

1 Introduced by Committee on Health Care

2 Date:

3 Subject: Health; Medicaid; health insurance; Vermont Health Benefit

4 Exchange; claims tax; State Health Care Resources Fund

5 Statement of purpose of bill as introduced: This bill proposes to establish state
6 premium tax credits and cost-sharing subsidies for individuals purchasing
7 health insurance through the Vermont Health Benefit Exchange. It would
8 **impose an excise tax on sugar-sweetened beverages. The bill would** also
9 consolidate the existing health care claims assessment and the health care
10 information technology reinvestment fee into a new health care claims tax,
11 which would increase over two years from 0.999 percent of an insurer's claims
12 paid in fiscal year 2013 to 1.999 percent of its claims paid in fiscal year 2015.

13 **An act relating to establishing premium and cost-sharing assistance, a**
14 **sugar-sweetened beverage tax, and a health care claims tax**

15 It is hereby enacted by the General Assembly of the State of Vermont:

16 Sec. 1. ~~32 V.S.A. § 307(d) is amended to read:~~

17 ~~(d) The governor's Governor's budget shall include his or her~~
18 ~~recommendations for an annual budget for Medicaid and all other health~~
19 ~~care assistance programs administered by the agency of human services~~
20 ~~Agency of Human Services. The governor's Governor's proposed~~

1 ~~Medicaid budget shall include a proposed annual financial plan, and a~~
2 ~~proposed five-year financial plan, with the following information and~~
3 ~~analysis:~~

4 * * *

5 ~~(5) health care inflation trends consistent with provider~~
6 ~~reimbursements approved under 18 V.S.A. § 9376 and hospital budgets~~
7 ~~approved by the Green Mountain Care Board under 18 V.S.A. chapter~~
8 ~~221, subchapter 7;~~

9 ~~(6) recommendations for funding provider reimbursement at levels~~
10 ~~sufficient to ensure reasonable access to care, and at levels at least equal to~~
11 ~~Medicare reimbursement;~~

12 * * *

13 ~~Sec. 2.~~ 33 V.S.A. § 1802(9) is added to read:

14 (9) “Modified adjusted gross income” shall have the same meaning as in
15 26 U.S.C. § 36B(d)(2)(B).

16 Sec. 2. 33 V.S.A. § 1812 is added to read:

17 § 1812. FINANCIAL ASSISTANCE TO INDIVIDUALS

18 (a)(1) An individual or family eligible for federal premium tax credits
19 under 26 U.S.C. § 36B with income less than or equal to 300 percent of the
20 federal poverty level (FPL) shall be eligible for premium assistance from the
21 State of Vermont.

1 (2) The Department of Vermont Health Access shall establish a
2 premium schedule on a sliding scale based on modified adjusted gross income
3 for the individuals and families described in subdivision (1) of this subsection.
4 The Department shall reduce the premium contribution for these individuals
5 and families by 1.5 percent below the premium amount established in
6 26 U.S.C. § 36B.

7 (3) Premium assistance shall be available for the same qualified health
8 benefit plans for which federal premium tax credits are available.

9 (b)(1) An individual or family with income at or below ~~350~~ 300 percent
10 FPL shall be eligible for cost-sharing assistance, including a reduction in the
11 out-of-pocket maximums established under Section 1402 of the Affordable
12 Care Act.

13 (2) The Department of Vermont Health Access shall establish
14 cost-sharing assistance on a sliding scale based on modified adjusted gross
15 income for the individuals and families described in subdivision (1) of this
16 subsection. Cost-sharing assistance shall be established as follows:

17 (A) for households with income at or below 150 percent FPL: 94
18 percent actuarial value;

19 (B) for households with income above 150 percent FPL and at or
20 below 200 percent FPL: 87 percent actuarial value;

1 (C) for households with income above 200 percent FPL and at or
2 below 250 percent FPL: ~~83~~ 77 percent actuarial value; and

3 (D) for households with income above 250 percent FPL and at or
4 below 300 percent FPL: ~~77~~ 73 percent actuarial value; and

5 ~~(E) for households with income above 300 percent FPL and at or~~
6 ~~below 350 percent FPL: 73 percent actuarial value.~~

7 (3) Cost-sharing assistance shall be available for the same qualified
8 health benefit plans for which federal cost-sharing assistance is available and
9 shall be administered using the same methods set forth in Section 1402 of the
10 Affordable Care Act.

11 (c) To the extent feasible, the Department shall use the same mechanisms
12 provided in the Affordable Care Act to establish financial assistance under this
13 section in order to minimize confusion and complication for individuals,
14 families, and health insurers.

15 Sec. 3. 21 V.S.A. § 2002(3) is amended to read:

16 (3) “Full-time equivalent” or “FTE” means the number of employees
17 expressed as the number of employee hours worked during a calendar quarter
18 divided by 520. “Full-time equivalent” shall not include any employee hours
19 attributable to a seasonal employee or part-time employee of an employer who
20 offers health care coverage to all of its regular full-time employees, provided

1 that the seasonal employee or part-time employee has health care coverage
2 under either a private or any public plan except ~~VHAP or~~ Medicaid.

3 Sec. 4. 21 V.S.A. § 2003 is amended to read:

4 § 2003. HEALTH CARE FUND CONTRIBUTION ASSESSMENT

5 * * *

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

18 * * *

19 (d) Revenues from the ~~health care fund~~ Health Care Fund contributions
20 collected shall be deposited into the state ~~health care resources fund~~ Health
21 Care Resources Fund established under 33 V.S.A. § 1901d ~~for the purpose of~~

1 ~~financing health care coverage under Catamount Health assistance, as provided~~
2 ~~under 33 V.S.A. chapter 19, subchapter 3a.~~

3 Sec. 5. 33 V.S.A. § 1901d is amended to read:

4 § 1901d. STATE HEALTH CARE RESOURCES FUND

5 (a) The ~~state health care resources fund~~ State Health Care Resources Fund
6 is established in the ~~treasury~~ Treasury as a special fund to be a source of
7 financing health care coverage for beneficiaries of the state health care
8 assistance programs under the Global Commitment to ~~health~~ Health waiver
9 approved by the Centers for Medicare and Medicaid Services under Section
10 1115 of the Social Security Act ~~and for the Catamount Health assistance~~
11 ~~program under subchapter 3A of chapter 19 of this title~~ and a source of
12 financing for the Vermont Health Benefit Exchange established in chapter 18,
13 subchapter 1 of this title.

14 (b) Into the ~~fund~~ Fund shall be deposited:

15 (1) all revenue from the tobacco products tax and from the cigarette tax
16 levied pursuant to 32 V.S.A. chapter 205;

17 (2) revenue from health care provider assessments pursuant to
18 subchapter 2 of chapter 19 of this title;

19 (3) revenue from the employer health care premium contribution
20 pursuant to 21 V.S.A. chapter 25;

1 (4) revenue from the health care claims ~~assessments~~ tax pursuant to
2 ~~8 V.S.A. § 40891~~ 32 V.S.A. § 10402(b)(2);

3 (5) premium amounts paid by individuals unless paid directly to the
4 insurer;

5 (6) the proceeds from grants, donations, contributions, taxes, and any
6 other sources of revenue as may be provided by statute, rule, or act of the
7 ~~general assembly~~ General Assembly; ~~and~~

8 (7) any remaining balance in the terminated Catamount ~~fund~~ Fund as of
9 June 30, 2012; ~~and~~

10 **(8) all revenue from the sugar-sweetened beverage tax levied**
11 **pursuant to 32 V.S.A. chapter 227.**

12 * * *

13 (d) All monies received by or generated to the ~~fund~~ Fund shall be used only
14 as allowed by appropriation of the ~~general assembly~~ General Assembly for the
15 administration and delivery of health care covered through state health care
16 assistance programs administered by the ~~agency~~ Agency under the Global
17 Commitment for Health Medicaid Section 1115 waiver, ~~the Catamount Health~~
18 ~~assistance program under subchapter 3A of chapter 19 of this title,~~
19 ~~employer sponsored insurance premium assistance under section 1974 of this~~
20 ~~title,~~ the Vermont Health Benefit Exchange established in chapter 18,
21 subchapter 1 of this title, immunizations under 18 V.S.A. § 1130, and the

1 development and implementation of the Blueprint for Health under 18 V.S.A.
2 § 702.

3 Sec. 6. 32 V.S.A. chapter 243 is added to read:

4 CHAPTER 243. HEALTH CARE CLAIMS TAX

5 § 10401. DEFINITIONS

6 As used in this section:

7 (1) “Health insurance” means any group or individual health care
8 benefit policy, contract, or other health benefit plan offered, issued, renewed,
9 or administered by any health insurer, including any health care benefit plan
10 offered, issued, renewed, or administered by any health insurance company,
11 any nonprofit hospital and medical service corporation, **any dental service**
12 **corporation**, or any managed care organization as defined in 18 V.S.A.

13 § 9402. The term includes comprehensive major medical policies, contracts,
14 or plans and Medicare supplemental policies, contracts, or plans, but does not
15 include Medicaid, ~~VHAP~~, or any other state health care assistance program **in**
16 **which claims are** financed in whole or in part through a federal program,
17 unless authorized by federal law and approved by the General Assembly. The
18 term does not include policies issued for specified disease, accident, injury,
19 hospital indemnity, ~~dental care~~, long-term care, disability income, or other
20 limited benefit health insurance policies, **except that any policy providing**
21 **coverage for dental services shall be included.**

1 (2) “Health insurer” means any person who offers, issues, renews, or
2 administers a health insurance policy, contract, or other health benefit plan in
3 this State, and includes third party administrators or pharmacy benefit
4 managers who provide administrative services only for a health benefit plan
5 offering coverage in this State. The term does not include a third party
6 administrator or pharmacy benefit manager to the extent that a health insurer
7 has paid the fee which would otherwise be imposed in connection with health
8 care claims administered by the third party administrator or pharmacy benefit
9 manager. ~~The term also does not include a health insurer with a monthly~~
10 ~~average of fewer than 200 Vermont insured lives.~~

11 § 10402. HEALTH CARE CLAIMS TAX

12 (a) There is imposed on every health insurer an annual tax in an amount
13 equal to 0.999 of one percent of all health insurance claims paid by the health
14 insurer for its Vermont members. ~~The tax is imposed with respect to claims~~
15 ~~paid~~ in the previous fiscal year ending June 30 ~~and shall be paid to the~~
16 ~~Commissioner of Taxes in equal installments on the first day of~~
17 ~~November, January, April, and June. The annual fee shall be paid to the~~
18 ~~Commissioner of Taxes in one installment due by January 1.~~

19 (b) Revenues paid and collected under this chapter shall be deposited as
20 follows:

1 (1) 0.199 of one percent of all health insurance claims into the Health
2 IT-Fund established in 32 V.S.A. § 10301; and

3 (2) the balance into the State Health Care Resources Fund established in
4 33 V.S.A. § 1901d.

5 (c) The annual cost to obtain Vermont Healthcare Claims Uniform
6 Reporting and Evaluation System (VHCURES) data, pursuant to 18 V.S.A.
7 § 9410, for use by the Department of Taxes shall be paid from the Vermont
8 Health IT-Fund and the State Health Care Resources Fund in the same
9 proportion as revenues are deposited into those Funds.

10 (d) It is the intent of the General Assembly that all health insurers shall
11 contribute equitably through the tax imposed in subsection (a) of this section.
12 In the event that the tax is found not to be enforceable as applied to third party
13 administrators or other entities, the tax owed by all other health insurers shall
14 remain at the existing level and the General Assembly shall consider
15 alternative funding mechanisms that would be enforceable as to all health
16 insurers.

17 § 10403. ADMINISTRATION OF TAX

18 (a) The Commissioner of Taxes shall administer and enforce this chapter
19 and the tax. The Commissioner may adopt rules under 3 V.S.A. chapter 25 to
20 carry out such administration and enforcement.

1 (b) All of the administrative provisions of chapter 151 of this title,
2 including those relating to the collection and enforcement by the
3 Commissioner of the withholding tax and the income tax, shall apply to the tax
4 imposed by this chapter. In addition, the provisions of chapter 103 of this title,
5 including those relating to the imposition of interest and penalty for failure to
6 pay the tax as provided in section 10402 of this title, shall apply to the tax
7 imposed by this chapter.

8 § 10404. DETERMINATION OF DEFICIENCY, REFUND, PENALTY, OR
9 INTEREST

10 (a) Within 60 days after the mailing of a notice of deficiency, denial or
11 reduction of a refund claim, or assessment of penalty or interest, ~~the taxpayer~~
12 **a health insurer** may petition the Commissioner in writing for a determination
13 of that deficiency, refund, or assessment. The Commissioner shall thereafter
14 grant a hearing upon the matter and notify the ~~taxpayer~~ **health insurer** in
15 writing of his or her determination concerning the deficiency, penalty, or
16 interest. This is the exclusive remedy of a ~~taxpayer~~ **health insurer** with
17 respect to these matters.

18 (b) Any hearing granted by the Commissioner under this section shall be
19 subject to and governed by 3 V.S.A. chapter 25.

20 (c) Any aggrieved ~~taxpayer~~ **health insurer** may, within 30 days after a
21 determination by the Commissioner concerning a notice of deficiency, an

1 assessment of penalty or interest, or a claim to refund, appeal that
2 determination to the Washington Superior Court or to the Superior Court for
3 the county in which the ~~taxpayer resides or health insurer~~ has a place of
4 business.

5 Sec. 7. 32 V.S.A. § 3102(e) is amended to read:

6 (e) The ~~commissioner~~ Commissioner may, in his or her discretion and
7 subject to such conditions and requirements as he or she may provide,
8 including any confidentiality requirements of the Internal Revenue Service,
9 disclose a return or return information:

10 ***

11 (14) to the office of the ~~state treasurer~~ State Treasurer, only in the
12 form of mailing labels, with only the last address known to the ~~department~~
13 ~~of taxes~~ Department of Taxes of any person identified to the ~~department~~
14 Department by the ~~treasurer~~ Treasurer by name and Social Security
15 number, for the ~~treasurer's~~ Treasurer's use in notifying owners of
16 unclaimed property; and

17 (15) to the ~~department of liquor control~~ Department of Liquor Control,
18 provided that the information is limited to information concerning the sales and
19 use tax and meals and rooms tax filing history with respect to the most recent
20 five years of a person seeking a liquor license or a renewal of a liquor
21 license; and

1 (1) revenue from the ~~reinvestment fee~~ health care claims tax imposed on
2 health insurers pursuant to ~~8 V.S.A. § 4089k~~ subdivision 10402(b)(1) of this
3 title.

4 * * *

5 Sec. 11. 2008 Acts and Resolves No. 192, Sec. 9.001(g) is amended to read:

6 (g) Sec. 7.005 of this act shall sunset July 1, ~~2015~~ 2013.

7 Sec. 12. 32 V.S.A. chapter 227 is added to read:

8 CHAPTER 227. SUGAR-SWEETENED BEVERAGE TAX

9 § 9401. DEFINITIONS

10 As used in this chapter:

11 (1) “Commissioner” means the Commissioner of Taxes and his or her
12 authorized agents and employees.

13 (2) “Consumer” means a person who purchases or otherwise obtains a
14 sugar-sweetened beverage for consumption and not for sale to another.

15 (3) “Department” means the Vermont Department of Taxes.

16 (4) “Distributor” means any person, including a manufacturer and a
17 wholesale dealer, who receives, stores, manufactures, bottles, or distributes
18 syrup, powder, or sugar-sweetened beverages for sale to retailers, whether or
19 not that person also sells such products to consumers. “Distributor” also
20 means any person importing or causing to be imported syrup, powder, or

1 sugar-sweetened beverages into the state from outside the state for sale to a
2 retailer or consumer.

3 (5) “Place of business” means any place where syrup, powder, or
4 sugar-sweetened beverages are manufactured or received for sale in the state.

5 (6) “Powder” means any solid mixture of ingredients used in making,
6 mixing, or compounding sugar-sweetened beverages by mixing the powder
7 with any one or more other ingredients, including water, ice, syrup, simple
8 syrup, fruits, vegetables, fruit juice, vegetable juice, or carbonation or
9 other gas.

10 (7) “Retailer” means any person who sells syrup, powder, or
11 sugar-sweetened beverages to consumers in the state.

12 (8) “Sale” means the transfer of title or possession for valuable
13 consideration regardless of the manner by which the transfer is completed.

14 (9) “Sugar-sweetened beverage” means any nonalcoholic beverage,
15 carbonated or noncarbonated, which is intended for human consumption and
16 contains any added sweetener. As used in this definition, “nonalcoholic
17 beverage” means any beverage that contains less than one-half of one percent
18 alcohol per volume. However, the term “sugar-sweetened beverage” does
19 not include:

20 (A) beverages consisting of 100 percent natural fruit or vegetable
21 juice with no added sweetener. For purposes of this subdivision (9), “natural

1 fruit juice” and “natural vegetable juice” mean the original liquid resulting
2 from the pressing of fruits or vegetables or the liquid resulting from the
3 dilution of dehydrated natural fruit juice or natural vegetable juice;

4 (B) milk, with or without any added sweetener, which means natural
5 liquid milk regardless of animal source or butterfat content; natural milk
6 concentrate, whether or not reconstituted, regardless of animal source or
7 butterfat content; dehydrated natural milk, whether or not reconstituted and
8 regardless of animal source or butterfat content; or soy, rice, or similar milk
9 substitutes;

10 (C) maple syrup or raw honey; or

11 (D) infant formula.

12 (10) “Sweetener” means any caloric substance suitable for human
13 consumption that humans perceive as sweet and includes sucrose, fructose,
14 glucose, ~~or other sugars, or fruit juice concentrates~~ but does not include any
15 substance that adds fewer than five calories per reference amount customarily
16 consumed or per labeled serving.

17 (11) “Syrup” means a liquid mixture of ingredients used in making,
18 mixing, or compounding sugar-sweetened beverages using one or more other
19 ingredients, such as water, ice, powder, simple syrup, fruits, vegetables, fruit
20 juice, vegetable juice, or carbonation or other gas. However, the term “syrup”
21 does not include maple syrup or raw honey.

1 § 9402. TAX IMPOSED

2 (a) There is imposed an excise tax on every distributor of \$0.01 per ounce
3 upon sugar-sweetened beverages sold in the State.

4 (b) There is imposed on every distributor an excise tax of \$0.01 per ounce
5 of syrup and powder sold in the State. For purposes of calculating the tax
6 under this subsection, the taxable volume of syrup or powder shall be equal to
7 the largest volume of sugar-sweetened beverage resulting from use of the syrup
8 or powder according to the manufacturer's instructions.

9 § 9403. RETURNS AND REMITTANCES

10 (a) Any distributor liable for the tax imposed by this chapter shall, on or
11 before the 15th day of every month, return to the Commissioner, under oath of
12 a person with legal authority to bind the distributor, a statement containing its
13 name and place of business, the quantity of syrup, powder, and
14 sugar-sweetened beverages subject to the excise tax imposed by this chapter
15 sold in the preceding month, and any other information required by the
16 Commissioner, along with the tax due.

17 (b) The revenue from the tax imposed by this chapter shall be deposited in
18 the State Health Care Resources Fund established under 33 V.S.A. § 1901d.

19 (c) The Agency of Human Services, with the assistance of the Agency of
20 Education, and the Agency of Agriculture, Food and Markets shall report to
21 the House Committee on Health Care and the Senate Committee on Health and

1 Welfare, no later than January 15, 2014, ~~on ways to use the funds generated~~
2 ~~by the tax in this chapter to support programs combating obesity a plan~~
3 ~~for how xxx percent of the revenue from the tax imposed by this chapter~~
4 will be used to:

5 (1) subsidize the purchase of fruits and vegetables by WIC and
6 3SquaresVT recipients;

7 (2) establish a revolving loan fund to facilitate the purchase of
8 energy-efficient refrigeration equipment for the sale of fruits and
9 vegetables by small food retailers;

10 (3) provide electronic benefits transfer terminals to all Vermont
11 farmers' markets as well as technical assistance, promotional support, and
12 reimbursement to farmers' markets for transaction costs;

13 (4) subsidize school meals for low-income Vermonters; and

14 (5) create a permanent and self-sustaining fund to support
15 programs combating obesity to be administered by a board comprising
16 representatives from the Agency of Human Services, the Agency of
17 Education, and the Agency of Agriculture, Food and Markets.

18 § 9404. RECORDS

19 Every distributor shall maintain, for not less than three years, accurate
20 records showing all transactions subject to tax liability under this chapter.

21 Distributors must identify the amount of tax collected on a separate invoice

1 line on sales to retailers. These records are subject to inspection by the
2 Commissioner at all reasonable times during normal business hours.

3 § 9405. EXEMPTIONS

4 The following shall be exempt from the tax imposed by section 9402 of this
5 chapter:

6 (1) syrup, powder, or sugar-sweetened beverages sold to the
7 U.S. government, its subdivisions, or under any other circumstances in which
8 the State is without power to impose the tax;

9 (2) syrup, powder, or sugar-sweetened beverages sold by a distributor
10 for resale or consumption outside the State; and

11 (3) syrup, powder, or sugar-sweetened beverages sold by a distributor to
12 another distributor and not intended for resale to a consumer if the purchasing
13 distributor holds a license issued under section 9406 of this chapter and if the
14 sales invoice clearly indicates that the sale is exempt.

15 § 9406. LICENSE REQUIRED

16 Each distributor shall secure a license from the Commissioner before
17 engaging in the business of selling sugar-sweetened beverages in the State.

18 § 9407. APPLICATION FOR AND ISSUANCE OF LICENSE

19 (a) A separate application and license is required for each wholesale outlet
20 when a distributor owns or controls more than one such outlet.

1 (b) Licenses shall be issued by the Commissioner on application, without
2 charge, on forms prescribed by the Commissioner, stating the name and
3 address of the applicant, the address of the place of business, the type of
4 business, and any other information the Commissioner may require for the
5 proper administration of this chapter.

6 § 9408. TERM OF LICENSES

7 Each license issued under the provisions of this chapter shall be valid as
8 long as the licensee continues to do business at the place named, unless the
9 license is revoked or suspended by the Commissioner as provided in section
10 9409 of this chapter. If the business is sold or transferred or if the licensee
11 ceases to do business at the place named, the license shall immediately be
12 returned to the Commissioner for cancellation.

13 § 9409. REVOCATION AND SUSPENSION OF LICENSES

14 The Commissioner may revoke or suspend the license of any licensee for
15 failure to comply with any provision of this chapter or for failure to comply
16 with the provisions of 11 V.S.A. chapter 15.

17 § 9410. PENALTIES

18 (a) Any person subject to the provisions of this chapter who fails to pay the
19 tax imposed by this chapter by the date that payment is due or fails to submit a
20 return as required by this chapter is subject to the provisions of section 3202 of
21 this title (interest and penalties).

1 (b) Any person subject to the provisions of this chapter who sells or offers
2 for sale any syrup, powder, or sugar-sweetened beverages in the State without
3 holding a license as required by this chapter is liable for a penalty of up to
4 \$100.00 for each day such sales are made or offered.

5 § 9411. APPEALS

6 Any person aggrieved by an action taken by the Commissioner under this
7 chapter may appeal in writing to the Commissioner for a review. The
8 Commissioner shall then grant a hearing under 3 V.S.A. chapter 25 and notify
9 the aggrieved person in writing of his or her determination. The
10 Commissioner's determination may be appealed within 30 days to the Superior
11 Court of the county of this State in which the taxpayer resides or has a place of
12 business or to the Superior Court of Washington County.

13 § 9412. BONDING

14 When the Commissioner, in his or her discretion, considers it necessary to
15 protect the revenues raised under this chapter, he or she may require any
16 licensee to file with him or her a bond under the terms of section 3114 of
17 this title.

18 Sec. 13. MONITORING

19 The Department of Health shall develop criteria and components for an
20 independent evaluation to assess the impact that the sugar-sweetened beverage
21 tax has on consumption of products affected by the implementation of the tax.

1 Specifically, the evaluation shall seek to determine the impact of these
2 exclusions on consumer purchasing and health outcomes. The amount of
3 \$100,000.00 is appropriated to the Department of Health for this purpose.

4 Sec. 14. LEGISLATIVE INTENT

5 It is the intent of the General Assembly that the excise tax created by this
6 act shall have the effect of raising the retail price of sugar sweetened beverages
7 by the amount of the tax. Executive agencies shall interpret and implement
8 this tax in such a way as to further this intent.

9 Sec. 15. REPEAL

10 (a) 8 V.S.A. § 4089I (health care claims assessment) is repealed on July 1,
11 2013.

12 (b) 21 V.S.A. chapter 25 (employers' health care fund contribution) is
13 repealed on January 1, 2015.

14 Sec. 16. EFFECTIVE DATES

15 (a) Secs. 1 (modified adjusted gross income definition) and 2 (Exchange
16 financial assistance), and 4 (employer assessment) of this act shall take effect
17 on ~~December 1, 2013 to allow for coverage in~~ October 1, 2013 to allow for
18 their application to insurance plans with coverage beginning January 1,
19 2014.

1 **(b) Secs. 3 (VHAP), 4 (modifications to employers' health care fund**
2 **contribution), and 5 (State Health Care Resources Fund) of this act shall take**
3 **effect on January 1, 2014.**

4 (c) Secs. 6 and 7 (0.999 percent health care claims tax) of this act shall take
5 effect on July 1, 2013.

6 (d) Sec. 8 (1.499 percent health care claims tax) of this act shall take effect
7 with respect to taxes due in fiscal year 2015 on claims paid in fiscal year 2014.

8 (e) Sec. 9 (1.999 percent health care claims tax) of this act shall take effect
9 with respect to taxes due in fiscal year 2016 and thereafter on claims paid in
10 fiscal year 2015 and thereafter.

11 **(f) Secs. 12–14 (sugar-sweetened beverage tax) of this act shall take**
12 **effect on July 1, 2013.**

13 (g) The remaining sections of this act, including this section, shall take
14 effect on passage.