewide Realignment Plan presented to the General Assembly shall take effect on July 1, 2018 when the General Assembly enacts it, or an amended plan, into law.

#### § 4060. ACCOUNTABILITY

On or before July 1, 2016:

(1) the Agency of Education shall have fully implemented statewide, integrated systems to maintain financial reporting and accounting data and longitudinal student data that are designed to measure and to compare on a district-to-district basis:

(A) the quality and variety of educational opportunities available to students throughout the State;

(B) student outcomes; and

(C) financial costs; and

(2) each supervisory union and school district shall have the technological ability to provide all requested data to both data systems and access all data to which they are entitled under State and federal privacy laws, and shall follow protocols to be developed by the Agency by which they transition the data systems, if necessary, to the Education Districts.

#### § 4061. TRANSITIONAL PROVISIONS

(a) As used in this section, "realigning districts" means the school districts and the supervisory union, supervisory unions, or portions of supervisory

unions that compose an Education District created under the RED process pursuant to section 4055 of this chapter or under the Statewide Realignment Plan.

(b) Prior to the first day of the Education District's existence, upon the election of the initial transitional board, the board shall:

(1) appoint a negotiations council for the purpose of negotiating with future employees' representatives; and

(2) recognize the representatives of the employees of the realigning districts as the recognized representatives of the employees of the Education District.

(c) Negotiations shall commence within 90 days after formation of the initial transitional board and shall be conducted pursuant to the provisions of 16 V.S.A. chapter 57 for teachers and administrators and pursuant to 21 V.S.A. chapter 22 for other employees.

(d) An employee of a realigning district who was not a probationary employee shall not be considered a probationary employee of the Education District.

(e) If a new agreement is not ratified by both parties prior to July 1, 2020, or the first day of the Education District's existence if earlier than July 1, 2020:

(1) the parties shall comply with the existing agreements in place in each of the realigning districts until a new agreement is reached;

(2) the parties shall adhere to the provisions of an agreement among the employees, as represented by their respective recognized representatives, regarding how provisions under the existing contracts regarding issues of seniority, reduction in force, layoff, and recall will be reconciled during the period prior to ratification of a new agreement; and

(3) a new employee beginning employment after July 1, 2020, or the first day of the Education District's existence if earlier than July 1, 2020, shall be covered by the agreement in effect that applies to the largest bargaining unit among the realigning districts in that Education District.

(f) On the first day of its existence, the Education District shall assume the obligations of existing individual employment contracts between the realigning districts and their employees.

#### § 4062. INNOVATION

During and after the creation of Education Districts under this chapter, districts are encouraged to explore innovative ways to expand learning

opportunities for students and to seek waivers of State Board rules or other legal requirements that inhibit implementation. Innovations may address any area of education policy, including instructional practices and principles; the use of technology and data systems to improve instruction and expand learning opportunities; services provided to discrete populations of students, including gifted and talented students, students with limited English proficiency, students not demonstrating adequate academic growth, and students at risk of academic failure or expulsion; early education and school readiness; and preparation and counseling of students for postsecondary education, training, and employment.

§ 4063. GUIDELINES AND FLEXIBLE, ALTERNATIVE MODELS; ACCOUNTABILITY

(a) Guidelines; models. The Agency of Education, in consultation with the Design Team, shall revise and add to the existing template developed in connection with the RED process to provide meaningful guidance and flexible, alternative models to districts pursuing voluntary realignment under this chapter and districts created under the Statewide Realignment Plan on issues including voting and representation on Education District boards; tax rates; the funding and payment structure for career technical education (CTE) centers by new districts created under this chapter that do not operate a center and the governance structure of CTE districts; municipal ownership of school-related property; procedures for voting on a districtwide budget; and unique matters relating to existing incorporated school districts. The Agency and Design Team shall update these materials as necessary until full implementation of the Education Districts.

(b) Performance indicators; accountability.

(1) The Agency, in consultation with the State Board of Education, shall develop criteria by which to measure requirements itemized in subdivision 4056(b)(10) of this chapter in order to:

(A) provide guidance:

(i) to school districts pursuing voluntary realignment pursuant to section 4055 of this chapter;

(ii) to the State Board when reviewing reports under the voluntary realignment phase and the preliminary and final Statewide Realignment Plans; and

(iii) in the development of the Statewide Realignment Plan; and

(B) measure performance and ensure accountability after districts transition to an Education District.

(2) On or before January 1, 2015, the Agency shall complete the work required under subdivision (1) of this subsection and present a detailed explanation of the performance indicators to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance for review and potential adoption of legislation that would provide guidance during the realignment process and clarification of State policy.

Second: In Sec. 2, by striking out subdivision (6) in its entirety and inserting in lieu thereof a new subdivision (6) to read:

(6) 2012 Acts and Resolves No. 156, Sec. 9 (reimbursement of up to \$20,000.00 in fees relating to merger of school districts).

Third: After Sec. 2 and before the reader assistance heading, by inserting two new sections to be Secs. 2a and 2b to read:

Sec. 2a. 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012 Acts and Resolves No. 156, Sec. 1, is further amended to read:

(a) Program created. There is created a school district merger incentive program under which the incentives outlined in Sec. 4 of this act shall be available to each new unified union school district created pursuant to Sec. 3 of this act and to each new district created under Sec. 3 of this act by the merger of districts that provide education by paying tuition; and to the Vermont members of any new interstate school district if the Vermont members jointly satisfy the size criterion of Sec. 3(a)(1) of this act and the new, merged district meets all other requirements of Sec. 3 of this act. Incentives shall be available, however, only if the ~~effective date of merger is~~ electorate approves the merger on or before July 1, 2017.

Sec. 2b. 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13, is further amended to read:

Sec. 4. VOLUNTARY SCHOOL DISTRICT MERGER; INCENTIVES

\* \* \*

(h) This section is repealed on July 1, ~~2017~~ 2024.

Fourth: By striking out Sec. 7 and the related reader assistance heading in their entirety and inserting a new section to be Sec. 7 and a related reader assistance headings to read:

\* \* \* Ownership of School Buildings \* \* \*

Sec. 7. OWNERSHIP OF SCHOOL BUILDINGS; TRANSFER OF TITLE

Notwithstanding any other provision of law to the contrary, in each of the following situations, title to real property owned by a school district shall transfer to the municipality that is not a school district in which the property is located unless the electorate of the municipality votes not to accept ownership:

(1) if existing school districts choose to discontinue use of the property as a school building as part of realignment into an Education District;

(2) if an Education District chooses to discontinue use of the property as a school building at any time after realignment occurs; or

(3) if, at the time of realignment, the property is owned by a school district that does not operate a school.

and that after passage the title of the bill be amended to read: “An act relating to prekindergarten–grade 12 education districts”.

**Rep. Heath of Westford**, for the committee on Appropriations, recommended that the bill be amended as recommended by the committees on Ways and Means and Education, and when further amended as follows:

First: In Sec. 1, 16 V.S.A. § 4056 (statewide realignment plan; elements), in subsection (b), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read:

(2) have an average daily membership of at least 1,000 students or result from the realignment of at least four existing districts, or both, as may be adjusted by the flexibility authority in subsection 4057(c) of this title;

Second: After Sec. 7, by inserting five new sections to be Secs. 8 through 12 and a related reader assistance heading to read:

\* \* \* Special Fund; Appropriations; Positions \* \* \*

#### Sec. 8. PREKINDERGARTEN–GRADE 12 DISTRICT SPECIAL FUND

(a) There is created a special fund pursuant to 32 V.S.A. chapter 7, subchapter 5, comprising sums deposited into this account and interest accruing to the Fund. Any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(b) Monies in the Fund shall be available to the Agency of Education to be used to support the purposes of this act as follows:

(1) to support the work of the Agency to provide technical assistance to districts during the voluntary realignment process;

(2) to support the work of the State Board of Education during the voluntary realignment process and to review and prepare recommendations regarding the Statewide Realignment Plan;

(3) to support the work of the Design Team created in Sec. 1, 16 V.S.A. § 4054, of this act to monitor the voluntary realignment process, to conduct public hearings and other public engagement activities, and to develop the preliminary and final Plans;

(4) to contract for technical assistance from recognized experts on behalf of the Design Team, including for the services of a skilled facilitator with deep experience in public policy at the community and State levels for the ten or more public hearings preceding development of the preliminary Plan; and

(5) to reimburse up to \$20,000.00 in fees incurred by groups of districts during the voluntary realignment process pursuant to 2012 Acts and Resolves No. 156, Sec. 9.

(c) The fund shall be known as the Prekindergarten–Grade 12 District Special Fund.

(d) This section and the Fund it creates are repealed on July 1, 2024.

#### Sec. 9. POSITIONS; AGENCY OF EDUCATION

The General Assembly authorizes the establishment of four new limited service positions in the Agency of Education in fiscal year 2015 as follows:

(1) one clerical position to provide assistance primarily to the Design Team created in Sec. 1 of this act; and

(2) three analyst positions to provide technical assistance to school districts during the voluntary realignment process and after adoption of the Statewide Realignment Plan, to the State Board, and to the Design Team.

#### Sec. 10. TRANSFERS

(a) The sum of \$2,069,175.00 is transferred in fiscal year 2014 from the Supplemental Property Tax Relief Fund created by 32 V.S.A. § 6075 to the Prekindergarten–Grade 12 District Special Fund for use in fiscal years 2015 and 2016.

(b) The sum of \$329,000.00 in unexpended monies appropriated to support the purposes of 2010 Acts and Resolves No. 153 and 2012 Acts and Resolves No. 156 is transferred in fiscal year 2014 and may be carried forward to fiscal year 2015 for the purpose of funding the positions and activities authorized under Secs. 8 and 9 of this act.



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Sec. 11. PREKINDERGARTEN–GRADE 12 DISTRICT  
APPROPRIATIONS

The following sums are appropriated from the Prekindergarten–Grade 12 District Special Fund to the Agency of Education in fiscal year 2015:

- (1) the sum of \$362,650.00 for personal services;
- (2) the sum of \$53,575.00 for operational expenses; and
- (3) the sum of \$351,000.00 for grant funding for districts.

Sec. 12. EDUCATION ANALYST; UNIFORM CHART OF ACCOUNTS;  
BUSINESS MANAGER HANDBOOK AND TRAINING;  
SOFTWARE SPECIFICATIONS

Secs. 8–11 of this act are intended to be in addition to, and to work in concert with, those sections of 2014 Acts and Resolves No. \_\_\_\_\_ (H.889) (education tax) regarding an education analyst who shall create tools and indicators for State and local education decision makers and a contract for development and completion of a uniform chart of accounts; an updated, comprehensive accounting manual, with related business rules, for school district business managers; related training programs; and specifications for school financial software.

and by renumbering the remaining section to be numerically correct.

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

**Recess**

At six o'clock and twenty-three minutes in the evening, the Speaker declared a recess until the fall of the gavel.

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

**Consideration Resumed; Bill Amended and Third Reading Ordered**

**H. 883**

Consideration resumed on House bill, entitled

An act relating to expanded prekindergarten–grade 12 school districts

Pending the question, Shall the report of the committee on Ways and Means be amended as recommended by the committee on Education? **Rep. Morrissey of Bennington** 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 on Ways and Means be amended as recommended by the committee on Education? was decided in the affirmative. Yeas, 75. Nays, 62.

Those who voted in the affirmative are:

|                          |                             |                          |
|--------------------------|-----------------------------|--------------------------|
| Ancel of Calais          | Heath of Westford           | Pugh of South Burlington |
| Bissonnette of Winooski  | Hubert of Milton            | Rachelson of Burlington  |
| Botzow of Pownal         | Jerman of Essex             | Ralston of Middlebury    |
| Brennan of Colchester    | Jewett of Ripton            | Ram of Burlington        |
| Buxton of Tunbridge      | Johnson of South Hero       | Russell of Rutland City  |
| Carr of Brandon          | Juskiewicz of Cambridge     | Ryerson of Randolph      |
| Christie of Hartford     | Keenan of St. Albans City   | Savage of Swanton        |
| Clarkson of Woodstock    | Kitzmiller of Montpelier    | Sharpe of Bristol        |
| Cole of Burlington       | Koch of Barre Town          | South of St. Johnsbury   |
| Condon of Colchester     | Krowinski of Burlington     | Stevens of Waterbury     |
| Consejo of Sheldon       | Kupersmith of South         | Stuart of Brattleboro    |
| Copeland-Hanzas of       | Burlington                  | Sweaney of Windsor       |
| Bradford                 | Lanpher of Vergennes        | Till of Jericho          |
| Corcoran of Bennington   | Larocque of Barnet          | Townsend of South        |
| Cupoli of Rutland City   | Lenes of Shelburne          | Burlington               |
| Deen of Westminster      | Lewis of Berlin             | Turner of Milton         |
| Dickinson of St. Albans  | Lippert of Hinesburg        | Vowinkel of Hartford     |
| Town                     | Macaig of Williston         | Waite-Simpson of Essex * |
| Donovan of Burlington    | Masland of Thetford         | Walz of Barre City       |
| Ellis of Waterbury       | McCarthy of St. Albans City | Webb of Shelburne        |
| Emmons of Springfield    | McCormack of Burlington     | Weed of Enosburgh        |
| Evans of Essex           | McCullough of Williston     | Wilson of Manchester     |
| Fagan of Rutland City    | McFaun of Barre Town        | Winters of Williamstown  |
| Fisher of Lincoln        | Myers of Essex              | Wizowaty of Burlington   |
| Frank of Underhill       | Nuovo of Middlebury         | Yantachka of Charlotte   |
| Gage of Rutland City     | O'Brien of Richmond         |                          |
| Head of South Burlington | Peltz of Woodbury           |                          |

Those who voted in the negative are:

|                         |                         |                           |
|-------------------------|-------------------------|---------------------------|
| Bartholomew of Hartland | Davis of Washington     | Higley of Lowell          |
| Batchelor of Derby      | Devereux of Mount Holly | Hooper of Montpelier      |
| Beyor of Highgate       | Donahue of Northfield   | Huntley of Cavendish      |
| Bouchard of Colchester  | Fay of St. Johnsbury    | Johnson of Canaan         |
| Branagan of Georgia     | Feltus of Lyndon        | Kilmartin of Newport City |
| Browning of Arlington   | French of Randolph      | Komline of Dorset         |
| Burke of Brattleboro    | Gallivan of Chittenden  | Krebs of South Hero       |
| Campion of Bennington   | Goodwin of Weston       | Lawrence of Lyndon        |
| Canfield of Fair Haven  | Grad of Moretown        | Malcolm of Pawlet         |
| Connor of Fairfield     | Greshin of Warren       | Manwaring of Wilmington   |
| Conquest of Newbury     | Haas of Rochester       | Marcotte of Coventry      |
| Cross of Winooski       | Hebert of Vernon        | Martin of Springfield     |
| Dakin of Chester        | Helm of Fair Haven      | Martin of Wolcott         |

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|                         |                        |                           |
|-------------------------|------------------------|---------------------------|
| Michelsen of Hardwick   | Potter of Clarendon    | Terenzini of Rutland Town |
| Miller of Shaftsbury    | Quimby of Concord      | Toleno of Brattleboro     |
| Mook of Bennington      | Scheuermann of Stowe   | Toll of Danville          |
| Moran of Wardsboro      | Shaw of Pittsford      | Van Wyck of Ferrisburgh   |
| Morrissey of Bennington | Smith of New Haven     | Woodward of Johnson       |
| Pearce of Richford      | Spengler of Colchester | Wright of Burlington      |
| Pearson of Burlington   | Stevens of Shoreham    | Young of Glover           |
| Poirier of Barre City   | Strong of Albany       |                           |

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

|                          |                          |                       |
|--------------------------|--------------------------|-----------------------|
| Burditt of West Rutland  | Marek of Newfane         | Partridge of Windham  |
| Donaghy of Poultney      | Mitchell of Fairfax      | Shaw of Derby         |
| Hoyt of Norwich          | Mrowicki of Putney       | Trieber of Rockingham |
| Klein of East Montpelier | O'Sullivan of Burlington | Zagar of Barnard      |

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

“Mr. Speaker:

I vote ‘yes’ on this bill but I sincerely hope that we give ourselves a dose of our own medicine next biennium because, in my estimation, until we combine education policy and education funding into the same legislative committee, just as we do with our transportation fund, we will not ever be able to contain the high costs of pre-K-12 education, and that, Mr. Speaker, is the cry I hear in my district.”

Thereupon, the report of the committee on Appropriations was agreed to.

Thereupon, the report of the committee on Ways and Means, as amended, was agreed to and third reading was ordered.

### **Action on Bill Postponed**

#### **S. 252**

Senate bill, entitled

An act relating to financing for Green Mountain Care

Was taken up and pending the reading of the report of the committee on Health Care, on motion of **Rep. Fisher of Lincoln**, action on the bill was postponed until the next legislative day.

### **Action on Bill Postponed**

#### **S. 295**

Senate bill, entitled

An act relating to pretrial services, risk assessments, and criminal justice programs

Was taken up and pending the reading of the report of the committees on Human Services, Judiciary and Appropriations, on motion of **Rep. Lippert of Hinesburg**, action on the bill was postponed until the next legislative day.

### **Senate Proposal of Amendment Concurred in**

#### **H. 260**

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

An act relating to electronic insurance notices and credit for reinsurance

First: By striking out Secs. 1, 2, and 3 (pertaining to electronic insurance notices) in their entirety

Second: In Sec. 4, 8 V.S.A. § 3634a (credit for reinsurance), in subdivision (b)(5), by adding subdivision (H) to read as follows:

(H) Credit for reinsurance ceded to a certified reinsurer shall be permitted only for reinsurance contracts entered into or renewed on or after the effective date of the certification of the assuming insurer by the Commissioner.

Third: By striking out Sec. 5 (effective dates) in its entirety and by inserting in lieu thereof a new Sec. 5 (renumbered as Sec. 2) to read as follows:

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

And by renumbering all the remaining sections of the bill to be numerically correct

And that after passage the title of the bill be amended to read: “An act relating to credit for reinsurance”.

Which proposal of amendment was considered and concurred in.

### **Action on Bill Postponed**

#### **H. 758**

House bill, entitled

An act relating to notice of potential layoffs

Was taken up and pending the question, Shall the House concur in the Senate proposal of amendment? on motion of **Rep. Marcotte of Coventry**, action on the bill was postponed until Thursday, May 1, 2014.

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**Senate Proposal of Amendment Concurred in****H. 863**

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

An act relating to a Public Records Act exemption for the identity of whistleblowers

By adding a new section to be numbered Sec. 2 to read as follows:

Sec. 2. IDENTIFYING VERMONT STATE HOSPITAL PATIENTS BURIED IN CEMETERY AND ON HOSPITAL GROUNDS FROM 1891 TO 1913

Consistent with the goal of Joint Resolution No. R-109 (2013) to preserve the memory of individuals buried in the cemetery and on the grounds of the former Vermont State Hospital in Waterbury, and to enable the identification of individuals buried in unmarked graves so that these individuals will not be left unknown, the State of Vermont shall, upon request and notwithstanding any provision of Vermont law, release records dating from 1891 to 1913 to the extent necessary to assist in the identification of patients buried in the Hospital's cemetery and on its grounds in unmarked graves from 1891 to 1913.

And by renumbering the remaining section to be numerically correct,

And that after passage the title of the bill be amended to read: "An act relating to public records".

Which proposal of amendment was considered and concurred in.

**Adjournment**

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