

Journal of the Senate

FRIDAY, MARCH 14, 2014

In the absence of the President (who was Acting Governor in the absence of the Governor) the Senate was called to order by the President *pro tempore*.

Devotional Exercises

Devotional exercises were conducted by the Reverend Jean Jersey of Montpelier.

Message from the House No. 30

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 123. An act relating to Lyme disease and other tick-borne illnesses.

H. 542. An act relating to the taxation of soil amendments.

H. 650. An act relating to establishing the Ecosystem Restoration and Water Quality Improvement Special Fund.

H. 685. An act relating to identification and registration of moorings.

H. 795. An act relating to victim's compensation and restitution procedures.

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

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

H. 526. An act relating to the establishment of lake shoreland protection standards.

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

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

Rep. Deen of Westminster
Rep. Krebs of South Hero
Rep. Beyor of Highgate.

Bill Referred to Committee on Finance

S. 35.

Senate bill of the following title, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule was referred to the Committee on Finance:

An act relating to establishing and regulating licensed dental practitioners.

Bills Referred to Committee on Appropriations

Senate bills of the following titles, appearing on the Calendar for notice, and carrying an appropriation or requiring the expenditure of funds, under the rule were severally referred to the Committee on Appropriations:

S. 165. An act relating to collective bargaining for deputy state's attorneys.

S. 193. An act relating to establishing an interim Public Retirement Plan Study Committee.

S. 235. An act relating to improving the oral health of Vermonters.

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 123.

An act relating to Lyme disease and other tick-borne illnesses.
To the Committee on Health and Welfare.

H. 542.

An act relating to the taxation of soil amendments.
To the Committee on Agriculture.

H. 650.

An act relating to establishing the Ecosystem Restoration and Water Quality Improvement Special Fund.

To the Committee on Natural Resources and Energy.

H. 685.

An act relating to identification and registration of moorings.

To the Committee on Natural Resources and Energy.

H. 795.

An act relating to victim's compensation and restitution procedures.

To the Committee on Judiciary.

Bill Amended; Bill Passed

S. 91.

Senate bill entitled:

An act relating to public funding of some approved independent schools.

Was taken up.

Thereupon, pending third reading of the bill, Senator Benning moved to amend the bill by striking out Sec. 2 in its entirety and inserting in lieu thereof a new Sec. 2 to read:

Sec. 2. SECRETARY OF EDUCATION; PRIVATIZATION STUDY; REPORT

(a) The Secretary of Education shall research:

(1) the constitutional and other legal consequences of a school district's decision to cease operating a school with the intention, for the purpose, or with the result of having the school building or buildings reopen as an approved independent school serving essentially the same population of students (privatization); and

(2) the constitutional and other legal consequences if the General Assembly chose to prohibit privatization of public schools.

(b) Among other issues, the Secretary shall examine the Vermont and U.S. Constitutions, federal civil rights law, and the Vermont Supreme Court's decision in *Brigham v. State* and shall consider issues of delegation of authority and the proper use of State funds.

(c) On or before January 15, 2015, the Secretary shall report the results of the research required by this section to the Senate and House Committees on Education and on Judiciary, together with any recommendations for legislative amendments.

Which was agreed to.

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

**Proposal of Amendment Amended; Bill Passed in Concurrence with
Proposals of Amendment**

H. 702.

House bill entitled:

An act relating to self-generation and net metering.

Was taken up.

Thereupon, pending third reading of the bill, Senators Galbraith, Hartwell, McCormack and Starr move that the Senate proposal of amendment be amended as follows:

First: After Sec. 1, by inserting a reader guide and Secs. 1a and 1b to read:

* * * SPEED Program; Environmental Attributes * * *

Sec. 1a. 30 V.S.A. § 8002(21) is amended to read:

(21) “SPEED resources” means contracts for resources in the SPEED program established under section 8005 of this title that meet the definition of renewable energy under this section, whether or not environmental attributes are attached, except that a SPEED resource acquired by a provider from a plant commencing construction on and after the effective date of this subdivision shall attach environmental attributes if the plant capacity exceeds 35 MW.

Sec. 1b. 30 V.S.A. § 8005(d) is amended to read:

(d) Goals and targets. To advance the goals stated in section 8001 of this title, the following goals and targets are established.

* * *

(2) 2017 SPEED goal. A State goal is to assure that 20 percent of total statewide electric retail sales during the year commencing January 1, 2017 shall be generated by SPEED resources that constitute new renewable energy. On or before January 31, 2018, the Board shall meet and open a proceeding to determine, for the calendar year 2017, the total amount of SPEED resources that were supplied to Vermont retail electricity providers and the total amount of statewide retail electric sales.

(3) Determinations. For the purposes of the determinations to be made under subdivisions (1) and (2) of this subsection (d), the total amount of SPEED resources shall be the amount of electricity produced at SPEED resources owned by or under long-term contract to Vermont retail electricity providers that is new renewable energy.

(4) Total renewables targets. This subdivision establishes, as percentages of annual electric sales, target amounts of total renewable energy within the supply portfolio of each retail electricity provider.

(A) The target amounts of total renewable energy established by this subsection shall be 55 percent of each retail electricity provider's annual electric sales during the year beginning January 1, 2017, increasing by an additional four percent each third January 1 thereafter, until reaching 75 percent on and after January 1, 2032. Resources acquired by a provider to meet these targets from a plant commencing construction on and after the effective date of this subdivision shall attach environmental attributes if the plant capacity exceeds 35 MW.

(B) Each retail electricity provider shall manage its supply portfolio to be reasonably consistent with the target amounts established by this subdivision (4). The Board shall consider such consistency during the course of reviewing a retail electricity provider's charges and rates under this title, integrated resource plans under section 218c of this title, and petitions under section 248 (new gas and electric purchases, investments, and facilities) of this title.

Second: In Sec. 3, 30 V.S.A. § 8002 (definitions), by striking out new subdivision (25) in its entirety and inserting in lieu thereof a new subdivision (25) to read as follows:

~~(24)~~(25) "SPEED resources" means contracts for resources in the SPEED program established under section 8005 of this title that meet the definition of renewable energy under this section, whether or not environmental attributes are attached, except that a SPEED resource acquired by a provider from a plant commencing construction on and after the effective date of this subdivision shall attach environmental attributes if the plant capacity exceeds 35 MW.

Third: In Sec. 10 (effective dates, applicability; implementation), in subsection (a), after the first parenthetical phrase, by inserting: 1a (definitions), 1b (goals and targets)

And by striking out the *Eleventh* Senate proposal of amendment and inserting in lieu thereof the following:

Eleventh: In Sec. 10 (effective dates, applicability; implementation), by striking out subsection (h) and inserting in lieu thereof a new subsection (h) to read:

(h) During statutory revision, the Office of Legislative Council shall substitute the actual dates for the phrases, in 30 V.S.A. §§ 219a(o)(1)(B) and

8002, “effective date of this subsection,” “effective date of this subdivision,” and “one year after the effective date of this subsection.”

Which was disagreed to on a roll call, Yeas 10, Nays 18.

Senator Ayer having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Benning, Collins, Galbraith, Hartwell, Kitchel, McAllister, McCormack, Mullin, Rodgers, Starr.

Those Senators who voted in the negative were: Ashe, Ayer, Baruth, Bray, Cummings, Doyle, Flory, French, Lyons, MacDonald, Mazza, Nitka, Pollina, Sears, Sirotkin, Snelling, White, Zuckerman.

Those Senators absent or not voting were: Campbell (presiding), Westman.

Thereupon, pending third reading of the bill, Senator Hartwell moved to amend the *Eighth* proposal of amendment in Sec. 9a, 30 V.S.A. § 2(f), after the first sentence, by inserting: In those forums, the Department also shall advance positions that avoid or minimize adverse consequences to Vermont and its ratepayers from regional and inter-regional cost allocation for transmission projects.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Bray moved that the Senate proposal of amendment be amended as follows:

First: After Sec. 9a, by inserting a reader guide and Sec. 9b to read as follows:

* * * SPEED Program; Environmental Attributes * * *

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

(a) As used in this section:

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

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

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

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

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

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

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

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

And by striking out the *ninth* Senate proposal of amendment in its entirety and inserting in lieu thereof a new *ninth* proposal of amendment to read as follows:

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

Which was agreed to on a roll call, Yeas 27, Nays 1.

Senator Sears having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Benning, Bray, Collins, Cummings, Doyle, Flory, French, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McAllister, McCormack, Mullin, Nitka, Pollina,

Rodgers, Sears, Sirotkin, Snelling, Starr, White, Zuckerman.

The Senator who voted in the negative was: Galbraith.

Those Senators absent or not voting were: Campbell (presiding), Westman.

Thereupon, pending third reading of the bill, Senator Mullin moved that the Senate proposal of amendment be amended as follows:

First: By striking out the *Fourth* proposal of amendment in its entirety and inserting in lieu thereof the following:

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

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

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

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

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

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

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

Second: That the Senate further propose to the House to amend the bill by adding a new Sec. 1a to read as follows:

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

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

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

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

And that the bill be amended in Sec. 10 (effective dates; applicability; implementation), by inserting a new subsection to read as follows:

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

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Rodgers moved that the Senate Proposal of Amendment be amended as follows:

First: After Sec. 9a, by inserting a reader guide and Sec. 9b to read:

* * * Wind Generation; Radar Controlled Lights * * *

Sec. 9b. 30 V.S.A. § 248(r) is added to read:

(r)(1) The Board shall require any in-state wind electric generation facility receiving a certificate of public good to install radar-controlled obstruction lights on all wind turbines for which the Federal Aviation Administration (FAA) requires obstruction lights, provided the FAA allows the use of radar-controlled lighting technology. Nothing in this subdivision shall allow the Board to approve obstruction lights that do not meet FAA standards.

(2) The purpose of this subsection is to reduce the visual impact of wind turbine obstruction lights on the environment and nearby properties. The General Assembly finds that wind turbine obstruction lights that remain illuminated through the night create light pollution, and may attract birds and bats. Radar-controlled obstruction lights are only illuminated when aircraft are detected in the area, and therefore the use of these lights will reduce the negative environmental impacts of obstruction lights.

(3) Notwithstanding 1 V.S.A. §§ 213 and 214, subdivision (1) of this subsection shall apply to petitions for certificates pending as of the effective date of this subsection, and to facilities for which certificates have been issued on or before the effective date of this subsection. After a hearing, the Board may relieve the holder of a certificate for a wind electric generation facility issued on or before the effective date of this subsection from the requirement to comply with this subsection if the Board finds that requiring compliance would impose harsh or oppressive effects on the holder.

Second: In Sec. 10 (effective dates; applicability; implementation), by inserting subsection (i) to read:

(i) Sec. 9b (wind generation; radar-controlled lights) shall take effect on passage. In its statutory revision capacity under 2 V.S.A. § 424, the Office of Legislative Council shall replace the phrase “effective date of this subsection” wherever it appears in Sec. 9b, 30 V.S.A. § 248(r)(3) with the actual effective date of the subsection.

Thereupon pending the question, Shall the Senate Proposal of Amendment be amended as moved by Senator Rogers?, Senator Rodgers requested and was granted leave to withdraw the recommendation of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposals of amendment on a roll call, Yeas 28, Nays 0.

Senator Lyons having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Benning, Bray, Collins, Cummings, Doyle, Flory, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McAllister, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, White, Zuckerman.

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Campbell (presiding), Westman.

Third Reading Ordered**J.R.H. 15.**

Senator Ayer, for the Committee on Health and Welfare, to which was referred joint House resolution entitled:

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

Reported that the joint resolution ought to be adopted in concurrence.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, and third reading of the joint resolution was ordered.

Bill Read Second Time; Consideration Postponed**S. 100.**

Senator Galbraith, for the Committee on Natural Resources and Energy, to which was referred Senate bill entitled:

An act relating to forest integrity.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds:

(1) Vermont's forests are a unique resource that provides habitat for wildlife, a renewable resource for human use, jobs for Vermonters in timber and other forest-related industries, and economic development through a productive forest products industry.

(2) Large areas of contiguous forest are essential for quality wildlife habitat, to preserve Vermont's scenic qualities, to implement best practices in forest management, and to ensure the continued economic productivity of Vermont's diverse forest products industry.

(3) The division of forests into lots for house sites or other construction fragments Vermont's forests and reduces their value as wildlife habitat, for forest industries, and to Vermont's tourist economy.

Sec. 2. 10 V.S.A. § 2601a is added to read:

§ 2601a. POLICY; FOREST INTEGRITY; NONFRAGMENTATION

(a) The State of Vermont shall preserve Vermont's forests in large contiguous blocks without permanent roads, buildings, or other construction in

order to:

(1) provide habitat for wildlife, especially animals that range over large areas of land, including bear, moose, bobcat, lynx, and deer;

(2) protect the watersheds and Vermont's streams and rivers so as to maintain the quality of Vermont's waters and to reduce the risk of flooding; and

(3) preserve the scenic qualities of the Vermont landscape.

(b) The State of Vermont shall implement the policy stated in this section through all agencies whose activities affect the State's publicly and privately owned forests, including the Department as set forth in this chapter, and through its political subdivisions pursuant to 24 V.S.A. chapter 117 (municipal and regional planning and development).

Sec. 3. 10 V.S.A. § 6001(35) is added to read:

(35) "Fragmentation of forestland" means the separation of forestlands by buildings, roads, or other physical structures or by other human-made alterations to land such as clearing.

Sec. 4. 10 V.S.A. § 6086 is amended to read:

§ 6086. ISSUANCE OF PERMIT; CONDITIONS AND CRITERIA

(a) Before granting a permit, the district commission shall find that the subdivision or development:

* * *

(9) Is in conformance with a duly adopted capability and development plan, and land use plan when adopted. However, the legislative findings of subdivisions 7(a)(1) through (19) of Act 85 of 1973 shall not be used as criteria in the consideration of applications by a district commission.

* * *

(C) Productive forest soils; forest integrity. A permit will be granted for ~~the a~~ development or subdivision of ~~productive forest soils~~ only when it is demonstrated by the applicant that, in addition to all other applicable criteria, ~~either, the subdivision or development~~ each of the following is met:

(i) If the application involves the development or subdivision of productive forest soils, the development or subdivision either will not result in any reduction in the potential of those soils for commercial forestry; or:

~~(i)~~(I) the development or subdivision will not significantly interfere with or jeopardize the continuation of agriculture or forestry on adjoining lands or reduce their agricultural or forestry potential; ~~and~~

~~(ii)~~(II) except in the case of an application for a project located in a designated growth center, there are no lands other than productive forest soils owned or controlled by the applicant which are reasonably suited to the purpose of the development or subdivision; and

~~(iii)~~(III) except in the case of an application for a project located in a designated growth center, the subdivision or development has been planned to minimize the reduction of the potential of those productive forest soils through innovative land use design resulting in compact development patterns, so that the remaining forest soils on the project tract may contribute to a commercial forestry operation.

(ii) the development or subdivision will not contribute to the fragmentation of forestland; or

(I) the development or subdivision cannot practicably be relocated on the site or to another site owned or controlled by the applicant or reasonably available to satisfy the basic project purpose;

(II) if the proposed development or subdivision cannot practicably be relocated, all practicable measures have been taken to avoid adverse impacts caused by the development's or subdivision's fragmentation of forestland;

(III) if avoidance of adverse effects caused by the development's or subdivision's fragmentation of forestland cannot be practically achieved, the development or subdivision has been planned to minimize those adverse effects and to preserve connection among the forestlands to be separated in a manner that supports wildlife, and the applicant will permanently conserve an area of forestland that is of comparable or greater biological value than the forestland fragmented by the development or subdivision.

* * *

Sec. 5. REPORT; FOREST FRAGMENTATION IN VERMONT

On or before December 31, 2014, the Commissioner of the Department of Forests, Parks and Recreation shall submit to the House and Senate Committees on Natural Resources and Energy and the House Committee on Fish, Wildlife, and Water Resources a report assessing the current and projected effects of fragmentation on Vermont's forestlands, and providing

recommendations for how to best protect the integrity of Vermont's forestlands and preserve large blocks of contiguous forestland.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy? Senator Mullin requested and was granted leave to withdraw his sponsorship of the bill.

Thereupon, pending the question, Shall the Senate amend the bill as recommended by the Committee on Natural Resources and Energy?, on motion of Senator Hartwell consideration of the bill was postponed until the next legislative day.

S. 195.

Senator Benning, for the Committee on Judiciary, to which was referred Senate bill entitled:

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

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 1061 is amended to read:

§ 1061. DEFINITIONS

As used in this subchapter:

(1) "Stalk" means to engage in a course of conduct which consists of following, lying in wait for, or harassing, and:

(A) serves no legitimate purpose; and

(B) would cause a reasonable person to fear for his or her physical safety or would cause a reasonable person substantial emotional distress.

~~(2) "Course of conduct" means a pattern of conduct composed of two or more acts over a period of time, however short, evidencing a continuity of purpose. Constitutionally protected activity is not included within the meaning of "course of conduct."~~

~~(3)~~(2) “Following” means maintaining over a period of time a visual or physical proximity to another person in such manner as would cause a reasonable person to have a fear of unlawful sexual conduct, unlawful restraint, bodily injury, or death.

~~(4)~~(3) “Harassing” means actions directed at a specific person, or a member of the person’s family, which would cause a reasonable person to fear unlawful sexual conduct, unlawful restraint, bodily injury, or death, including ~~but not limited to~~ verbal threats, written, telephonic, or other electronically communicated threats, vandalism, or physical contact without consent.

~~(5)~~(4) “Lying in wait” means hiding or being concealed for the purpose of attacking or harming another person.

Sec. 2. 13 V.S.A. § 1021(4) is added to read:

(4) “Course of conduct” means a pattern of conduct composed of two or more acts over a period of time, however short, evidencing a continuity of purpose. Constitutionally protected activity is not included within the meaning of “course of conduct.”

Sec. 3. 13 V.S.A. § 1026 is amended to read:

§ 1026. DISORDERLY CONDUCT

~~(a) A person who~~ A person is guilty of disorderly conduct if he or she, with intent to cause public inconvenience, or annoyance, or recklessly ~~creating~~ creates a risk thereof:

(1) ~~Engages~~ engages in fighting or in violent, tumultuous, or threatening behavior; ~~or~~

(2) ~~Makes~~ makes unreasonable noise; ~~or~~

(3) ~~In~~ in a public place, uses abusive or obscene language; ~~or~~

(4) ~~Without~~ without lawful authority, disturbs any lawful assembly or meeting of persons; or

(5) ~~Obstructs~~ obstructs vehicular or pedestrian traffic, ~~shall be imprisoned for not more than 60 days or fined not more than \$500.00 or both.~~

(b) A person who is convicted of disorderly conduct shall be imprisoned for not more than 60 days or fined not more than \$500.00, or both. A person who is convicted of a second or subsequent offense under this section shall be imprisoned for not more than 120 days or fined not more than \$1,000.00, or both.

Sec. 4. 13 V.S.A. § 1026a is added to read:

§ 1026a. AGGRAVATED DISORDERLY CONDUCT

(a) A person is guilty of aggravated disorderly conduct if he or she engages in a course of conduct directed at a specific person with the intent to cause the person inconvenience or annoyance, or to disturb the person's peace, quiet, or right of privacy and:

(1) engages in fighting or in violent, tumultuous, or threatening behavior;

(2) makes unreasonable noise;

(3) in a public place, uses abusive or obscene language; or

(4) threatens bodily injury or serious bodily injury, or threatens to commit a felony crime of violence as defined in section 11a of this title.

(b) A person who is convicted of aggravated disorderly conduct shall be imprisoned not more than 180 days or fined not more than \$2,000.00, or both.

Sec. 5. 13 V.S.A. § 1027 is amended to read:

§ 1027. DISTURBING PEACE BY USE OF TELEPHONE OR OTHER ELECTRONIC COMMUNICATIONS

(a) A person who, with intent to terrify, intimidate, threaten, harass, or annoy, makes contact by means of a telephonic or other electronic communication with another and ~~(i)~~ makes any request, suggestion, or proposal which is obscene, lewd, lascivious, or indecent; ~~(ii)~~ threatens to inflict injury or physical harm to the person or property of any person; or ~~(iii)~~ disturbs, or attempts to disturb, by repeated ~~anonymous~~ telephone calls or other electronic communications, whether or not conversation ensues, the peace, quiet, or right of privacy of any person at the place where the communication or communications are received shall be fined not more than \$250.00 or be imprisoned not more than three months, or both. If the defendant has previously been convicted of a violation of this section or of an offense under the laws of another state or of the United States which would have been an offense under this act if committed in this ~~state~~ State, the defendant shall be fined not more than \$500.00 or imprisoned for not more than six months, or both.

(b) An intent to terrify, threaten, harass, or annoy may be inferred by the trier of fact from the use of obscene, lewd, lascivious, or indecent language or the making of a threat or statement or repeated ~~anonymous~~ telephone calls or other electronic communications as set forth in this section and any trial court may in its discretion include a statement to this effect in its jury charge.

(c) An offense committed by use of a telephone or other electronic communication device as set forth in this section shall be considered to have been committed at either the place where the telephone call or calls originated or at the place where the communication or communications or calls were received.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, and third reading of the bill was ordered.

S. 221.

Senator Ashe, for the Committee on Finance, to which was referred Senate bill entitled:

An act relating to providing statutory purposes for tax expenditures.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Income, Bank Franchise, Insurance Premium, and Property Taxes * * *

Sec. 1. 16 V.S.A. § 2826 is added to read:

§ 2826. STATUTORY PURPOSES

(a) The statutory purpose of the interest income from Vermont Student Assistance Corporation (VSAC) bonds exemption in section 2825 of this title is to provide VSAC sufficient access to capital by increasing the effective return on investment of its bond issuances.

(b) The statutory purpose of the Vermont Student Assistance Corporation property tax exemption in section 2825 of this title is to allow State instrumentalities that provide financial and information resources for postsecondary education and training to use all of their resources for those purposes.

Sec. 2. 30 V.S.A. § 8060(c) is added to read:

(c) The statutory purpose of the Vermont Telecommunications Authority (VTA) bonds and notes exemption in section 8074 of this title is to provide the VTA sufficient access to capital by increasing the effective return on investment of its bond issuances.

Sec. 3. 32 V.S.A. § 5813 is added to read:

§ 5813. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont municipal bond income exemption in subdivision 5811(21)(A)(i) of this title is to provide the State and its municipalities sufficient access to capital by increasing the effective return on investment of State and municipal-issued bonds.

(b) The statutory purpose of the Vermont flat capital gains exclusion in subdivision 5811(21)(B)(ii) of this title is intended to increase savings and investment by making the effective tax rate on capital gains income lower than the effective tax rate on earned income while exempting a portion of the gain that may represent inflation. The 40-percent business capital gains exclusion mitigates the impact of one-time realizations in a progressive tax structure.

(c) The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide tax relief to working taxpayers who must incur dependent care expenses to stay in the workforce in the absence of pre-kindergarten programming.

(d) The statutory purpose of the Vermont credit for persons who are elderly or disabled in subsection 5822(d) of this title is to provide tax relief for seniors and persons who are disabled with little tax-exempt retirement or disability income.

(e) The statutory purpose of the Vermont investment tax credit in subsection 5822(d) of this title is to encourage Vermont business investments by lowering the effective costs of certain activities.

(f) The statutory purpose of the Vermont farm income averaging credit in subdivision 5822(c)(2) of this title is to mitigate the adverse tax consequences of fluctuating farm incomes under a progressive tax structure and to provide stability to farm operations.

(g) The statutory purpose of the Vermont business solar energy credit in subsection 5822(d) and section 5930z of this title is to provide a temporary, enhanced incentive for business solar investments located in Vermont to increase the deployment of solar electric generating facilities until the price of solar materials and installation decreases to the point it does not need State subsidization.

(h) The statutory purpose of the Vermont military pay exemption in subdivisions 5823(a)(2) and (b)(3) of this title is to provide additional compensation for military personnel in recognition of their service to Vermont and to the country.

(i) The statutory purpose of the Vermont charitable housing credit in section 5830c of this title is to assist certain affordable housing charities in attracting private investment at below-market rates by restoring some of the income forgone through a tax credit to the investor.

(j) The statutory purpose of the Vermont affordable housing credit in section 5930u of this title is to increase the capital available to certain affordable housing projects for construction or rehabilitation by attracting up front private investment.

(k) The statutory purpose of the Vermont qualified sale of a mobile home park credit in section 5828 of this title is to encourage sales of mobile home parks to a group composed of a majority of the mobile home park leaseholders, or to a nonprofit organization that represents such a group or as an alternative to closure, and, in doing so, to provide stability to the inhabitants of such mobile home parks.

(l) The statutory purpose of the Vermont higher education investment credit in section 5825a of this title is to encourage contributions to Vermont 529 plans that would not otherwise occur and to lower the cost of higher education for Vermont students and the Vermont taxpayers who financially support them.

(m) The statutory purpose of the Vermont entrepreneurs' seed capital fund credit in section 5830b of this title is to provide capital to the Seed Capital Fund, ensuring it has sufficient capital to make equity investments in Vermont businesses.

(n) The statutory purpose of the Vermont historical rehabilitation tax credit in subsection 5930cc(a) of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(o) The statutory purpose of the Vermont facade improvement tax credit in subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide incentives to improve facades and rehabilitate historic properties in designated downtowns and village centers.

(p) The statutory purpose of the Vermont code improvement tax credit in subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(q) The statutory purpose of the Vermont research and development tax credit in section 5930ii of this title is to encourage business investment in research and development within Vermont in order to increase research and development and to attract and retain intellectual-property-based companies.

(r) The statutory purpose of the Vermont economic advancement tax incentive credits in sections 5930a–5930k of this title is to allow Vermont to compete with other states that have offered tax savings and cash benefits as a tool to recruit and retain businesses.

(s) The statutory purpose of the Vermont downtown tax credits in sections 5930n–5930r of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(t) The statutory purpose of the Vermont low-income child and dependent care credit in section 5828c of this title is to provide cash relief to lower-income working taxpayers who incur dependent care expenses in certified centers to enable them to remain in the workforce.

(u) The statutory purpose of the Vermont earned income tax credit in section 5828b of this title is to increase the after-tax income of low-income working families and individuals and to provide an incentive to work for those with little earned income and to offset the effect on these Vermonters of conventionally regressive taxes.

(v) The statutory purpose of the Vermont machinery and equipment tax credit in section 5930ll of this title is to provide an incentive to make a major, long-term capital investment in Vermont-based plant and property to ensure the continuation of in-state employment.

(w) The statutory purpose of the Vermont employment growth incentive in section 5930b of this title is to provide a cash incentive to businesses without which those businesses would not locate, expand, or retain jobs in Vermont.

(x) The statutory purpose of the Vermont Downtown and Village Center Program tax credits in section 5930cc of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(y) The statutory purpose of allowing federal itemized deductions and other federal expenditures between federal adjusted gross income and federal taxable income, as listed in the report required by section 312 of this title, is to reflect Vermont’s choice to use federal taxable income as a base for Vermont’s State income tax.

* * * Meals and Rooms Taxes and Insurance
Premium Taxes * * *

Sec. 4. 32 V.S.A. § 9247 is added to read:

§ 9247. HOSPITAL AND MEDICAL SERVICE CORPORATIONS AND CREDIT UNIONS

Notwithstanding 8 V.S.A. §§ 4518, 4590, and 30102, hospital service corporations, medical service corporations, and credit unions shall be subject to the meals and rooms tax. The statutory purpose of the remaining exemptions from 8 V.S.A. § 4518 is to exempt nonprofit hospitals providing health care services in order to lower the cost of welfare-increasing health services to Vermonters. The statutory purpose of the remaining exemptions from 8 V.S.A. § 4590 is to exempt nonprofit companies that provide health care insurance coverage in order to lower the cost of welfare-increasing health services to policyholders. The statutory purpose of the remaining exemptions from 8 V.S.A. § 30901 is to affirm the nonprofit, cooperative structure of credit unions.

Sec. 5. 32 V.S.A. § 9201 is added to read:

§ 9201. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont grocery-type items furnished for take-out exemption in subdivision 9202(10)(D)(i) of this title is to limit the tax burden on the purchase of goods that are necessary for the health and welfare of all people in Vermont.

(b) The statutory purpose of the Vermont meals served or furnished on the premises of a nonprofit organization exemption in subdivision 9202(10)(D)(ii)(I) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

(c) The statutory purpose of the Vermont meals provided on school premises exemption in subdivision 9202(10)(D)(ii)(II) of this title is to reduce the overall cost of education in Vermont.

(d) The statutory purpose of the Vermont or federal institutions premises where meals are provided to inmates and employees exemption in subdivision 9202(10)(D)(ii)(III) of this title is to prevent the taxation of entities that are funded by taxpayers.

(e) The statutory purpose of the Vermont meals provided at hospitals and convalescent and nursing homes exemption in subdivision 9202(10)(D)(ii)(IV) of this title is to reduce the overall costs of health care and senior care in Vermont.

(f) The statutory purpose of the Vermont meals furnished while transporting passengers for hire on train, bus, or airplane exemption in subdivision 9202(10)(D)(ii)(V) of this title is to reduce the administrative costs for transit companies providing interstate travel services.

(g) The statutory purpose of the Vermont summer camp for children exemption in subdivision 9202(10)(D)(ii)(VI) of this title is to reduce costs for summer education and outdoor activities for youth.

(h) The statutory purpose of the Vermont nonprofits at fairs, bazaars, picnics, and similar events exemption in subdivision 9202(10)(D)(ii)(VII) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

(i) The statutory purpose of the Vermont meals furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment exemption in subdivision 9202(10)(D)(ii)(VIII) of this title is to avoid the taxation of in-kind benefits.

(j) The statutory purpose of the Vermont meals provided to the elderly pursuant to the Older Americans Act exemption in subdivision 9202(10)(D)(ii)(IX) of this title is to exempt from tax government-provided meals.

(k) The statutory purpose of the Vermont meals purchased under the Supplemental Nutrition Assistance Program (SNAP) exemption in subdivision 9202(10)(D)(ii)(X) of this title is to exempt from tax meals paid for with government funds.

(l) The statutory purpose of the Vermont meals served on the premises of a continuing care retirement community exemption in subdivision 9202(10)(D)(ii)(XI) is to exempt from tax meals prepared in a person's home.

(m) The statutory purpose of the Vermont time share rights exemption in subdivision 9202(8) of this title is to avoid double taxation on holdings that are subject to property taxes.

(n) The statutory purpose of the Vermont student housing exemption in subdivision 9202(8) of this title is to reduce the overall costs of education in Vermont.

(o) The statutory purpose of the Vermont permanent residents exemption in subdivisions 9202(6) and (7) of this title is to treat long-term hotel guests as permanent residents of the State for purposes of administrating the rooms tax.

(p) The statutory purpose of the Vermont rooms furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment exemption in subdivision 9202(6) of this title is to exclude the taxation of in-kind benefits.

(q) The statutory purpose of the summer camp for children exemption in subdivision 9202(6) of this title is to reduce costs for summer education and outdoor activities for youth.

(r) The statutory purpose of the Vermont State or United States operated establishment room charges exemption in subdivision 9202(3)(B) of this title is to abide by the requirement that states will not tax the federal government and to avoid the instance of the State taxing itself.

(s) The statutory purpose of the Vermont rooms on the premises of a nonprofit exemption in subdivision 9202(3)(C) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

(t) The statutory purpose of the Vermont rooms on the premises of a continuing care retirement community exemption in subdivision 9202(3)(D) of this title is to exclude rooms that are a person's residence.

* * * Sales Taxes * * *

Sec. 6. 32 V.S.A. § 9706 is added to read:

§ 9706. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont medical products exemption in subdivision 9741(2) of this title is to lower the cost of medical products in order to support the health and welfare of Vermont residents.

(b) The statutory purpose of the Vermont agricultural inputs exemption in subdivision 9741(3) of this title is to lessen the costs for the agricultural industry, and to avoid taxing inputs in favor of taxing the end product, thus avoiding double taxation.

(c) The statutory purpose of the Vermont veterinary supplies exemption in subdivision 9741(3) of this title is to lessen the cost of veterinary services associated with productive animals to the agricultural industry.

(d) The statutory purpose of the Vermont nonbusiness, casual sales exemption in subdivision 9741(4) of this title is to prevent the occasional sale and resale of personal property by individuals not engaged as merchants from being subjected to the tax.

(e) The statutory purpose of the Vermont fuels for railroads and boats exemption in subdivision 9741(7) of this title is to avoid the taxation of fuels for the types of transportation for which public expenditure on infrastructure is unnecessary.

(f) The statutory purpose of the Vermont sales of food exemption in subdivision 9741(13) of this title is to limit the taxes on the purchase of goods that are necessary for the health and welfare of all people in Vermont.

(g) The statutory purpose of the Vermont manufacturers' material and equipment exemption in subdivision 9741(14) of this title is to avoid tax pyramiding on goods and encourage investments in equipment by manufacturing entities.

(h) The statutory purpose of the Vermont newspapers exemption in subdivision 9741(15) of this title is to reduce the financial costs of building an informed citizenry.

(i) The statutory purpose of the Vermont packaging and shipping materials exemption in subdivision 9741(16) of this title is to prevent tax pyramiding by excluding inputs into business production and distribution.

(j) The statutory purpose of the Vermont rented furniture for residential use exemption in subdivision 9741(17) of this title is to limit sales taxes on items that are not being sold in order to avoid double taxation.

(k) The statutory purpose of the Vermont municipal, State, and federal recreation facilities admission exemption in subdivision 9741(18) of this title is to exempt from tax a state charge for an entrance or admission to avoid layering a sales tax on top of publicly financed amenities.

(l) The statutory purpose of the Vermont rentals of coin-operated washing facilities exemption in subdivision 9741(19) of this title is to exempt coin-operated washing facilities on the basis that these facilities are the equivalent of a service.

(m) The statutory purpose of the Vermont admission fees to nonprofit museums exemption in subdivision 9741(20) of this title is to support the missions of certain nonprofit facilities and encourage higher visitation.

(n) The statutory purpose of the Vermont items sold to fire, ambulance, and rescue squads exemption in subdivision 9741(21) of this title is to limit the tax on organizations charged with protecting the safety of the public.

(o) The statutory purpose of the Vermont funeral charges exemption in subdivision 9741(22) of this title is to lessen the costs accumulated by the bereaved.

(p) The statutory purpose of the Vermont commercial, industrial, or agricultural research property use exemption in subdivision 9741(24) of this title is to reduce financial barriers to research and innovation in the

commercial, industrial, and agricultural industries in order to increase these activities.

(q) The statutory purpose of the Vermont agricultural machinery and equipment exemption in subdivision 9741(25) of this title is to avoid tax pyramiding of agricultural products.

(r) The statutory purpose of the Vermont energy purchases for a residence exemption in subdivision 9741(26) of this title is to limit the tax on the purchase of goods that are necessary for the health and welfare of all people in Vermont.

(s) The statutory purpose of the Vermont energy purchases for farming exemption in subdivision 9741(27) of this title is to avoid tax pyramiding of agricultural products.

(t) The statutory purpose of the Vermont sales of films to movie theaters exemption in subdivision 9741(28) of this title is to avoid tax on items that are normally not for permanent use within the State.

(u) The statutory purpose of the Vermont aircraft and depreciable parts for commercial and private use exemption in subdivision 9741(29) of this title is to promote the growth of the aircraft maintenance industry in Vermont by lowering the cost of parts and equipment relative to other states with private airplane maintenance facilities.

(v) The statutory purpose of the Vermont railroad rolling stock and depreciable parts exemption in subdivision 9741(30) of this title is to increase the use of rail for transport by lowering the costs of maintenance.

(w) The statutory purpose of the Vermont ferryboats and depreciable parts exemption in subdivision 9741(31) of this title is to increase the use of ferry for transport by lowering the costs of maintenance.

(x) The statutory purpose of the Vermont sales of mobile homes and modular housing exemption in subdivision 9741(32) of this title is to create equity between mobile and modular housing and traditional residential construction by providing an exemption for the estimated portion of the cost attributable to labor (versus materials).

(y) The statutory purpose of the Vermont United States flag sold to or by exempt veterans' organizations exemption in subdivision 9741(33) of this title is to support veterans' organizations in performing their traditional functions.

(z) The statutory purpose of the Vermont energy used in manufacturing tangible personal property for sale exemption in subdivision 9741(34) of this

title is to avoid the taxation of manufacturing inputs and the pyramiding of taxes on goods produced in State.

(aa) The statutory purpose of the Vermont property transferred as part of personal service transaction or transfer of intangible property rights exemption in subdivision 9741(35) of this title is to exempt tangible personal property that is a small portion of a service because the cost of compliance exceeds the revenues.

(bb) The statutory purpose of the Vermont advertising materials exemption in subdivision 9741(36) of this title is to exempt tangible personal property if it is a small portion of a larger service.

(cc) The statutory purpose of the Vermont documents that record a professional service exemption in subdivision 9741(37) of this title is to exempt tangible personal property that is a small portion of a service package.

(dd) The statutory purpose of the Vermont tracked vehicles exemption in subdivision 9741(38) of this title is to limit the sales tax on construction vehicles such as bulldozers in order to lessen the cost of capital investments facilitated by those tracked vehicles.

(ee) The statutory purpose of the Vermont sales of building materials exemption in subdivisions 9741(39)(i) and (ii) of this title is to provide incentives to restore and revitalize downtown districts.

(ff) The statutory purpose of the Vermont wholesale transactions between telecommunications service providers exemption in subdivision 9741(41) of this title is to avoid taxation of inputs and intercompany transactions in order to avoid double taxation.

(gg) The statutory purpose of the Vermont third party scrap construction materials exemption in subdivision 9741(43) of this title is to promote the reuse and recycling of scrap construction materials.

(hh) The statutory purpose of the Vermont property incorporated in a railroad line exemption in subdivision 9741(44) of this title is to increase the use of rail for transport by lowering the costs of materials.

(ii) The statutory purpose of the Vermont clothing and footwear exemption in subdivision 9741(45) of this title is to limit the tax burden on the purchase of goods that are necessary for the health and welfare of all people in Vermont.

(jj) The statutory purpose of the Vermont property incorporated into a net metering system exemption, on-premise energy system not connected to the electric distribution system exemption, and solar hot water heating system exemption in subdivision 9741(46) of this title is to increase the deployment

of solar electric generating technologies until the price of solar materials and installation decreases to the point it does not need State subsidization.

(kk) The statutory purpose of the Vermont purchases by and limited purchases from 501(c)(3) organizations exemption in subdivision 9743(3) of this title is to reduce costs for certain nonprofit organizations in order to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(ll) The statutory purpose of the Vermont building materials and supplies used in construction or repair of buildings by governmental bodies, 501(c)(3) organizations, or development corporations exemption in subdivision 9743(4) of this title is to reduce the costs of construction for certain nonprofit organizations in order to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(mm) The statutory purpose of the Vermont amusement charges for four events per year for 501(c)(4)–(13) and (19) organizations and political organizations exemption in subdivision 9743(5) of this title is to reduce the costs for and encourage participation in a limited number of events organized by certain nonprofit organizations in order to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(nn) The statutory purpose of the Vermont amusement charges for events presented by 501(c)(3) organizations in subdivision 9743(7) of this title is to reduce the costs for and encourage participation in fundraising events organized by certain nonprofit organizations in order to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(oo) The statutory purpose of the Vermont reallocation of receipts from tax imposed on sales of construction materials in section 9819 of this title is to provide incentives to restore and revitalize certain properties in designated downtown districts.

(pp) The statutory purpose of the Vermont sales by licensed auctioneers exemption in subdivision 9741(48) of this title is to extend the “casual sale” exemption to parallel situations involving an auctioneer.

* * * Property Taxes * * *

Sec. 7. 10 V.S.A. § 210 is added to read:

§ 210. STATUTORY PURPOSES

The statutory purpose of the Vermont local development corporations exemption in section 236 of this title is to exempt government-funded entities and promote economic development.

Sec. 8. 10 V.S.A. § 602 is added to read:

§ 602. STATUTORY PURPOSES

The statutory purpose of the Vermont Housing Finance Agency exemption in subsection 641(a) of this title is to exempt quasi-government entities that provide and promote affordable housing.

Sec. 9. 16 V.S.A. § 2170 is added to read:

§ 2170. STATUTORY PURPOSES

The statutory purpose of the Vermont State Colleges exemption in section 2178 of this title is to allow institutions providing higher education to deploy more of their financial resources to their educational missions by lowering their tax expenses.

Sec. 10. 16 App. V.S.A. § 1-15a is added to read:

§ 1-15a. STATUTORY PURPOSES

The statutory purpose of the University of Vermont exemption in section 1-15 of this chapter is to allow institutions providing higher education to deploy more of their financial resources to their educational missions by lowering their tax expenses.

Sec. 11. 18 V.S.A. § 5300 is added to read:

§ 5300. STATUTORY PURPOSES

The statutory purpose of the Vermont cemeteries exemption in sections 5317 and 5376 of this title is to exempt property with a fair market value that is difficult to ascertain and for which there are limited options for alternative uses.

Sec. 12. 22 V.S.A. § 68 is added to read:

§ 68. STATUTORY PURPOSES

The statutory purpose of the Vermont libraries exemption in section 109 of this title is to aid libraries in offering free and public access to information and research resources.

Sec. 13. 24 V.S.A. § 4000 is added to read:

§ 4000. STATUTORY PURPOSES

The statutory purpose of the Vermont housing authorities exemption in section 4020 of this title is to promote, provide, and preserve affordable housing in ways that encourage resident self-sufficiency and support healthy neighborhoods.

Sec. 14. 32 V.S.A. § 3750 is added to read:

§ 3750. STATUTORY PURPOSES

The statutory purpose of the Vermont Use Value Appraisal Program in chapter 124 of this title is to preserve the working landscape by making farm and forest operations more financially viable in the face of high property values.

Sec. 15. 32 V.S.A. § 3800 is added to read:

§ 3800. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont federal and State government property exemption in subdivision 3802(1) of this title is to prevent government from taxing itself.

(b) The statutory purpose of the Vermont congressionally chartered organizations exemption in subdivision 3802(2) of this title is to support certain organizations with a patriotic, charitable, historical, or educational purpose.

(c) The statutory purpose of the Vermont public, pious, and charitable property exemption in sections 3832 and 3840 and subdivision 3802(4) of this title is to lower the tax expenses of certain organizations to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(d) The statutory purpose of the Vermont Young Men's and Women's Christian Associations exemption in subdivision 3802(6) of this title is to lower the tax expenses of these organizations to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(e) The statutory purpose of the Vermont cemeteries exemption in subdivision 3802(7) of this title is to exempt property with a fair market value that is difficult to ascertain and for which there are limited options for alternative uses.

(f) The statutory purpose of the Vermont exemption for property owned by agricultural societies in subdivision 3802(9) of this title is to exempt property that is used to publicly support the State's agricultural economy.

(g) The statutory purpose of the Vermont \$10,000.00 exemption of appraised value of a residence for a veteran in subdivision 3802(11) of this title is to provide permanently property tax reductions to households that include a disabled veteran in recognition of his or her service to Vermont and to the country.

(h) The statutory purpose of the Vermont property exclusively installed and operated for the abatement of water pollution exemption in subdivision 3802(12) of this title is to encourage real property improvements that abate water pollution by nonpublic entities that would not qualify for an exemption as a government entity.

(i) The statutory purpose of the Vermont humane societies exemption in section 3802(15) of this title is to eliminate property taxes for organizations that protect animals to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(j) The statutory purpose of the Vermont federally qualified health center or rural health clinic exemption in subdivision 3802(16) of this title is to support health centers that serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, and have an ongoing quality assurance program by lowering their tax expenses.

(k) The statutory purpose of the Vermont railroad property alternative tax scheme in subdivision 3803(1) of this title is to provide an alternative tax scheme in lieu of the traditional method of applying the education property tax rate in order to achieve consistent valuation across municipalities.

(l) The statutory purpose of the Vermont telephone property alternative tax scheme in subdivision 3803(2) of this title is to provide an alternative tax scheme in lieu of the traditional method of applying the education property tax rate in order to achieve consistent valuation across municipalities.

(m) The statutory purpose of the Vermont permanent session law exemptions in 2008 Acts and Resolves No. 190, 1892 Acts and Resolves No. 213, 1945 Acts and Resolves No. 204, 1939 Acts and Resolves No. 250, 1921 Acts and Resolves No. 31, 1921 Acts and Resolves No. 262, 1910 Acts and Resolves No. 370, and 1900 Acts and Resolves No. 244 is to exempt permanently specific properties that have demonstrated an individual purpose to the General Assembly.

Sec. 16. 32 V.S.A. § 5400 is added to read:

§ 5400. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont municipally owned property exemption in subdivision 5401(10)(F) of this title is to prevent government from taxing itself.

(b) The statutory purpose of the Vermont whey processing fixtures exemption in subdivision 5401(10)(G) of this title is to support industries using whey processing facilities to convert waste into value-added products.

(c) The statutory purpose of the Vermont municipalities hosting large power plants exemption in subsection 5402(d) of this title is to lower property taxes by 25 percent for businesses and residents of the community hosting a nuclear power facility.

(d) The statutory purpose of the Vermont qualified housing exemption in subdivision 5404a(a)(6) of this title is to reduce by 10 percent the assessment value on housing units with rent restrictions that make valuing these properties using the non-homestead income approach difficult and to ensure that taxes on this rent restricted housing provided to low and moderate- income Vermonters is more equivalent to property taxed using the state homestead rate.

(e) The statutory purpose of the Vermont tax increment financing districts in subsection 5404a(f) of this title is to allow communities to encourage investment that would not occur without approval of the district and to use locally the additional property tax revenue attributable to those improvements to pay off the debt incurred to construct the improvements.

(f) The statutory purpose of the Vermont Economic Progress Council approved stabilization agreements in section 5404a of this title are to provide exemptions on a case-by-case basis in conjunction with other economic development efforts in order to facilitate economic development that would not occur without the stabilization agreement.

(g) The statutory purpose of the Vermont large power plants alternative tax scheme in subdivision 5401(10)(B) of this title is to provide an alternative tax scheme in lieu of the traditional method of applying the education property tax rate in order to achieve consistent valuation across municipalities.

(h) The statutory purpose of the Vermont wind-powered electric generating facilities alternative tax scheme in subdivision 5401(10)(J)(i) of this title is to provide an alternative tax scheme in lieu of the traditional method of applying the education property tax rate in order to achieve consistent valuation across municipalities.

(i) The statutory purpose of the Vermont renewable energy plant generating electricity from solar power alternative tax structure in subdivision 5401(10)(J)(ii) is to provide an alternative tax scheme in lieu of the traditional

method of applying the education property tax rate in order to achieve consistent valuation across municipalities.

Sec. 17. 32 V.S.A. § 6060 is added to read:

§ 6060. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont property tax adjustments in chapter 154 of this title is to allow property taxes on homesteads is to allow education property taxes on homesteads to be based upon a household's income.

(b) The statutory purpose of the Vermont \$10,000.00 exemption of appraised value of a residence for a veteran in subsection 6066(i) of this title is to permanently provide property tax reductions to households that include a disabled veteran in recognition of his or her service to Vermont and to the country.

* * * Insurance Premium Taxes * * *

Sec. 18. 8 V.S.A. § 3700 is added to read:

§ 3700. STATUTORY PURPOSES

The statutory purpose of the Vermont annuity considerations in section 3718 of this title is to exempt nontraditional insurance or financial products, or both, from taxation in order to avoid reciprocity from foreign jurisdictions.

Sec. 19. 8 V.S.A. § 4460 is added to read:

§ 4460. STATUTORY PURPOSES

The statutory purpose of the Vermont fraternal societies in section 4500 of this title is to support benevolent societies that provide benefits to its members and to the community.

* * * Transportation Taxes * * *

Sec. 20. 23 V.S.A. § 3000 is added to read:

§ 3000. STATUTORY PURPOSES

The statutory purpose of the Vermont diesel tax exemption in section 3003 of this title is to exempt off-road uses and farm trucks from the user fee for the State highway system. The exemption for municipal entities and public transit agencies is to avoid the taxation of governmental and quasi-governmental entities.

Sec. 21. 32 V.S.A. § 8900 is added to read:

§ 8900. STATUTORY PURPOSES

(a) The statutory purpose of the Vermont pious or charitable institutions or volunteer fire companies exemption in subdivision 8911(3) of this title is to lower the tax expenses of pious and charitable organizations considered exempt under subdivision 3802(4) of this title to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(b) The statutory purpose of the Vermont nonregistered vehicles exemption in subdivision 8911(5) of this title is to exempt vehicles that are not entitled to use the State highway system from the tax.

(c) The statutory purpose of the Vermont gifts exemption in subdivision 8911(8) of this title is to avoid the intrusion of a tax into sharing transactions that are common within families.

(d) The statutory purpose of the Internal Revenue Code § 351 exemption in subdivision 8911(10) of this title is to limit the tax to transfers of ownership between two distinct parties.

(e) The statutory purpose of the Vermont handicapped exemption in subdivision 8911(12) of this title is to lessen the cost of purchasing a vehicle that has been modified to meet the physical needs of a qualifying Vermonter.

(f) The statutory purpose of the Vermont veterans exemption in subdivision 8911(14) of this title is to remove every cost to a qualifying veteran of receiving a vehicle granted by the Veterans' Administration.

(g) The statutory purpose of the Vermont general exemption of trade-in value in subdivisions 8902(4) and (5) of this title is to ensure the use value of a vehicle is taxed only once.

Sec. 22. REPEALS

(a) 32 V.S.A. § 9771a (limitation of tax on telecommunications services) is repealed on January 1, 2015.

(b) 32 V.S.A. § 3802(5) (college fraternities and societies exemption) is repealed on July 1, 2014.

* * * Effective Date * * *

Sec. 23. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43 and the recommendation of amendment was agreed to.

Thereupon pending the question, Shall the bill be read the third time? Senator Ashe moved that the bill be amended as follows:

First: In Sec. 4, 32 V.S.A. § 9247, by striking out “30102” and inserting in lieu thereof 30901

Second: In Sec. 17, 32 V.S.A. § 6060, subsection (a), property tax adjustments, by striking out the words “is to allow property taxes on homesteads”

Which was agreed to.

Thereupon, third reading of the bill was ordered.

Message from the House No. 31

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 501. An act relating to operating a motor vehicle under the influence of alcohol or drugs.

H. 584. An act relating to municipal regulation of parking lots and meters.

H. 618. An act relating to delinquency proceedings.

H. 799. An act relating to the importation of firewood.

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

The House has adopted joint resolutions of the following titles:

H.C.R. 255. House concurrent resolution in memory of Dr. Susanne Ehrentheil Learmonth of Corinth.

H.C.R. 256. House concurrent resolution celebrating the preservation and reopening of the Vermont Marble Museum in Proctor.

H.C.R. 257. House concurrent resolution honoring those who care for, educate, and advocate for young Vermonters, and designating March 12, 2014 as Early Childhood Day.

H.C.R. 258. House concurrent resolution honoring Ferrisburgh Town Clerk and Treasurer Chester Hawkins.

H.C.R. 259. House concurrent resolution designating March as Vermont Women’s History Month.

H.C.R. 260. House concurrent resolution congratulating the Carving Studio & Sculpture Center on its 25th anniversary.

H.C.R. 261. House concurrent resolution congratulating Dan Gandin on becoming Vermont's most winning high school basketball coach.

H.C.R. 262. House concurrent resolution saluting the Vermonters who served in the Vietnam War, honoring the memory of those who died in this conflict, and designating March 29, 2014 as Vietnam Veterans Welcome Home Day in Vermont.

H.C.R. 263. House concurrent resolution congratulating Chef Robert Barral on being named the Vermont Chamber of Commerce's 2013 Chef of the Year.

H.C.R. 264. House concurrent resolution congratulating Tim Johnson on the 40th anniversary of his radio broadcasting career.

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

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were adopted in concurrence:

By Representatives Davis and Winters,

By Senator MacDonald,

H.C.R. 255.

House concurrent resolution in memory of Dr. Susanne Ehrentheil Learmonth of Corinth.

By Representative Russell and others,

By Senators Flory, French and Mullin,

H.C.R. 256.

House concurrent resolution celebrating the preservation and reopening of the Vermont Marble Museum in Proctor.

By Representative Miller,

H.C.R. 257.

House concurrent resolution honoring those who care for, educate, and advocate for young Vermonters, and designating March 12, 2014 as Early Childhood Day.

By Representatives Van Wyck and Lanpher,

H.C.R. 258.

House concurrent resolution honoring Ferrisburgh Town Clerk and Treasurer Chester Hawkins.

By All Members of the House,

H.C.R. 259.

House concurrent resolution designating March as Vermont Women's History Month.

By Representative Burditt and others,

By Senators Flory, French and Mullin,

H.C.R. 260.

House concurrent resolution congratulating the Carving Studio & Sculpture Center on its 25th anniversary.

By Representative Klein and others,

By Senators Cummings, Doyle and Pollina,

H.C.R. 261.

House concurrent resolution congratulating Dan Gandin on becoming Vermont's most winning high school basketball coach.

By All Members of the House,

By All Members of the Senate,

H.C.R. 262.

House concurrent resolution saluting the Vermonters who served in the Vietnam War, honoring the memory of those who died in this conflict, and designating March 29, 2014 as Vietnam Veterans Welcome Home Day in Vermont.

By Representatives Shaw and Carr,

By Senators Flory, French and Mullin,

H.C.R. 263.

House concurrent resolution congratulating Chef Robert Barral on being named the Vermont Chamber of Commerce's 2013 Chef of the Year.

By Representative Burke and others,

H.C.R. 264.

House concurrent resolution congratulating Tim Johnson on the 40th anniversary of his radio broadcasting career.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, March 18, 2014, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 48.