

House Calendar

Wednesday, May 06, 2015

120th DAY OF THE BIENNIAL SESSION

House Convenes at 1:00 P.M.

TABLE OF CONTENTS

Page No.

ACTION CALENDAR

Action Postponed Until May 6, 2015

Senate Proposal of Amendment

H. 98 Reportable disease registries and data.....	2575
H. 241 Rulemaking on emergency involuntary procedures	2577
H. 488 The State's Transportation Program and miscellaneous changes to laws related to transportation	2577
Rep. Brennan amendment	2594

Senate Proposal of Amendment to House Proposal of Amendment to Senate Proposal of Amendment to House Proposal of Amendment

S. 13 An act relating to the Vermont Sex Offender Registry	2595
---	------

NEW BUSINESS

Third Reading

H. 355 Licensing and regulating foresters	2595
S. 93 An act relating to lobbying disclosures	2595
Rep. Wright et al amendment	2595
S. 102 An act relating to forfeiture of property associated with animal fighting and certain regulated drug possession, sale, and trafficking violations	2598
Rep. Higley amendment	2598

NOTICE CALENDAR

Favorable with Amendment

H. 37 The safety and regulation of dams	2598
Rep. McCullough for Fish, Wildlife and Water Resources	

S. 73 An act relating to State regulation of rent-to-own agreements for merchandise 2613
Rep. Dakin for Commerce and Economic Development
Rep. Lanpher for Appropriations 2636

Favorable

S. 41 An act relating to developing a strategy for evaluating the effectiveness of individual tax expenditures 2637
Rep. Condon for Ways and Means

Committee of Conference Report

S. 115 An act relating to expungement of convictions based on conduct that is no longer criminal..... 2637

ORDERS OF THE DAY

ACTION CALENDAR

Action Postponed Until May 6, 2015

Senate Proposal of Amendment

H. 98

An act relating to reportable disease registries and data

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

First: by adding two new sections to be numbered Secs. 3 and 4 to read as follows:

Sec. 3. 18 V.S.A. § 1122 is amended to read:

§ 1122. EXEMPTIONS

(a) Notwithstanding subsections 1121(a) and (b) of this title, a person may remain in school or in ~~the~~ a child care facility without a required immunization:

(1) If the person or, in the case of a minor, the person's parent or guardian presents a form created by the ~~department~~ Department and signed by a licensed health care practitioner authorized to prescribe vaccines or a health clinic stating that the person is in the process of being immunized. The person may continue to attend school or ~~the~~ a child care facility for up to six months while the immunization process is being accomplished;

(2) If a health care practitioner, licensed to practice in Vermont and authorized to prescribe vaccines, certifies in writing that a specific immunization is or may be detrimental to the person's health or is not appropriate, provided that when a particular vaccine is no longer contraindicated, the person shall be required to receive the vaccine;~~or.~~

(3) If the person or, in the case of a minor, the person's parent or guardian annually provides a signed statement to the school or child care facility on a form created by the ~~Vermont department of health~~ Department that the person, parent, or guardian:

(A) holds religious beliefs ~~or philosophical convictions~~ opposed to immunization; and

(B) has reviewed ~~and understands~~ evidence-based educational material provided by the ~~department of health~~ Department regarding immunizations, including:

(i) information about the risks of adverse reactions to immunization;

~~(C)~~(ii) ~~understands information~~ that failure to complete the required vaccination schedule increases risk to the person and others of contracting or carrying a vaccine-preventable infectious disease; and

~~(D)~~(iii) ~~understands information~~ that there are persons with special health needs attending schools and child care facilities who are unable to be vaccinated or who are at heightened risk of contracting a vaccine-preventable communicable disease and for whom such a disease could be life-threatening.

* * *

Sec. 4. 18 V.S.A. § 1124 is amended to read:

§ 1124. ACCESS TO AND REPORTING OF IMMUNIZATION RECORDS

(a) In addition to any data collected in accordance with the requirements of the Centers for Disease Control and Prevention, the ~~Vermont department of health~~ Department shall annually collect from schools the immunization rates for at least those students in the first and eighth grades for each required vaccine. The data collected by the ~~department~~ Department shall include the number of medical, ~~philosophical,~~ and religious exemptions filed for each required vaccine and the number of students with a provisional admittance.

* * *

And by renumbering the existing Secs. 3 and 4 to be Secs. 5 and 6, respectively.

Second: In renumbered Sec. 5, 18 V.S.A. § 1129, in subsection (b), in the fourth sentence, by striking out the phrase “as defined in 16 V.S.A. § 1691a”.

Third: In renumbered Sec. 5, 18 V.S.A. § 1129, by inserting a new subsection to be subsection (g) to read as follows:

(g) As used in this section, “administrator” means an individual licensed under 16 V.S.A. chapter 5, the majority of whose employed time in a public school, school district, or supervisory union is assigned to developing and managing school curriculum, evaluating and disciplining personnel, or supervising and managing a school system or school program. “Administrator” also means an individual employed by an approved or recognized independent school the majority of whose assigned time is devoted to those duties.

(For text see House Journal 3/18/2015)

H. 241

An act relating to rulemaking on emergency involuntary procedures

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

First: In Sec.1, subsection (a), subdivisions (1) and (2)(B), by striking out the words “as a nurse practitioner” after Vermont Board of Nursing where it twice appears

Second: By striking out Sec. 2 in its entirety and inserting in lieu thereof the following:

Sec. 2. 18 V.S.A. § 7251 is amended to read:

§ 7251. PRINCIPLES FOR MENTAL HEALTH CARE REFORM

The General Assembly adopts the following principles as a framework for reforming the mental health care system in Vermont:

* * *

(9) Individuals with a psychiatric disability or mental condition who are in the custody or temporary custody of the Commissioner of Mental Health and who receive treatment in an acute inpatient hospital unit, intensive residential recovery facility, or a secure residential recovery facility shall be afforded ~~at least the same rights and protections as those individuals cared for at the former Vermont State Hospital~~ that reflect evidence-based best practices aimed at reducing the use of emergency involuntary procedures.

(For text see House Journal 3/17/2015 &3/18/2015)

H. 488

An act relating to the State’s Transportation Program and miscellaneous changes to laws related to transportation

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

* * * Transportation Program; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation’s proposed fiscal year 2016 Transportation Program appended to the Agency of Transportation’s proposed fiscal year 2016 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) As used in this act, unless otherwise indicated:

(1) “Agency” means the Agency of Transportation.

(2) “Secretary” means the Secretary of Transportation.

(3) The table heading “As Proposed” means the Transportation Program referenced in subsection (a) of this section; the table heading “As Amended” means the amendments as made by this act; the table heading “Change” means the difference obtained by subtracting the “As Proposed” figure from the “As Amended” figure; and the term “change” or “changes” in the text refers to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table heading.

(4) “TIB funds” or “TIB” refers to monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

* * * Personnel-related Savings * * *

Sec. 2. FISCAL YEAR 2016 PERSONNEL-RELATED SAVINGS

In addition to all other reductions in spending authority under this act, overall fiscal year 2016 Transportation Program spending is reduced by \$1,500,000.00 in transportation funds, to be achieved through a combination of personnel, labor, or consultant cost savings identified by the Secretary.

* * * Program Development – Funding * * *

Sec. 3. PROGRAM DEVELOPMENT – FUNDING

(a) Spending authority in Program Development in fiscal year 2016 is modified in accordance with this section. Among projects selected in the Secretary’s discretion in accordance with subsection (b) of this section, the Secretary shall:

(1) increase project spending authority in the total amount of \$3,514,996.00 in transportation funds;

(2) reduce project spending authority in the total amount of \$6,600,000.00 in TIB funds; and

(3) reduce project spending authority in the total amount of \$12,340,016.00 in federal funds.

(b) In exercising his or her discretion to select projects on which spending will be reduced, the Secretary shall not delay a project that otherwise would proceed in fiscal year 2016, unless the full amount of the reduction required under subsection (a) of this section cannot be achieved from project savings or unforeseen delays that prevent a project from proceeding in fiscal year 2016. If a project that otherwise would have proceeded in fiscal year 2016 is delayed, the Secretary shall promptly notify:

(1) the House and Senate Committees on Transportation when the

General Assembly is in session; or

(2) the Joint Transportation Oversight Committee and the Joint Fiscal Committee Office when the General Assembly is not in session.

* * * Contingent Spending Authority * * *

Sec. 3a. CONTINGENT SPENDING AUTHORITY; DELAYED PROJECTS AND PAVING PROGRAM PROJECTS OR ACTIVITIES

(a) As used in this section:

(1) The phrase “net balance” means an overall positive balance consisting of either the sum of any unreserved monies in the Transportation Fund and TIB Fund remaining at the end of fiscal year 2015, or the overall positive balance in either Fund at the end of fiscal year 2015 after subtracting any deficit in the other Fund.

(2) The phrase “net increase” means an overall increase in forecasted revenues under the July 2015 consensus revenue forecast over the January 2015 consensus revenue forecast for fiscal year 2016, consisting of either the sum of forecasted increases in Transportation Fund and TIB Fund revenues, or an overall increase in forecasted revenues after subtracting a forecasted downgrade in either Fund.

(b) Subject to the funding of the Transportation Fund Stabilization Reserve in accordance with 32 V.S.A. § 308a and to the limitations of 19 V.S.A. § 11f (Transportation Infrastructure Bond Fund), and notwithstanding 32 V.S.A. § 308c (Transportation Fund Balance Reserve), if any net balance exists at the end of fiscal year 2015, or if there is a net increase in the July 2015 consensus revenue forecast, up to a total amount of \$3,000,000.00 of the net balance and the net increase, and up to a total amount of \$12,000,000.00 in matching federal funds, is authorized for expenditure to be used on a project that otherwise would be required to be delayed under Sec. 3 of this act.

(c) If the full amount of any net balance and net increase is not expended under subsection (b) of this section, the remaining amount is authorized for expenditure to advance Paving Program projects or to increase Statewide Paving Program activities in the Transportation Program adopted under this act.

(d) If the Agency expends funds under the authority of this section, it shall notify the House and Senate Committees on Transportation when the General Assembly is in session, or the Joint Transportation Oversight Committee when the General Assembly is not in session.

* * * Maintenance Program * * *

Sec. 4. MAINTENANCE PROGRAM

(a) Total authorized spending in the Maintenance Program is amended as follows:

<u>FY 16</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Personal services	43,784,445	43,784,445	0
Operating expenses	43,890,139	43,190,139	-700,000
Grants	95,000	95,000	0
Total	87,769,584	87,069,584	-700,000
<u>Sources of funds</u>			
State	83,169,447	82,469,447	-700,000
Federal	4,500,137	4,500,137	0
Interdep't transfer	100,000	100,000	0
Total	87,769,584	87,069,584	-700,000

(b) The reduction in authorized Maintenance Program spending under subsection (a) of this section shall be allocated among maintenance activities as specified by the Secretary.

* * * Town Highway Structures * * *

Sec. 5. TOWN HIGHWAY STRUCTURES

Spending authority for Town Highway Structures Program is amended to read:

<u>FY 16</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	6,333,500	9,483,500	3,150,000
Total	6,333,500	9,483,500	3,150,000
<u>Sources of funds</u>			
State	6,333,500	9,483,500	3,150,000
Federal	0	0	0
Total	6,333,500	9,483,500	3,150,000

* * * Town Highway Bridge Program * * *

Sec. 6. TOWN HIGHWAY BRIDGE PROGRAM; PROJECT CANCELLATION

Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project from the Town Highway Bridge Program candidate list: Fair Haven BO 1443() (scoping for BR2 on TH45).

* * * Rest Areas * * *

Sec. 7. REST AREAS PROGRAM; PROJECT CANCELLATION

Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following Rest Areas Program project: Derby IM 091-3(8) (expansion of Derby I-91 rest area).

Sec. 8. REST AREAS PROGRAM; PROJECT ADDITION

The following project is added to the candidate list of the Rest Areas Program within the fiscal year 2016 Transportation Program: Derby IM 091-3 () (rehabilitation of Derby I-91 rest area).

* * * Central Garage * * *

Sec. 9. TRANSFER TO CENTRAL GARAGE FUND

Notwithstanding 19 V.S.A. § 13(c), in fiscal year 2016, the amount of \$162,504.00 is transferred from the Transportation Fund to the Central Garage Fund created in 19 V.S.A. § 13.

* * * Transportation Funding Analysis * * *

Sec. 10. AGENCY ANALYSIS OF TRANSPORTATION FUNDING

(a) The Agency shall identify and evaluate funding sources, other than motor vehicle fuel taxes, that will be sufficient to maintain the State's transportation system, accounting for State and federal policies that have and will continue to reduce motor vehicle fuel consumption. In conducting this analysis, the Agency shall:

(1) review current State and federal transportation funding sources and policies, as well as policies and trends that have and will continue to reduce motor vehicle fuel consumption;

(2) review and expand on the funding options contained in the report on transportation funding required by 2012 Acts and Resolves No. 153, Sec. 40; and

(3) review the actions of other states and provinces that have reduced or eliminated motor vehicle fuel taxes and replaced them with other funding sources.

(b) The Agency also shall identify and evaluate funding sources, other than local property taxes, to support the local share of increasing costs or the expansion of public transportation services statewide.

(c) The Agency shall deliver a written report of its findings and any recommendations to the House and Senate Committees on Transportation on or before January 15, 2016.

* * * Study of Commuter Rail and Bus Service * * *

Sec. 11. STUDY OF MONTPELIER TO ST. ALBANS COMMUTER RAIL SERVICE, ALBANY TO BENNINGTON TO MANCHESTER BUS SERVICE

(a) The Agency shall study the financial and operational feasibility of a commuter rail service in the corridor between St. Albans, Essex Junction, and Montpelier, with connecting service to Burlington, and shall report its findings and any recommendations to the House and Senate Committees on Transportation on or before January 15, 2017.

(b) The Agency shall study the expected benefits and costs to the State of Vermont, implementation steps, and timeline associated with various models for initiating and operating an Albany to Bennington to Manchester bus service, and shall report its findings and any recommendations to the House and Senate Committees on Transportation on or before January 15, 2016.

* * * Review of Transportation Service Programs * * *

Sec. 12. REVIEW OF TRANSPORTATION SERVICE PROGRAM

(a) The Agency, in consultation with the Agency of Human Services and interested stakeholders, shall review the Elders and Persons with Disability Transportation Program (E&D Program). In carrying out its review, the Agency shall analyze:

(1) the gap between current and projected E&D Program resources and needs over a 10-year time frame, on regional and statewide levels;

(2) regional transportation service delivery models and their adequacy in meeting E&D Program participant needs;

(3) opportunities to achieve efficiencies by coordinating E&D Program and other human services transportation programs, and obstacles to achieving such efficiencies;

(4) challenges that exist for partner organizations to raise local matching funds for transportation services;

(5) the current and expected impact of Medicaid waiver programs on the E&D Program; and

(6) existing and emerging technology and the potential role it could play in increasing service to elders and persons with disabilities.

(b) The Agency shall submit a written report of its findings and any recommendations to the House and Senate Committees on Transportation on or before January 15, 2016.

* * * Authority of the Agency and Secretary * * *

Sec. 13. 5 V.S.A. § 204 is amended to read:

§ 204. POWERS OF AGENCY GENERALLY

(a) To carry out the purposes of this part, the Agency of Transportation shall have power, subject to subsection (b) of this section:

(1) To contract in the name of the State with individuals, firms, or corporations, with officials of a town, city, or village, with officials of a group of either or both of such governmental units, with officials of another state, or with officials or agencies of the federal government to carry out the purposes of this part.

(2) To receive, manage, use, or expend, for purposes directed by the donor, gifts, grants, or contributions of any name or nature made to the State for the promotion or development of aeronautics or for aeronautics facilities. The authority granted in this subdivision shall be subject to the provisions of 32 V.S.A. § 5.

* * *

Sec. 14. 5 V.S.A. § 206 is amended to read:

§ 206. ~~COOPERATION WITH UNITED STATES;~~ FEDERAL AND OTHER ~~MONEYS~~ MONIES RECEIVED; DEPOSIT, DESIGNATION, APPROPRIATION, AND DISBURSEMENT

(a) The ~~agency~~ Agency is authorized to cooperate with the government of the United States in the acquisition, construction, improvement, maintenance, and operation of airports and other navigation facilities in this ~~state~~ State, and to comply with the provisions of the laws or regulations of the United States for the expenditure of federal ~~moneys~~ monies upon airports and other air navigation facilities.

(b) ~~¶~~ The Agency is authorized to accept, receive, and receipt for federal ~~moneys~~ monies and other ~~moneys~~ monies, either public or private, for and in behalf of this ~~state~~ State, appropriated to the Agency or that have been approved for receipt pursuant to 32 V.S.A. § 5 or 511.

(c) All ~~moneys~~ monies accepted for disbursement by the ~~agency~~ Agency pursuant to subsection (b) of this section shall be deposited in the ~~state treasury~~ State Treasury and, unless otherwise prescribed by the authority from which the money is received, kept in separate funds, designated according to the purposes for which the ~~moneys~~ monies were made available, and held by the ~~state~~ State in trust for such purposes. ~~All moneys are hereby appropriated for the purposes for which they were made available, to~~ monies shall be expended

for the purposes for which they were made available and in accordance with federal laws and regulations and with this chapter. The ~~agency~~ Agency is authorized, whether acting for this ~~state~~ State or as the agent of any of its municipalities, or when requested by the ~~United States~~ U.S. government or any agency or department of the ~~United States~~ U.S. government, to disburse such ~~moneys~~ monies for the designated purposes, but this shall not preclude any other authorized method of disbursement.

Sec. 15. 19 V.S.A. § 1502 is amended to read:

§ 1502. COOPERATION WITH COMPLIANCE WITH FEDERAL GOVERNMENT REQUIREMENTS; USE OF FEDERAL AID MONEY

(a) To effect the purposes of section 1501 of this title, the ~~agency~~ Agency may comply with federal rules and regulations, and may use so much of the funds appropriated to the Agency, or available to it pursuant to 32 V.S.A. § 5 or 511, for highway purposes as shall be necessary to secure aid from the federal government under the federal act specified in section 1501; and in addition may use ~~further~~ such sums as may be necessary for surveys, plans, specifications, estimates, and assistance necessary to carry out the provisions of this chapter.

(b) To carry out the transportation planning process required by the Intermodal Surface Transportation Efficiency Act of 1991 (the Act), ~~Pub. L. No. 102-240, § 1024, 105 Stat. 1914, 1955 (1991) (now codified at 23 U.S.C. § 134), as may be amended,~~ the ~~governor~~ Governor shall designate a metropolitan planning organization for any urbanized area of more than 50,000 population and may take other action necessary to ensure the ~~state's~~ State's compliance with the ~~federal act~~ Act and any federal regulations pertaining to the ~~act~~ Act. A designation of a metropolitan planning organization shall remain in effect until revoked by the ~~governor~~ Governor.

Sec. 16. 19 V.S.A. chapter 1 is amended to read:

CHAPTER 1. STATE HIGHWAY LAW; GENERAL TRANSPORTATION PROVISIONS

* * *

§ 7. SECRETARY; POWERS AND DUTIES

(a) The Agency shall be under the direction and supervision of a Secretary, who shall be appointed by the Governor with the advice and consent of the Senate and shall serve at the pleasure of the Governor.

(b) The Secretary shall be responsible to the Governor and shall plan, coordinate, and direct the functions vested in the Agency in accord with the transportation policies established ~~by the Agency under section 10b of this~~

title.

(c) The Secretary may, with the approval of the Governor, transfer classified positions between the Department, Divisions, and other components of the Agency, subject only to personnel laws and rules.

(d) The Secretary shall determine the administrative, operational, and functional policies of the Agency and be accountable to the Governor for these determinations. The Secretary shall exercise the powers and shall perform the duties required for the Agency's effective administration.

(e) In addition to other duties imposed by law, the Secretary shall:

- (1) administer the laws assigned to the Agency;
- (2) coordinate and integrate the work of the Agency;
- (3) supervise and control all staff functions; and

(4) whenever the Agency is developing preliminary plans for a new or replacement maintenance facility or salt shed, first conduct a review of all previously developed building plans and give priority to utilizing a common, uniform, preexisting design.

(f) The Secretary may, within the authority of relevant State and federal statutes and regulations:

(1) ~~within the authority of relevant State and federal statutes and regulations~~, transfer appropriations or parts of appropriations within or between the department, divisions, and sections;

(2) cooperate with the appropriate federal agencies and receive federal funds in support of programs within the Agency;

(3) submit plans and reports, and in other respects comply with federal laws and regulations which pertain to programs administered by the Agency;

(4) make rules consistent with the law for the internal administration of the Agency and its programs;

(5) create advisory councils or committees as he or she deems necessary within the Agency, and appoint the members for a term not exceeding his or hers. Councils or committees created pursuant to this subdivision may include persons who are not officers or employees of the Agency;

(6) provide training and instruction for ~~any~~ employees of the Agency at the expense of the Agency, and provide training and instruction for employees of Vermont municipalities. Where appropriate, the Secretary may provide training and instruction for municipal employees at the expense of the Agency;

(7) organize, reorganize, transfer, or abolish sections and staff function sections within the Agency; except however, the Secretary may not alter the number of highway districts without legislative approval.

(8) ~~[Deleted.]~~ [Repealed.]

* * *

* * * Middlebury Rail Tunnel Project * * *

Sec. 17. MIDDLEBURY RAIL TUNNEL PROJECT

Notwithstanding 5 V.S.A. § 3670(a) and (b), the Middlebury WCRS(23) Project (to replace the existing Merchants Row and Main Street bridges over the Vermont Railway line and to lower the grade of the Vermont Railway line) may be constructed without the prior approval of the Transportation Board to provide a minimum vertical clearance of 21' 0" over the highest track elevation, but only if the Agency, Vermont Railway, Inc., and any affected municipality agree in writing to the 21' 0" minimum vertical clearance.

* * * Potable Water Supply and Wastewater Systems Permits * * *

Sec. 18. 10 V.S.A. § 1974 is amended to read:

§ 1974. EXEMPTIONS

Notwithstanding any other requirements of this chapter, the following projects and actions are exempt:

* * *

(7) the subdivision of an unimproved or improved lot or campground where the subdivision results from a transfer of property for a highway or other transportation project that is authorized under the State's enacted Transportation Program or is an emergency project within the meaning of 19 V.S.A. § 10g(h), regardless of whether the State or the municipality has commenced any condemnation proceedings in connection with the project.

* * * Highway Division Director * * *

Sec. 19. 19 V.S.A. § 9(a) is amended to read:

(a) A director shall administer each division created within the ~~agency~~ Agency. The ~~secretary~~ Secretary shall appoint the directors, who shall be exempt from the classified service. The Director of the Highway Division shall be licensed as a professional engineer.

* * * Clean Water * * *

Sec. 20. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

* * *

(f) Each year, ~~\$200,000.00~~ \$1,100,000.00 of the Grant Program funds, or such lesser sum if all eligible applications amount to less than ~~\$200,000.00~~ \$1,100,000.00, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects. ~~Grant awards for eligible projects shall not exceed \$50,000.00 per project.~~ Regarding the balance of Grant Program funds, in evaluating applications for Transportation Alternatives grants, the Transportation Alternatives Grant Committee shall give preferential weighting to projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Transportation Alternatives Grant Committee.

* * *

Sec. 21. 19 V.S.A. § 306(i) is added to read:

(i) Monies disbursed from the Clean Water Fund established in 10 V.S.A. § 1388 for municipalities for environmental mitigation projects related to stormwater and highways shall be administered by the Agency through the Municipal Mitigation Grant Program. Grants provided to municipalities under the Program shall be matched by local funds sufficient to cover 20 percent of the project costs.

* * * State Highway Bridge Program; Causeway Scoping Study * * *

Sec. 22. STATE HIGHWAY BRIDGE PROGRAM

(a) The following project is added to the State Highway Bridge Program: Missisquoi Bay Causeway Scoping Study.

(b) Spending authority for the Missisquoi Bay Causeway Scoping Study is authorized as follows:

<u>FY 16</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	0	125,000	125,000
Construction	0	0	0
Total	0	125,000	125,000
<u>Sources of funds</u>			
State	0	0	0
TIB	0	0	0
Federal	0	100,000	100,000
Special	0	25,000	25,000

Total 0 125,000 125,000

*** Motor Fuel Transportation Infrastructure Assessment ***

Sec. 23. 23 V.S.A. § 3106 is amended to read:

§ 3106. IMPOSITION, RATE, AND PAYMENT OF TAX

(a)(1) Except for sales of motor fuels between distributors licensed in this State, which sales shall be exempt from the taxes and assessments authorized under this section, unless exempt under the laws of the United States at the time of filing the report required by section 3108 of this title, each distributor shall pay to the Commissioner:

(A) a tax of \$0.121 upon each gallon of motor fuel sold by the distributor; and

(B) the following assessments, ~~which shall be levied on the tax-adjusted retail price of gasoline as defined herein:~~

(i) a motor fuel transportation infrastructure assessment ~~in the amount of that is the greater of:~~

(I) \$0.0396; or

(II) two percent of the tax-adjusted retail price upon each gallon of motor fuel sold by the distributor; and

(ii) a fuel tax assessment, which shall be used exclusively for transportation purposes and not be transferred from the Transportation Fund, that is the greater of:

(I) \$0.134 per gallon; or

(II) four percent of the tax-adjusted retail price or \$0.18 per gallon, whichever is less, upon each gallon of motor fuel sold by the distributor.

*** Welcome Center and Airport Namings ***

Sec. 24. 29 V.S.A. § 821(a) is amended to read:

(a) State buildings.

(11) “Senator James M. Jeffords Welcome Center” shall be the name of the Welcome Center in Bennington.

(12) “Northeast Kingdom International Airport” shall be the name of the Newport State Airport in Coventry.

* * * Process for Naming of Transportation Facilities * * *

Sec. 25. 10 V.S.A. § 152 is amended to read:

§ 152. AUTHORITY TO NAME ROADS AND GEOGRAPHIC LOCATIONS

The ~~board of libraries~~ Board of Libraries is hereby designated the ~~state~~ State agency to name ~~roads and~~ geographic locations including ~~but not limited to~~ mountains, streams, lakes, and ponds upon petition signed by not less than 25 interested persons or by petition of an administrative department of the ~~state~~ State.

Sec. 26. 10 V.S.A. § 153 is amended to read:

§ 153. PROCEDURE

When the ~~board~~ Board receives a petition to act under section 152 of this title it shall give reasonable notice to each administrative department of the ~~state~~ State having jurisdiction of the ~~road or~~ location to be named, and to each town in which the ~~road or~~ location lies of the time and place when it will hear all interested parties.

Sec. 27. 19 V.S.A. § 5 is amended to read:

§ 5. TRANSPORTATION BOARD; POWERS AND DUTIES

(a) The regulatory and quasi-judicial functions relating to transportation shall be vested in the ~~transportation board~~.

~~(b) Notwithstanding subsection (a) of this section, Board, except that the duties and responsibilities of the commissioner of motor vehicles~~ Commissioner of Motor Vehicles in Titles 23 and 32, including all quasi-judicial powers, shall continue to be vested in ~~that individual~~ the Commissioner.

(b)(1) Except as otherwise authorized by law, the Board is the sole authority responsible for naming transportation facilities owned, controlled, or maintained by the State, including highways and the bridges thereon, airports, rail facilities, rest areas, and welcome centers. The Board shall exercise its naming authority only upon petition of the legislative body of a municipality of the State, of the head of an Executive Branch agency or department of the State, or of 50 Vermont residents.

(2) The Board shall hold a public hearing for each facility requested to be named. The Board shall adopt rules governing notice and conduct of hearings, the standards to be applied in rendering decisions under this subsection, and any other matter necessary for the just disposition of naming requests. The Board shall issue a decision, which shall be subject to review on

the record by a Superior Court pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The Board may delegate the responsibility to hold a hearing to a hearing officer or a single Board member, subject to the procedure of subsection (c) of this section, but shall not be bound by 3 V.S.A. chapter 25 in carrying out its duties under this subsection.

(c) The ~~board~~ Board may delegate the responsibility to hear quasi-judicial matters, and other matters as it may deem appropriate, to a hearing examiner or a single ~~board~~ Board member, to hear a case and make findings in accordance with 3 V.S.A. chapter 25 of Title 3, except that highway condemnation proceedings shall be conducted pursuant to the provisions of chapter 5 of this title. A hearing examiner or single ~~board~~ Board member so appointed shall report his or her findings of fact in writing to the ~~board~~ Board. Any order resulting therefrom shall be rendered only by a majority of the ~~board~~ Board. Final orders of the ~~board~~ Board may be reviewed on the record by ~~the superior court~~ a Superior Court pursuant to Rule 74 of the Vermont Rules of Civil Procedure.

* * *

* * * Byways Advisory Council; Scenic Roads and Byways * * *

Sec. 28. REPEAL

10 V.S.A. § 425 (Byways Advisory Council) is repealed.

Sec. 29. 19 V.S.A. chapter 25 is amended to read:

CHAPTER 25. SCENIC ROADS

§ 2501. STATE SCENIC ROADS AND BYWAYS; DESIGNATION AND DISCONTINUANCE

(a) On the recommendation of the Byways Advisory Council of the municipalities through which a proposed or existing State Scenic Road or Byway passes and of the regional planning commissions that serve such municipalities, the Transportation Board may designate or discontinue any State highway, or portion of a State highway, as a State Scenic Road or Byway, in accordance with standards adopted by the Board by rule. The Board shall hold a public hearing on the recommendation, giving notice thereof to the municipalities and regional planning commissions, the Secretary, and the Commissioner of Tourism and Marketing, and shall submit a copy of its findings and decision together with its findings to the Byways Advisory Council to these parties within 60 days after receipt of the recommendation. The hearing shall be held in the vicinity of the proposed scenic highway State Scenic Road or Byway.

(b) [Repealed.]

(c) A State Scenic Road or Byway shall not be reconstructed or improved unless the reconstruction or improvement is conducted in accordance with the Agency of Transportation's Vermont Design Standards, as amended. Signs along State Scenic Roads and Byways shall comply with the Federal Highway Administration's Manual on Uniform Traffic Control Devices, as amended.

§ 2502. TOWN SCENIC ROADS; DESIGNATION AND DISCONTINUANCE

(a) On recommendation of the planning commission of a municipality, or on the initiative of the legislative body of a municipality, a legislative body may, after one public hearing warned for the purpose, designate or discontinue any town highway or portion of a town highway as a town scenic ~~highway~~ road. Such action by the legislative body may be petitioned by the registered voters of the municipality pursuant to the provisions of 24 V.S.A. § 1973.

(b) A town scenic road may be reconstructed or improved in a manner consistent with the ~~agency of transportation's~~ Agency's Vermont Design Standards, as amended. A class 1, 2, or 3 scenic ~~highway~~ road shall still be eligible to receive aid pursuant to the provisions of this title. Signs along town scenic roads shall comply with the Federal Highway Administration's Manual on Uniform Traffic Control Devices, as amended.

(c) [Repealed.]

§ 2503. REGISTER

The ~~agency of transportation~~ Agency may annually publish a register containing a listing of all ~~state~~ State and locally designated scenic roads and byways. Any listing shall include the mileage of each road or byway and any special, natural, historical, or scenic attractions on the road or byway.

§ 2504. ADDITIONAL FUNDS

The ~~agency~~ Agency, and any qualifying municipality, ~~shall have~~ within the authority to of State and federal law, may accept and spend any funds made available to them for the purpose of enhancing or establishing designated scenic roads or byways.

§ 2505. RIGHTS OF ADJACENT LANDOWNERS

Nothing in this chapter shall preclude the rights of a landowner from developing property adjacent to a designated scenic road or byway, so long as the development is in accordance with existing law or ordinance.

* * * Utility Transmission System Plans; Notification of Public Meetings * * *

Sec. 30. 30 V.S.A. § 218c(d)(2) is amended to read:

(2) Prior to the adoption of any Transmission System Plan, a utility preparing a Plan shall host at least two public meetings at which it shall present a draft of the Plan and facilitate a public discussion to identify and evaluate nontransmission alternatives. The meetings shall be at separate locations within the State, in proximity to the transmission facilities involved or as otherwise required by the Board, and each shall be noticed by at least two advertisements, each occurring between one and three weeks prior to the meetings, in newspapers having general circulation within the State and within the municipalities in which the meetings are to be held. Copies of the notices shall be provided to the Public Service Board, the Department of Public Service, any entity appointed by the Public Service Board pursuant to subdivision 209(d)(2) of this title, the Agency of Natural Resources, the Division for Historic Preservation, the Department of Health, ~~the Byways Advisory Council~~, the Agency of Transportation, the Attorney General, the chair of each regional planning commission, each retail electricity provider within the State, and any public interest group that requests, or has made a standing request for, a copy of the notice. A verbatim transcript of the meetings shall be prepared by the utility preparing the Plan, shall be filed with the Public Service Board and the Department of Public Service, and shall be provided at cost to any person requesting it. The Plan shall contain a discussion of the principal contentions made at the meetings by members of the public, by any State agency, and by any utility.

* * * Notice of Hearing on Petition for Certificate of Public Good * * *

Sec. 31. 30 V.S.A. § 248(a)(4) is amended to read:

(4)(A) With respect to a facility located in the State, the Public Service Board shall hold a nontechnical public hearing on each petition for such finding and certificate in at least one county in which any portion of the construction of the facility is proposed to be located.

(B) The Public Service Board shall hold technical hearings at locations which it selects.

(C) At the time of filing its application with the Board, copies shall be given by the petitioner to the Attorney General and the Department of Public Service, and, with respect to facilities within the State, the Department of Health, Agency of Natural Resources, Historic Preservation Division, Agency of Transportation, Agency of Agriculture, Food and Markets, and to the ~~chairperson~~ chair or director of the municipal and regional planning commissions and the municipal legislative body for each town and city in which the proposed facility will be located. ~~At the time of filing its application with the Board, the petitioner shall give the Byways Advisory Council notice of the filing.~~

* * *

* * * Property Transfer Tax Return; Exemption * * *

Sec. 32. 32 V.S.A. § 9606(d) is amended to read:

(d) The property transfer tax return shall not be required of properties qualified for the exemption stated in subdivision 9603(17) of this title, or qualified for the exemption stated in subdivision 9603(2) of this title if the transfer is of an interest in property for highway purposes and the consideration for the transfer is \$10,000.00 or less. ~~A public utility~~ An entity acquiring such properties shall notify the listers of a municipality of the grantors, grantees, consideration, date of execution, and location of the easement property when it files for recording a deed transferring a utility line easement that does not require a transfer tax return under this subsection.

* * * Tax on Gains from the Sale or Exchange of Land; Exemption * * *

Sec. 33. 32 V.S.A. § 10002(q) is added to read:

(q) Also excluded from the definition of "land" is a transfer of property to the State of Vermont or a municipality for a project that is authorized under the State's enacted Transportation Program or for an emergency project within the meaning of 19 V.S.A. § 10g(h), regardless of whether the State or the municipality has commenced any condemnation proceedings.

* * * Evaluation of Adopt a Park and Ride Program; Adopt a Highway Program * * *

Sec. 34. EVALUATION OF ADOPT A PARK AND RIDE PROGRAM;
ADOPT A HIGHWAY PROGRAM

(a) The Agency shall evaluate the merits of implementing an Adopt a Park and Ride Program, whereby organizations volunteer to clean up litter at State Park and Ride facilities with permission of the Agency. On or before January 15, 2016, the Agency shall either begin to implement such a Program or report back to the House and Senate Committees on Transportation on the reasons it does not recommend implementing a Program.

(b) The Agency shall evaluate the merits of implementing an Adopt a Highway Program, whereby organizations volunteer to clean up litter along State highways with permission of the Agency. On or before January 15, 2016, the Agency shall report back to the House and Senate Committees on Transportation on whether such a Program should be implemented.

* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

This act shall take effect on July 1, 2015, except that:

(1) Sec. 21 (administration of certain Clean Water Fund monies through the Municipal Mitigation Grant Program) shall take effect if and when the Clean Water Fund is established; and

(2) Secs. 25–27 (naming of State transportation facilities) shall take effect on March 1, 2016.

(For text see House Journal 3/25/2015)

Amendment to be offered by Rep. Brennan of Colchester to H. 488

Representative Brennan of Colchester moves that the House concur in the Senate proposal of amendment with further proposal of amendment as follows:

First: In Sec. 10, in subsection (a), in the first sentence, by inserting the following after the phrase “The Agency”: “, in consultation with the Joint Fiscal Office,”

Second: In Sec. 10, in subsection (b), by inserting the following after the phrase “The Agency”: “, in consultation with the Joint Fiscal Office,”

Third: In Sec. 11, in subsections (a) and (b), by inserting the following after the phrase “The Agency” in both subsections: “, in consultation with the Joint Fiscal Office,”

Fourth: In Sec. 12, in subsection (a), in the first sentence, by inserting the following after the phrase “Agency of Human Services”: “, the Joint Fiscal Office,”

Fifth: By inserting a new section to be Sec. 21a to read:

Sec. 21a. MUNICIPAL MITIGATION GRANT PROGRAM; SPENDING
AUTHORITY

In the fiscal year 2017, 2018, and 2019 Transportation Programs adopted by the General Assembly, the General Assembly shall approve spending authority for the Municipal Mitigation Grant Program for grants to municipalities for inventory activities or construction projects that address town highway stormwater management, in an amount that is at least \$1,000,000.00 greater than the \$440,000.00 of spending authority approved in this act for fiscal year 2016 for the Better Backroads Program. Not less than \$1,000,000.00 of the monies appropriated to implement this additional spending authority shall be drawn from transportation funds made available from the \$2,500,000.00 reduction scheduled to occur under 19 V.S.A. § 11a in the amount of transportation funds appropriated to the Department of Public Safety.

Sixth: By inserting a new section to be Sec. 26a to read:

Sec. 26a. 29 V.S.A. § 820 is amended to read:

§ 820. THE NAMING OF STATE BUILDINGS AND FACILITIES

~~The~~ Except for State transportation buildings and facilities named by the Transportation Board in accordance with 19 V.S.A. § 5, the name by which a ~~state~~ State building or facility is to be known shall be authorized by the ~~general assembly~~ General Assembly.

Senate proposal of amendment to House proposal of amendment to Senate proposal of amendment to House proposal of amendment

S. 13

An act relating to the Vermont Sex Offender Registry

The Senate has concurred in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment with the following proposal of amendment thereto:

In Sec. 9, (Effective Dates), subsection (b), by striking out subdivision (3) in its entirety and inserting in lieu thereof a new subdivision (3) to read as follows:

(3) The certification and reporting requirements of subdivisions (b)(1) and (2) of this section shall not be deemed satisfied until the Departments of Public Safety and of Corrections provide written copies of the certification and the report by certified mail to the Chairs of the House and Senate Committees on Judiciary.

(For House Proposal of Amendment see House Journal 3/31/2015 & 4/22/2015)

NEW BUSINESS

Third Reading

H. 355

An act relating to licensing and regulating foresters

S. 93

An act relating to lobbying disclosures

Amendment to be offered by Reps. Wright of Burlington and Komline of Dorset to S. 93

First: In Sec. 1 (findings), by adding a new subsection to be subsection (f) to read:

(f) Prohibiting lobbyists, lobbying firms, and lobbyist employers from

contributing to legislative leadership political committees while the General Assembly is in session ensures that the prohibition on contributions to legislators set forth in 2 V.S.A. § 266 (prohibited conduct) is not circumvented, since legislative leadership political committees are intertwined with legislators in those political committees' support of legislators.

Second: By striking out Sec. 8 (effective date) in its entirety and inserting in lieu thereof the following:

Sec. 8. 2 V.S.A. § 266 is amended to read:

§ 266. PROHIBITED CONDUCT

(a) It shall be prohibited conduct:

(1) to employ a lobbyist or lobbying firm, or accept employment as a lobbyist or lobbying firm, for compensation that is dependent on a contingency;

(2) for a legislator or administrative official to solicit a gift, other than a ~~political~~ contribution, from a registered employer or registered lobbyist or a lobbying firm engaged by an employer, except that charitable contributions for nonprofit organizations qualified under ~~Section 26 U.S.C. § 501(c)(3) of the federal Internal Revenue Code~~ may be solicited from registered employers and registered lobbyists or lobbying firms engaged by an employer; ~~or~~

(3) when the ~~general assembly~~ General Assembly is in session, until adjournment sine die;

(A) for a legislator, a candidate's committee, or an administrative official to solicit a ~~political campaign~~ contribution as ~~defined in 17 V.S.A. § 2804~~ from a registered lobbyist, a registered employer, or a lobbying firm engaged by an employer ~~or registered employer~~; or

(B) for a registered lobbyist ~~or~~, registered employer, or a lobbying firm engaged by an employer to make or promise a ~~political campaign~~ contribution to ~~any member of the general assembly or any member's campaign~~ a legislator, a candidate's committee; or

(4) when the General Assembly is session, until final adjournment of a biennial or adjourned legislative session:

(A) for a legislative leadership political committee to solicit a contribution from a registered lobbyist, a registered employer, or a lobbying firm engaged by an employer; or

(B) for a registered lobbyist, registered employer, or a lobbying firm engaged by an employer to make or promise a contribution to a legislative leadership political committee.

(b) As used in this section, “candidate’s committee,” “contribution,” and “legislative leadership political committee” shall have the same meanings as in 17 V.S.A. § 2901.

Sec. 9. 17 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(13) “Political committee” or “political action committee” means any formal or informal committee of two or more individuals or a corporation, labor organization, public interest group, or other entity, not including a political party, which accepts contributions of \$1,000.00 or more and makes expenditures of \$1,000.00 or more in any two-year general election cycle for the purpose of supporting or opposing one or more candidates, influencing an election, or advocating a position on a public question in any election, and includes an independent expenditure-only political committee and a legislative leadership political committee.

* * *

(19) “Legislative leadership political committee” means a political committee established by or on behalf of a political party caucus within a chamber of the General Assembly.

Sec. 10. 17 V.S.A. § 2922 is amended to read:

§ 2922. POLITICAL COMMITTEES; REGISTRATION; CHECKING ACCOUNT; TREASURER

(a)(1) Each political committee shall register with the Secretary of State within 10 days of making expenditures of \$1,000.00 or more and accepting contributions of \$1,000.00 or more stating its full name and address; the name and address of the bank in which it maintains its campaign checking account; and the name and address of the treasurer responsible for maintaining the checking account.

(2)(A) In addition to the requirements of subdivision (1) of this subsection, a legislative leadership political committee shall designate in its registration that it is established as a legislative leadership political committee.

(B) The Secretary of State shall provide on his or her website a list of all legislative leadership political committees that have been designated as provided in this subdivision (2).

* * *

Sec. 11. TRANSITIONAL PROVISION; EXISTING LEGISLATIVE LEADERSHIP POLITICAL COMMITTEES

(a) A legislative leadership political committee in existence immediately prior to the effective date of this act shall update its registration with the Secretary of State as provided in Sec. 10, 17 V.S.A. § 2922(a)(2), of this act on or before July 15, 2015.

(b) As used in this section, “legislative leadership political committee” shall have the same meaning as set forth in Sec. 9, 17 V.S.A. § 2901(19), of this act.

Sec. 12. EFFECTIVE DATE

This act shall take effect on July 1, 2015.

S. 102

An act relating to forfeiture of property associated with animal fighting and certain regulated drug possession, sale, and trafficking violations

Amendment to be offered by Rep. Higley of Lowell to S. 102

In Sec. 10, Animal Cruelty Response Task Force, in subdivision (c)(3), by striking out the word “complaints” and inserting in lieu thereof the words “substantiated reports”

NOTICE CALENDAR

Favorable with Amendment

H. 37

An act relating to the safety and regulation of dams

Rep. McCullough of Williston, for the Committee on **Fish, Wildlife & Water Resources**, recommends the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

* * * Registration of Dams * * *

Sec. 1. 10 V.S.A. chapter 43 is amended to read:

CHAPTER 43. DAMS

§ 1079. PURPOSE

It is the purpose of this chapter to protect public safety through the inventory, inspection, and evaluation of dams in the State.

§ 1080. DEFINITIONS

As used in this chapter:

(1) “Department” means the ~~department of environmental conservation~~ Department of Environmental Conservation.

(2) “Person” means any individual; partnership; company; corporation; association; joint venture; trust; municipality; the ~~state~~ State of Vermont or any agency, department, or subdivision of the ~~state~~ State, any federal agency, or any other legal or commercial entity.

(3) ~~“Person in interest”~~ “Interested person” means, in relation to any dam, a person who; has riparian rights affected by that dam; a substantial interest in economic or recreational activity affected by the dam, or; whose safety would be endangered by a failure of the dam; or who notifies the Department of interest in the dam.

(4) “Engineer” means a professional engineer ~~registered~~ licensed under Title 26 who has experience in the design and investigation of dams.

(5) “Time” shall be reckoned in the manner prescribed by 1 V.S.A. § 138.

(6)(A) “Dam” means any artificial barrier, including its appurtenant works, that is capable of impounding water, other liquids, or accumulated sediments.

(B) “Dam” includes an artificial barrier that:

(i) previously was capable of impounding water or other liquids;

(ii) was partially breached; and

(iii) has not been properly removed or mitigated.

(C) “Dam” shall not mean:

(i) barriers or structures created by beaver or any other wild animal as that term is defined in section 4001 of this title;

(ii) a highway culvert;

(iii) an artificial barrier at a stormwater management structure that is regulated by the Agency of Natural Resources under chapter 47 of this title;

(iv) underground or elevated tanks to store water otherwise regulated by the Agency of Natural Resources;

(v) an agricultural waste storage facility regulated by the Agency of Agriculture, Food and Markets under 6 V.S.A. chapter 215; or

(vi) any other structure identified by the Department by rule.

(7) “Pond” means a natural body of standing water.

§ 1081. JURISDICTION OF DEPARTMENT AND PUBLIC SERVICE BOARD

(a) Unless otherwise provided, the powers and duties authorized by this chapter shall be exercised by the ~~department, except that the public service board~~ Department, except that the Public Service Board shall exercise those powers and duties over dams and projects that relate to or are incident to the generation of electric energy for public use or as a part of a public utility system.

(b) Transfer of jurisdiction. Jurisdiction over a dam is transferred from the ~~department~~ Department to the ~~public service board~~ Public Service Board whenever the Federal Energy Regulatory Commission grants a license to generate electricity at the dam or whenever the ~~public service board~~ Public Service Board receives an application for a certificate of public good for electricity generation at that dam. Jurisdiction is transferred from the ~~public service board~~ Public Service Board to the ~~department~~ Department whenever such a federal license expires or is otherwise lost, whenever such a certificate of public good is revoked or otherwise lost, or whenever the ~~public service board~~ Public Service Board denies an application for a certificate of public good.

(c) Upon transfer of jurisdiction as set forth above and upon written request, the ~~state~~ State agency having former jurisdiction shall transfer copies of all records pertaining to the dam to the agency acquiring jurisdiction.

§ 1082. AUTHORIZATION

(a) ~~No person shall construct, enlarge, raise, lower, remodel, reconstruct, or otherwise alter any dam, pond or impoundment or other structure which is or will be capable of impounding more than 500,000 cubic feet of water or other liquid after construction or alteration, or remove, breach or otherwise lessen the capacity of an existing dam that is or was capable of impounding more than 500,000 cubic feet within or along the borders of this state where land in this state is proposed to be overflowed, or at the outlet of any body of water within this state, unless authorized by the state agency having jurisdiction so to do. However, in the matter of flood control projects where cooperation with the federal government is provided for by the provisions of section 1100 of this title that section shall control~~ (1) Except as provided in subdivision (2) of this subsection, a person shall not construct, enlarge, raise, lower, remodel, reconstruct, remove, breach, lessen the capacity of, or otherwise alter any dam or natural outlet of a pond capable of impounding more than 500,000 cubic feet of water or other liquid unless authorized by the Department or the Public Service Board.

(2) The relevant requirements of sections 1100 and 1103 of this title shall govern the authorization of a flood control project involving construction by, or State cooperation with, the federal government.

(b) For the purposes of this chapter, the volume a dam or other structure is capable of impounding is the volume of water or other liquid, including any accumulated sediments, controlled by the structure with the water or liquid level at the top of the highest nonoverflow part of the structure.

§ 1083. APPLICATION

(a) Any person who proposes to undertake an action subject to regulation pursuant to section 1082 of this title shall apply in writing to the ~~state agency having jurisdiction,~~ Department or the Public Service Board and shall give notice thereof to the governing body of the municipality or municipalities in which the dam or any part of the dam is to be located. The application shall set forth:

(1) the location; the height, length, and other dimensions; and any proposed changes to any existing dam;

(2) the approximate area to be overflowed and the approximate number of, or any change in the number of cubic feet of water to be impounded;

(3) the plans and specifications to be followed in the construction, remodeling, reconstruction, altering, lowering, raising, removal, breaching, or adding to;

(4) any change in operation and maintenance procedures; and

(5) other information that the ~~state agency having jurisdiction~~ Department or the Public Service Board considers necessary to ~~properly~~ review the application.

(b) The plans and specifications shall be prepared under the supervision of an engineer.

§ 1083a. ~~AGRICULTURAL DAMS~~

~~(a) Notwithstanding the provisions of sections 1082, 1083, 1084, and 1086 of this title, the owners of an agricultural enterprise who propose, as an integral and exclusive part of the enterprise, to construct or alter any dam, pond or impoundment or other structure requiring a permit under section 1083 shall apply to the natural resources conservation district in which his land is located. The natural resources conservation districts created under the provisions of chapter 31 of this title shall be the state agency having jurisdiction and shall review and approve the applications in the same manner as would the department. The districts may request the assistance of the department for any~~

~~investigatory work necessary for a determination of public good and for any review of plans and specifications as provided in section 1086.~~

~~(b) As used in this section, “agricultural enterprise” means any farm, including stock, dairy, poultry, forage crop and truck farms, plantations, ranches and orchards, which does not fall within the definition of “activities not engaged in for a profit” as defined in Section 183 of the Internal Revenue Code and regulations relating thereto. The growing of timber does not in itself constitute farming.~~

~~(c) Notwithstanding the provisions of this section, jurisdiction shall revert to the department when there is a change in use or when there is a change in ownership which affects use. In those cases the department may, on its own motion, hold meetings in order to determine the effect on the public good and public safety. The department may issue an order modifying the terms and conditions of approval.~~

~~(d) The natural resources conservation districts may adopt any rules necessary to administer this chapter. The districts shall adhere to the requirements of chapter 25 of Title 3 in the adoption of those rules.~~

~~(e) Notwithstanding the provisions of chapter 7 of Title 3, the attorney general shall counsel the districts in any case where a suit has been instituted against the districts for any decision made under the provisions of this chapter. [Repealed.]~~

§ 1084. DEPARTMENT OF FISH AND WILDLIFE; INVESTIGATION

~~The commissioner of fish and wildlife~~ Commissioner of Fish and Wildlife shall investigate the potential effects on fish and wildlife habitats of any proposal subject to section 1082 of this title and shall certify the results to the ~~state agency having jurisdiction~~ Department or the Public Service Board prior to any hearing or meeting relating to the determination of public good and public safety.

§ 1085. NOTICE OF APPLICATION

Upon receipt of the application required by section 1082 of this title, the ~~state agency having jurisdiction~~ Department or the Public Service Board shall give notice to all ~~persons~~ interested persons.

(1) For any project subject to its jurisdiction under this chapter, on the petition of 25 or more persons, the ~~department~~ Department shall, or on its own motion it may, hold a public information meeting in a municipality in the vicinity of the proposed project to hear comments on whether the proposed project serves the public good and provides adequately for the public safety. Public notice shall be given by posting in the municipal offices of the towns in

which the project will be completed and by publishing in a local newspaper at least 10 days before the meeting.

(2) For any project subject to its jurisdiction under this chapter, the ~~public service board~~ Public Service Board shall hold a hearing on the application. The purpose of the hearing shall be to determine whether the project serves the public good as defined in section 1086 of this title and provides adequately for the public safety. The hearing shall be held in a municipality in the vicinity of the proposed project and may be consolidated with other hearings, including hearings under 30 V.S.A. § 248 concerning the same project. Notice shall be given at least 10 days before the hearing to interested persons by posting in the municipal offices of the towns in which the project will be completed and by publishing in a local newspaper.

§ 1086. DETERMINATION OF PUBLIC GOOD; CERTIFICATES

(a) “Public good” means the greatest benefit of the people of the State. In determining whether the public good is served, the ~~State agency having jurisdiction~~ Department or the Public Service Board shall give due consideration to, among other things, ~~to~~ the effect the proposed project will have on:

(1) the quantity, kind, and extent of cultivated agricultural land that may be rendered unfit for use by or enhanced by the project, including both the immediate and long-range agricultural land use impacts;

(2) scenic and recreational values;

(3) fish and wildlife;

(4) forests and forest programs;

(5) the need for a minimum water discharge flow rate schedule to protect the natural rate of flow and the water quality of the affected waters;

(6) the existing uses of the waters by the public for boating, fishing, swimming, and other recreational uses;

(7) the creation of any hazard to navigation, fishing, swimming, or other public uses;

(8) the need for cutting clean and removal of all timber or tree growth from all or part of the flowage area;

(9) the creation of any public benefits;

(10) ~~the classification, if any, of the affected waters under chapter 47 of this title~~ consistency with the Vermont water quality standards;

(11) any applicable State, regional, or municipal plans;

(12) municipal grand lists and revenues;

(13) public safety; and

(14) in the case of proposed removal of a dam that formerly related to or was incident to the generation of electric energy, but which was not subject to a memorandum of understanding dated prior to January 1, 2006, relating to its removal, the potential for and value of future power production.

(b) If the ~~State agency having jurisdiction~~ Department or the Public Service Board finds that the proposed project will serve the public good, and, in case of any waters designated by the Secretary as outstanding resource waters, will preserve or enhance the values and activities sought to be protected by designation, the ~~agency~~ Department or the Public Service Board shall issue its order approving the application. The order shall include conditions for minimum stream flow to protect fish and instream aquatic life, as determined by the Agency of Natural Resources, and such other conditions as the ~~agency having jurisdiction~~ Department or the Public Service Board considers necessary to protect any element of the public good listed ~~above~~ in subsection (a) of this section. Otherwise it shall issue its order disapproving the application.

(c) The ~~Agency~~ Department or the Public Service Board shall provide the applicant and interested ~~parties~~ persons with copies of its order.

(d) ~~In the case of a proposed removal of a dam that is under the jurisdiction of the Department and that formerly related to or was incident to the generation of electric energy but that was not subject to a memorandum of understanding dated before January 1, 2006 relating to its removal, the Department shall consult with the Department of Public Service regarding the potential for and value of future power production at the site. [Repealed.]~~

§ 1087. REVIEW OF PLANS AND SPECIFICATIONS

Upon receipt of an application, the ~~state agency having jurisdiction~~ Department or the Public Service Board shall employ a ~~registered~~ an engineer experienced in the design and investigation of dams to investigate the property, review the plans and specifications, and make additional investigations as it considers necessary to ensure that the project adequately provides for the public safety. The engineer shall report his or her findings to the ~~agency~~ Department or the Public Service Board. The Department or the Public Service Board may assess expenses incurred in retaining an engineer under this section to the applicant under 3 V.S.A. § 2809 for dams within the jurisdiction of the Department and under 30 V.S.A. § 21 for dams within the jurisdiction of the Public Service Board.

§ 1089. EMPLOYMENT OF ~~HYDRAULIC~~ ENGINEER

With the approval of the ~~governor~~ Governor, the ~~state agency having jurisdiction~~ Department or the Public Service Board may employ a ~~competent hydraulic~~ an engineer to investigate the property, review the plans and specifications, and make such additional investigation as ~~such agency~~ the Department or the Public Service Board shall deem necessary, and such engineer shall report to the ~~agency~~ Department or the Public Service Board his or her findings in respect thereto. The Department or the Public Service Board may assess expenses incurred in retaining an engineer under this section to the person owning legal title to the dam under 3 V.S.A. § 2809 for dams within the jurisdiction of the Department and under 30 V.S.A. § 21 for dams within the jurisdiction of the Public Service Board.

§ 1090. CONSTRUCTION SUPERVISION

The construction, alteration, or other action authorized in section 1086 of this title shall be supervised by a ~~registered~~ an engineer employed by the applicant. Upon completion of the authorized project, the engineer shall certify to the ~~agency having jurisdiction~~ Department or the Public Service Board that the project has been completed in conformance with the approved plans and specifications.

§ 1095. UNSAFE DAM; PETITION; HEARING; EMERGENCY

(a) On receipt of a petition signed by ~~not less~~ no fewer than ten ~~persons in interest~~ interested persons or the legislative body of a municipality, the ~~agency having jurisdiction~~ Department or the Public Service Board shall, or upon its own motion it may, institute investigations by an engineer as described in section 1087 of this title regarding the safety of any existing dam or portion of a dam, of any size. The ~~agency~~ Department or the Public Service Board may fix a time and place for hearing and shall give notice in the manner it directs to all parties interested. The engineer shall present his or her findings and recommendations at the hearing. After the hearing, if the ~~agency~~ Department or the Public Service Board finds that the dam or portion of the dam as maintained or operated is unsafe or is a menace to people or property above or below the dam, it shall issue an order directing reconstruction, repair, removal, breaching, draining, or other action it considers necessary to make the dam safe.

(b) If, upon the expiration of such date as may be ordered, the ~~owner of~~ person owning legal title to such dam has not complied with the order directing the reconstruction, repair, breaching, removal, draining, or other action of such unsafe dam, the ~~state agency having jurisdiction~~ Department or the Public Service Board may petition the ~~superior court~~ Superior Court in the county in

which the dam is located to enforce its order or exercise the right of eminent domain to acquire such rights as may be necessary to effectuate a remedy as the public safety or public good may require. If the order has been appealed, the ~~court~~ Court may prohibit the exercise pending disposition of the appeal.

(c) If, upon completion of the investigation described in subsection (a) of this section, the ~~state agency having jurisdiction~~ Department or the Public Service Board considers the dam to present an imminent threat to human life or property it shall take whatever action it considers necessary to protect life and property and subsequently conduct the hearing described in subsection (a).

* * *

§ 1098. REMOVAL OF OBSTRUCTIONS; APPROPRIATION

The ~~department~~ Department may contract for the removal of sandbars, debris, or other obstructions from streams which the ~~department~~ Department finds that while so obstructed may be a menace in time of flood, or endanger property or life below, or the property of riparian owners. The expense of investigation and removal of the obstruction shall be paid by the ~~state~~ State from funds provided for that purpose.

§ 1099. APPEALS

(a) Appeals of any act or decision of the ~~department~~ Department under this chapter shall be made in accordance with chapter 220 of this title.

(b) Appeals from actions or orders of the ~~public service board~~ Public Service Board may be taken in the ~~supreme court~~ Supreme Court in accord with 30 V.S.A. § 12.

* * *

§ 1105. INSPECTION OF DAMS

(a) Dam safety engineer. The ~~state agency having jurisdiction~~ Department or the Public Service Board shall employ an engineer to make periodic inspections of nonfederal dams in the ~~state~~ State to determine their condition and the extent, if any, to which they pose a ~~potential~~ possible or actual probable threat to life and property, or shall ~~promulgate~~ adopt rules pursuant to 3 V.S.A. chapter 25 of Title 3 to require an adequate level of inspection by an independent ~~registered~~ engineer experienced in the design and investigation of dams. The ~~agency~~ Department or the Public Service Board shall provide the person owning legal title to the dam with the findings of the inspection and any recommendations.

(b) Dam safety reports. If a dam inspection report is completed by the Department, the Department shall provide the person owning legal title to the

dam with a copy of the inspection report. If a person owning legal title to a dam receives a dam inspection safety report from the Department or if the person is required to complete a dam inspection report under this chapter, rules adopted under this chapter, or rules required by the Public Service Board, the person owning legal title to the dam shall file the dam inspection report in the records of the town or towns where the dam is located, provided that no person shall be required to file critical energy infrastructure information, as that term is defined under 18 C.F.R. § 388.112. A town clerk shall index and record dam inspection reports in the land records pursuant to 24 V.S.A. §§ 1154 and 1161.

* * *

§ 1107. HAZARD POTENTIAL CLASSIFICATIONS

Dams required to be registered with the Department under section 1108 of this title shall be assessed a hazard potential classification based on the potential loss of human life, property damage, and economic loss that would occur in the event of the failure of a dam. The potential hazard classifications for a dam are as follows:

(1) “High hazard potential dam” means a dam that, if it were to fail, would result in any of the following:

(A) probable loss of life;

(B) major damage to habitable structures, including residences, hospitals, convalescent homes, schools, roadways, or other structures; or

(C) excessive economic loss.

(2) “Significant hazard potential dam” means a dam that, if it were to fail, would result in any of the following:

(A) possible loss of life;

(B) minor damage to habitable structures, including residences, hospitals, convalescent homes, schools, roadways, or other structures; or

(C) appreciable economic loss.

(3) “Low hazard potential dam” means a dam that, if it were to fail, would result in any of the following:

(A) no loss of life;

(B) no damage to habitable structures, including residences, hospitals, convalescent homes, schools, roadways, or other structures; or

(C) minimal economic loss.

(4) “Negligible hazard potential dam” means a dam that, if it were to fail, would result in all of the following:

(A) no measurable damage to roadways;

(B) no measurable damage to habitable structures, including residences, hospitals, convalescent homes, schools, roadways, or other structures; and

(C) negligible economic loss.

§ 1108. DAM REGISTRATION

(a) Dam registration.

(1) Except for dams within the jurisdiction of the Public Service Board, a person owning legal title to a dam shall register the dam with the Department according to the following schedule:

(A) on or before April 1, 2017, for a dam capable of impounding 500,000 cubic feet or more of water or other liquid; and

(B) on or before April 1, 2018 for all other dams that are on the Vermont Dam Inventory maintained by the Department.

(2) The rules of the Public Service Board shall control the regulation and inspection of dams over which the Public Service Board has jurisdiction.

(3) A financial institution, as that term is defined in 8 V.S.A. § 11101(32), is exempt from the requirements of this section and the fee required under 3 V.S.A. § 2822 when the financial institution acquires title to a dam through foreclosure under 12 V.S.A. chapter 172.

(b) Registration process.

(1) The Department shall provide a registration form to persons owning legal title to a dam. The Department shall allow registration in paper or electronic format.

(2) As part of the registration, the person owning legal title to a dam shall:

(A) notify the Department of the location of the dam, including the State plane coordinates for the location;

(B) notify the Department of the initial hazard potential classification of the dam based on information available to the person owning legal title to the dam; and

(C) pay the registration fee required under 3 V.S.A. § 2822(j)(12).

(3) The Department shall deposit fees collected under 3 V.S.A. § 2822(j)(12) into the Environmental Permit Fund under 3 V.S.A. § 2805 and shall use the fees to implement the requirements of this chapter.

(c) Hazard potential classifications.

(1) The Secretary shall develop guidance and educational materials regarding how a person who owns legal title to a dam shall assess the hazard potential classification of a dam for the purposes of initial registration of a dam under subsection (a) of this section.

(2) The Department shall review the hazard potential classifications of dams registered under this section and may, after inspection of a dam, reclassify the hazard potential classification of a dam based on the location of the structure in proximity to human habitation and the potential economic loss from failure of the dam. The Department shall notify the person owning legal title to the dam of any reclassification of the hazard potential classification of a dam.

(3) The Department shall use the U.S. Army Corps of Engineers' Rules for the National Program for Inspection of Non-federal Dams as guidance in the classification and reclassification of the hazard potential classification of dams in the State.

(4) A person owning legal title to a dam may appeal the Department's reclassification of the hazard potential of a dam under this section under chapter 220 of this title.

(d) Notification of dam registration requirement. If the Department identifies the person owning legal title of an unregistered dam, the Department shall notify the person owning legal title to the dam of the requirement to register the dam under this section. The person owning legal title to a dam who receives notice of a required registration under this subsection shall have 60 days from the date of the Department's notice to submit a complete dam registration form to the Department.

(e) Failure to file dam registration. If a person owning legal title to a dam fails to submit the dam registration form as required under subsection (b) of this section, the Department may inspect the dam or retain an engineer retained to inspect the dam. The Department shall assess against the person owning legal title to the dam the cost to the Department of the inspection.

(f) Addition to Vermont Dam Inventory. When the Department is informed, through registration under this section or other means, of the location of a dam that is not on the Vermont Dam Inventory, the Department shall add the dam to the Vermont Dam Inventory and shall notify, if

identifiable, the person owning legal title to the dam of the addition of the dam to the inventory.

(g) Recording. A person owning legal title to a dam shall file the dam registration required by this section or rules adopted under this chapter in the records of the town or towns where the dam is located. A town clerk shall index and record dam registrations in the land records pursuant to 24 V.S.A. §§ 1154 and 1161.

(h) Lien on property on which dam is situated. When the Department takes action under this section to inspect a dam or when the Department takes any action under this chapter to alleviate or address a risk to life or property from a dam, the Department may file a lien in favor of the State on the property on which the dam is located and on the buildings and structures located on that property in order to secure repayment to the State of the costs of the inspection or other action. The lien shall arise at the time demand is made by the Secretary and shall continue until the liability for such sum with interest and costs is satisfied or becomes unenforceable. A lien under this section shall be subordinate to a primary mortgage on the property. The Department shall record notice of a lien under this section in the land records of the town in which the property is located.

(i) Annual operating fee. Beginning one year after registration of a dam under subsection (b) of this section, the person owning legal title to a registered dam shall pay the annual operating fee required under 3 V.S.A. § 2822(j)(12)

§ 1109. MARKETABILITY OF TITLE

The failure of the person owning legal title to a dam to record a dam registration or a dam inspection report when required under this chapter or rules adopted under this chapter shall not create an encumbrance on record title or an effect on marketability of title for the real estate property or properties on which dam is located, except when the Department files a lien on property under section 1108 of this title.

§ 1110. RULEMAKING

The Commissioner of Environmental Conservation may adopt rules to implement the requirements of this chapter for dams within the jurisdiction of the Department. The rules may include standards for the siting, design, construction, reconstruction, enlargement, alteration, operation, monitoring, maintenance, modification, inspection, reporting, repair, breach, removal of, or emergency action plans for a dam in the State.

§ 1111. NATURAL RESOURCES ATLAS; DAM STATUS

(a) Submission to Department. Annually on or before January 1, the Public Service Board and the Secretary of Agriculture, Food and Markets shall submit to the Department the presence, location, and hazard potential classification of any dam within its jurisdiction or learned of within the previous calendar year.

(b) Update of Natural Resources Atlas. Beginning on January 1, 2016, the Secretary of Natural Resources shall update the Natural Resources Atlas on the Agency of Natural Resources' website to include the status of dams identified on the Atlas. The Atlas shall include all information submitted under subsection (a) of this section and the presence, location, and hazard potential classification of any dam within the jurisdiction of the Department. The Department shall include on the Atlas the person owning legal title to the dam, if known.

(c) Additional information. The Department may enter a memorandum of understanding with the Public Service Board and the Secretary of Agriculture, Food and Markets regarding additional information regarding dams to be submitted to the Department under this section.

* * * Dam Registration Fees * * *

Sec. 2. 3 V.S.A. § 2805 is amended to read:

§ 2805. ENVIRONMENTAL PERMIT FUND

(a) There is hereby established a special fund to be known as the Environmental Permit Fund. Within the Fund, there shall be two accounts: the Environmental Permit Account and the Air Pollution Control Account. Unless otherwise specified, fees collected in accordance with subsections 2822(i) and (j) of this title, ~~and~~ 10 V.S.A. § 2625, and gifts and appropriations shall be deposited in the Environmental Permit Account. Fees collected in accordance with ~~subsections~~ subdivision 2822(j)(1), (k) and subsections 2822(k), (l), and (m) of this title shall be deposited in the Air Pollution Control Account. The Environmental Permit Fund shall be used to implement the programs specified under section 2822 of this title. The Secretary of Natural Resources shall be responsible for the ~~fund~~ Fund and shall account for the revenues and expenditures of the Agency of Natural Resources. The Environmental Permit Fund shall be subject to the provisions of 32 V.S.A. chapter 7, subchapter 5. The Environmental Permit Fund shall be used to cover a portion of the costs of administering the Environmental Division established under 4 V.S.A. chapter 27. The amount of \$143,000.00 per fiscal year shall be disbursed for this purpose.

(b) Any fee required to be collected under subdivision 2822(j)(1) of this title shall be utilized solely to cover all reasonable (direct or indirect) costs required to support the operating permit program authorized under 10 V.S.A.

chapter 23. Any fee required to be collected under subsection 2822(k), (l), or (m) of this title for air pollution control permits or registrations or motor vehicle registrations shall be utilized solely to cover all reasonable (direct or indirect) costs required to support the programs authorized under 10 V.S.A. chapter 23. Fees collected pursuant to subsections 2822(k), (l), and (m) of this title shall be used by the Secretary to fund activities related to the Secretary's hazardous or toxic contaminant monitoring programs and motor vehicle-related programs.

(c) The Secretary shall use any fee required to be collected under subdivision 2822(j)(12) of this title for dam registrations solely to cover all direct or indirect costs required to support the programs authorized under 10 V.S.A. chapter 43. When the fees collected under subdivision 2822(j)(12) of this title exceed the annual funding needs of 10 V.S.A. chapter 43, the Secretary shall deposit the excess funds into the Unsafe Dam Revolving Loan Fund under 10 V.S.A. § 1106.

Sec. 3. 3 V.S.A. § 2822(j)(12) is amended to read:

(12)(A) For dam permits issued under 10 V.S.A. chapter 43: 0.525 percent of construction costs, minimum fee of \$200.00.

(B) For the dam registration under 10 V.S.A. § 1108, a person registering a:

(i) a high hazard potential, significant hazard potential, or low hazard potential dam shall pay a registration fee of \$200.00; and

(ii) a negligible hazard potential dam shall pay a registration fee of \$100.00.

(C) The annual dam operating fee submitted under 10 V.S.A. § 1108 shall be based on the hazard potential classification of the dam as follows:

<u>(i) High hazard potential dam</u>	<u>\$1,000.00.</u>
<u>(ii) Significant hazard potential dam</u>	<u>\$350.00.</u>
<u>(iii) Low hazard potential dam</u>	<u>\$200.00.</u>
<u>(iv) Negligible hazard potential dam</u>	<u>\$0.00.</u>

* * * Dam Registration Report * * *

Sec. 4. DAM REGISTRATION PROGRAM REPORT

On or before January 1, 2017, the Department of Environmental Conservation shall submit a report to the House Committee on Fish, Wildlife and Water Resources, the House Committee on Ways and Means, the Senate Committee on Natural Resources and Energy, and the Senate Committee on

Finance. The report shall contain:

(1) an evaluation of the dam registration program under 10 V.S.A. chapter 43;

(2) a recommendation on whether to modify the fee structure of the dam registration program;

(3) a summary of the dams registered under the program, organized by amount of water impounded and hazard potential classification; and

(4) an evaluation of any other dam safety concerns related to dam registration.

* * * Effective Date * * *

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2015.

(Committee Vote: 6-3-0)

S. 73

An act relating to State regulation of rent-to-own agreements for merchandise

Rep. Dakin of Colchester, for the Committee on **Commerce & Economic Development**, recommends that the House propose to the Senate that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

TO THE HOUSE OF REPRESENTATIVES:

The Committee on Commerce and Economic Development to which was referred Senate Bill No. 73 entitled "An act relating to rent-to-own agreements for merchandise" respectfully reports that it has considered the same and recommends that the House propose to the Senate that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Consumer Rent-to-Own Agreements * * *

Sec. 1. 9 V.S.A. § 41b is amended to read:

§ 41b. RENT-TO-OWN AGREEMENTS; DISCLOSURE OF TERMS

~~(a) The attorney general shall adopt by rule standards for the full and conspicuous disclosure to consumers of the terms of rent to own agreements. For purposes of this section a rent to own agreement means an agreement for the use of merchandise by a consumer for personal, family, or household~~

~~purposes, for an initial period of four months or less, that is renewable with each payment after the initial period and that permits the lessee to become the owner of the property. An agreement that complies with this article is not a retail installment sales contract, agreement or obligation as defined in this chapter or a security interest as defined in section 1-201(37) of Title 9A.~~

~~(b) The attorney general, or an aggrieved person, may enforce a violation of the rules adopted pursuant to this section as an unfair or deceptive act or practice in commerce under section 2453 of this title.~~

(a) Definitions. In this section:

(1) "Advertisement" means a commercial message that solicits a consumer to enter into a rent-to-own agreement for a specific item of merchandise that is conveyed:

(A) at a merchant's place of business;

(B) on a merchant's website; or

(C) on television or radio.

(2) "Cash price" means the price of merchandise available under a rent-to-own agreement that the consumer may pay in cash to the merchant at the inception of the agreement to acquire ownership of the merchandise.

(3) "Clear and conspicuous" means that the statement or term being disclosed is of such size, color, contrast, or audibility, as applicable, so that the nature, content, and significance of the statement or term is reasonably apparent to the person to whom it is disclosed.

(4) "Consumer" has the same meaning as in subsection 2451a(a) of this title.

(5) "Merchandise" means an item of a merchant's property that is available for use under a rent-to-own agreement. The term does not include:

(A) real property;

(B) a mobile home, as defined in section 2601 of this title;

(C) a motor vehicle, as defined in 23 V.S.A. § 4;

(D) an assistive device, as defined in section 41c of this title; or

(E) a musical instrument intended to be used primarily in an elementary or secondary school.

(6) "Merchant" means a person who offers, or contracts for, the use of merchandise under a rent-to-own agreement.

(7) “Merchant’s cost” means the documented actual cost, including actual freight charges, of merchandise to the merchant from a wholesaler, distributor, supplier, or manufacturer and net of any discounts, rebates, and incentives that are vested and calculable as to a specific item of merchandise at the time the merchant accepts delivery of the merchandise.

(8)(A) “Rent-to-own agreement” means a contract under which a consumer agrees to pay a merchant for the right to use merchandise and acquire ownership, which is renewable with each payment after the initial period, and which remains in effect until:

- (i) the consumer returns the merchandise to the merchant;
- (ii) the merchant retakes possession of the merchandise; or
- (iii) the consumer pays the total cost and acquires ownership of the merchandise.

(B) A “rent-to-own agreement” as defined in subdivision (7)(A) of this subsection is not:

- (i) a sale subject to 9A V.S.A. Article 2;
- (ii) a lease subject to 9A V.S.A. Article 2A;
- (iii) a security interest as defined in subdivision 9A V.S.A. § 1-201(a)(35); or
- (iv) a retail installment contract or retail charge agreement as defined in chapter 61 of this title.

(9) “Rent-to-own charge” means the difference between the total cost and the cash price of an item of merchandise.

(10) “Total cost” means the sum of all payments, charges, and fees that a consumer must pay to acquire ownership of merchandise under a rent-to-own agreement. The term does not include charges or fees for optional services or charges or fees due only upon the occurrence of a contingency specified in the agreement.

(b) General requirements.

(1) Prior to execution, a merchant shall give a consumer the opportunity to review a written copy of a rent-to-own agreement that includes all of the information required by this section for each item of merchandise covered by the agreement and shall not refuse a consumer’s request to review the agreement with a third party, either inside the merchant’s place of business or at another location.

(2) A disclosure required by this section shall be clear and conspicuous.

(3) In a rent-to-own agreement, a merchant shall state a numerical amount or percentage as a figure and shall print or legibly handwrite the figure in the equivalent of 12-point type or greater.

(4) A merchant may supply information not required by this section with the disclosures required by this section, but shall not state or place additional information in such a way as to cause the required disclosures to be misleading or confusing, or to contradict, obscure, or detract attention from the required disclosures.

(5) Except for price cards on site, a merchant shall preserve an advertisement, or a digital copy of the advertisement, for not less than two years after the date the advertisement appeared. In the case of a radio, television, or Internet advertisement, a merchant may preserve a copy of the script or storyboard.

(6) Subject to availability, a merchant shall make merchandise that is advertised available to all consumers on the terms and conditions that appear in the advertisement.

(7) A rent-to-own agreement that is substantially modified, including a change that increases the consumer's payments or other obligations or diminishes the consumer's rights, shall be considered a new agreement subject to the requirements of this chapter.

(8) For each rent-to-own agreement, a merchant shall keep the following information in an electronic or hard copy for a period of four years following the date the agreement ends:

(A) the rent-to-own agreement covering the item; and

(B) a record that establishes the merchant's cost for the item.

(9) A rent-to-own agreement executed by a merchant doing business in Vermont and a resident of Vermont shall be governed by Vermont law.

(c) Cash price; reduction for used merchandise; maximum limits.

(1) Except as otherwise provided in subdivision (2) of this subsection, the maximum cash price for an item of merchandise shall not exceed:

(A) for an appliance, 1.75 times the merchant's cost;

(B) for an item of electronics that has a merchant's cost of less than \$150.00, 1.75 times the merchant's cost;

(C) for an item of electronics that has a merchant's cost of \$150.00 or more, 2.00 times the merchant's cost;

(D) for an item of furniture or jewelry, 2.50 times the merchant's

cost; and

(E) for any other item, 2.00 times the merchant's cost.

(2)(A) The cash price for an item of merchandise that has been previously used by a consumer shall be at least 10 percent less than the cash price calculated under subdivision (1) of this subsection.

(B) The merchant shall reduce the amount of the periodic payment in a rent-to-own agreement by the percentage of the cash price reduction for previously used merchandise established by the merchant.

(3) The total cost for an item of merchandise shall not exceed two times the maximum cash price for the item.

(d) Disclosures in advertising; prohibited disclosures.

(1) An advertisement that refers to or states the dollar amount of any payment for merchandise shall state:

(A) the cash price of the item;

(B) that the merchandise is available under a rent-to-own agreement;

(C) the amount, frequency, and total number of payments required for ownership;

(D) the total cost for the item;

(E) the rent-to-own charge for the item; and

(F) that the consumer will not own the merchandise until the consumer pays the total cost for ownership.

(2) A merchant shall not advertise that no credit check is required or performed, or that all consumers are approved for transactions, if the merchant subjects the consumer to a credit check.

(e) Disclosures on site. In addition to the information required in subsection (d) of this section, an advertisement at a merchant's place of business shall include:

(1) whether the item is new or used; and

(2) when the merchant acquired the item.

(f) Disclosures in rent-to-own agreement.

(1) The first page of a rent-to-own agreement shall include:

(A) a heading and clause in bold-face type that reads: "IMPORTANT INFORMATION ABOUT THIS RENT-TO-OWN AGREEMENT. Do Not Sign this Agreement Before You Read It or If It Contains any Blank

Spaces. You have a Right to Review this Agreement or Compare Costs Away from the Store Before You Sign.”; and

(B) the following information in the following order:

(i) the name, address, and contact information of the merchant;

(ii) the name, address, and contact information of the consumer;

(iii) the date of the transaction;

(iv) a description of the merchandise sufficient to identify the merchandise to the consumer and the merchant, including any applicable model and identification numbers;

(v) a statement whether the merchandise is new or used, and in the case of used merchandise, a statement that the merchandise is in good working order, is clean, and is free of any infestation.

(2) A rent-to-own agreement shall include the following cost disclosures, printed and grouped as indicated below, immediately preceding the signature lines:

(1) Cash Price: _____ \$ _____

(2) Payments required to become owner:

\$ _____ / (weekly)(biweekly)(monthly) × (# of payments) = \$ _____

(3) Mandatory charges and fees required to become owner (itemize):

_____ \$ _____

_____ \$ _____

_____ \$ _____

Total required ~~taxes,~~ fees and charges: \$ _____

(4) Total cost: _____ (2) + (3) = \$ _____

(5) Rent-to-Own Charge: _____ (4) - (1) = \$ _____

(6) Tax _____ = \$ _____

(7) DO NOT SIGN BEFORE READING THIS AGREEMENT CAREFULLY

(g) Required provisions of rent-to-own agreement. A rent-to-own agreement shall provide:

(1) a statement of payment due dates;

(2) a line-item list of any other charges or fees the consumer could be charged or have the option of paying in the course of acquiring ownership or

during or after the term of the agreement;

(3) that the consumer will not own the merchandise until he or she makes all of the required payments for ownership;

(4) that the consumer has the right to receive a receipt for a payment and, upon reasonable notice, a written statement of account;

(5) who is responsible for service, maintenance, and repair of an item of merchandise;

(6) that, except in the case of the consumer's negligence or abuse, if the merchant, during the term of the agreement, must retake possession of the merchandise for maintenance, repair, or service, or the item cannot be repaired, the merchant is responsible for providing the consumer with a replacement item of equal quality and comparable design;

(7) that the maximum amount of the consumer's liability for damage or loss to the merchandise is limited to an amount equal to the cash price multiplied by the ratio of:

(A) the number of payments remaining to acquire ownership under the agreement; to

(B) the total number of payments necessary to acquire ownership under the agreement.

(8) a statement that if any part of a manufacturer's express warranty covers the merchandise at the time the consumer acquires ownership the merchant shall transfer the warranty to the consumer if allowed by the terms of the warranty;

(9) a description of any damage waiver or insurance purchased by the consumer, or a statement that the consumer is not required to purchase any damage waiver or insurance;

(10) an explanation of the consumer's options to purchase the merchandise;

(11) an explanation of the merchant's right to repossess the merchandise; and

(12) an explanation of the parties' respective rights to terminate the agreement, and to reinstate the agreement.

(h) Warranties.

(1) Upon transfer of ownership of merchandise to a consumer, a merchant shall transfer to the consumer any manufacturer's or other warranty on the merchandise.

(2) A merchant creates an implied warranty to a consumer, which may not be waived, in the following circumstances:

(A) an affirmation of fact or promise made by the merchant to the consumer which relates to merchandise creates an implied warranty that the merchandise will substantially conform to the affirmation or promise;

(B) a description of the merchandise by the merchant creates an implied warranty that the merchandise will substantially conform to the description; and

(C) a sample or model exhibited to the consumer by the merchant creates an implied warranty that the merchandise actually delivered to the consumer will substantially conform to the sample or model.

(i) Maintenance and repairs.

(1) During the term of a rent-to-own agreement, the merchant shall maintain the merchandise in good working condition.

(2) If a repair cannot be completed within three days, the merchant shall provide a replacement to the consumer to use until the original merchandise is repaired. Replacement merchandise shall be at least comparable in quality, age, condition, and warranty coverage to the replaced original merchandise.

(3) A merchant is not required to repair or replace merchandise that has been damaged as a result of negligence or an intentional act by the consumer.

(j) Prohibited provisions of rent-to-own agreement. A rent-to-own agreement shall not include any of the following provisions, which shall be void and unenforceable:

(1) a provision requiring a confession of judgment;

(2) a provision requiring a garnishment of wages;

(3) a provision requiring arbitration or mediation of a claim that otherwise meets the jurisdictional requirements of a small claims proceeding under 12 V.S.A. chapter 187;

(4) a provision authorizing a merchant or its agent to enter unlawfully upon the consumer's premises or to commit any breach of the peace in the repossession of property;

(5) a provision requiring the consumer to waive any defense, counterclaim, or right of action against the merchant or its agent in collection of payment under the agreement or in the repossession of property; or

(6) a provision requiring the consumer to purchase a damage waiver or insurance from the merchant to cover the property.

(k) Option to purchase. Notwithstanding any other provision of this section, at any time after the first payment a consumer who is not in violation of a rent-to-own agreement may acquire ownership of the merchandise covered by the agreement by paying an amount equal to the cash price of the merchandise minus 50 percent of the value of the consumer's previous payments.

(l) Payment; notice of default. If a consumer fails to make a timely payment required in a rent-to-own agreement, the merchant shall deliver to the consumer a notice of default and right to reinstate the agreement at least 14 days before the merchant commences a civil action to collect amounts the consumer owes under the agreement.

(m) Collections; repossession of merchandise; prohibited acts. When attempting to collect a debt or enforce an obligation under a rent-to-own agreement, a merchant shall not:

(1) call or visit a consumer's workplace after a request by the consumer or his or her employer not to do so;

(2) use profanity or any language to abuse, ridicule, or degrade a consumer;

(3) repeatedly call, leave messages, knock on doors, or ring doorbells;

(4) ask someone, other than a spouse, to make a payment on behalf of a consumer;

(5) obtain payment through a consumer's bank, credit card, or other account without authorization;

(6) speak with a consumer more than six times per week to discuss an overdue account;

(7) engage in violence;

(8) trespass;

(9) call or visit a consumer at home or work after receiving legal notice that the consumer has filed for bankruptcy;

(10) impersonate others;

(11) discuss a consumer's account with anyone other than a spouse of the consumer;

(12) threaten unwarranted legal action; or

(13) leave a recorded message for a consumer that includes anything other than the caller's name, contact information, and a courteous request that

the consumer return the call.

(n) Reinstatement of agreement.

(1) A consumer who fails to make a timely payment may reinstate a rent-to-own agreement without losing any rights or options that exist under the agreement by paying all past-due charges, the reasonable costs of pickup, redelivery, and any refurbishing, and any applicable late fee:

(A) within five business days of the renewal date of the agreement if the consumer pays monthly; or

(B) within three business days of the renewal date of the agreement if the consumer pays more frequently than monthly.

(2) If a consumer promptly returns or voluntarily surrenders merchandise upon a merchant's request, the consumer may reinstate a rent-to-own agreement during a period of not less than 180 days after the date the merchant retakes possession of the merchandise.

(3) In the case of a rent-to-own agreement that is reinstated pursuant to this subsection, the merchant is not required to provide the consumer with the identical item of merchandise and may provide the consumer with a replacement item of equal quality and comparable design.

(o) Reasonable charges and fees; late fees.

(1) A charge or fee assessed under a rent-to-own agreement shall be reasonably related to the actual cost to the merchant of the service or hardship for which it is charged.

(2) A merchant may assess only one late fee for each payment regardless of how long the payment remains due.

(p) Prohibition on rent-to-own businesses and licensed lenders. A person engaged in the business of selling merchandise under a rent-to-own agreement subject to this section shall not engage in any conduct or business at the same physical location that would require a license under 8 V.S.A. chapter 73 (licensed lenders).

(q) Enforcement; remedies; damages. A person who violates this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

* * * Financial Literacy * * *

Sec. 2. FINDINGS

The General Assembly finds:

(1) Many Vermonters are not learning the basics of personal finance in school or in life and their lack of knowledge and skill can have severe and negative consequences to themselves and Vermont’s economy. Financial illiteracy affects everyone—men and women, young and old, and crosses all racial and socio-economic boundaries.

(2) Financial literacy is an essential 21st century life skill that young people need to succeed, yet recent studies and surveys show that our youth have not mastered these topics. For example, a 2013 report by Vermont Works for Women indicated that young women believe that a lack of personal finance training was a major deficiency in their education. Without improved financial literacy, the next generation of Vermont leaders, job creators, entrepreneurs, and taxpayers will lack skills they need to survive and to thrive in this increasingly complex financial world.

(3) The following are some facts about the lack of financial literacy in Vermont’s k–12 schools:

(A) Vermont received a “D” grade in a national report card on State efforts to improve financial literacy in high schools, but more than one-half of the states received a grade of A, B, or C;

(B) in an Organisation for Economic Co-operation and Development (OECD) Programme for International Student Assessment (PISA) international financial literacy test of 15-year-olds, the United States ranked 9th out of 13 countries participating in the exam—statistically tied with the Russian Federation and behind China, Estonia, Czech Republic, Poland, and Latvia;

(C) only 10 percent of high schools in Vermont (7 out of 65) have a financial literacy graduation requirement;

(D) a 2011 survey shows that as many as 30 percent of Vermont high schools may not even offer a personal finance elective course for their students to take; and

(E) the same survey indicates that Vermont high school administrators estimate that more than two-thirds of the students graduate without achieving competence in financial literacy topics.

(4) Most students are not financially literate when they enter college and we know that many students leave college for “financial reasons.” Too few Vermont college students have received personal finance education in k–12 school or at home. In fact, a Schwab survey indicated that parents are nearly as uncomfortable talking to their children about money as they are discussing sex. Except in some targeted programs and occasional courses, most college students in Vermont are not offered much in the way of financial literacy

education. Personal finance education often consists of brief mandatory entrance and exit counseling for students with federal loans, along with reminders to Vermont students to repay their loans. Today's college graduates need to be financially sophisticated because they face greater challenges than previous generations experienced. As a result of the recent recession, many are worse off than their parents were at the same age, with more debt and stagnant or lower incomes. They have higher unemployment rates than older citizens, more live at home with their parents, while fewer own a home, have children or are married. A lack of financial skills is clearly a factor in the failure of many in this generation to launch, and is having a substantial impact on our overall economy.

(5) A more financially sophisticated collegiate student body can be expected to yield a corresponding increase in retention and persistence rates, fewer student loans, and lower student loan default rates and greater alumni giving.

(6) Several studies show that financially sophisticated college students have better outcomes. For example, three University of Arizona longitudinal studies that followed students through college and into the workforce clearly demonstrated that achieving financial self-sufficiency, a key developmental challenge of young adulthood, appears to be driven by financial behaviors practiced during emerging adulthood. The study indicated that college students who exhibited responsible early financial practices experienced smoother transitions to adulthood than students who had poor behaviors. The studies also found that those students who were most successful with this transition to adulthood had more financial education through personal finance or economics classes.

(7) Some troubling facts about college students lack of financial literacy include:

(A) 63 percent of Vermont four-year college students that graduated in 2012 had student loan debt that averaged \$28,299.00;

(B) nationally, nearly 11 percent of all student loan borrowers were delinquent in their payments by more than 90 days as of June 2014; and

(C) only 27 percent of parents in Vermont have set aside funds for their child's college education.

(8) Many of Vermont's adults struggle financially. The recent recession demonstrated that our citizens have trouble making complex financial decisions that are critical to their well-being. Nearly one-half of Vermont adults have subprime credit ratings, and thus pay more interest on auto and home loans and credit card debt; nearly two-thirds have not planned for

retirement; and less than one-half of Vermont adults participate in an employment-based retirement plan.

(9) Personal economic stress results in lost productivity, increased absenteeism, employee turnover, and increased medical, legal, and insurance costs. Employers in Vermont and our overall economy will benefit from a decrease in personal economic stress that can result from more adult financial education.

(10) Some troubling facts about Vermont adults' lack of financial literacy:

(A) in a 2014 survey, 41 percent of U.S. adults gave themselves a grade of C, D, or F on their personal finance knowledge;

(B) nationally, 34 percent of adults indicated that they have no retirement savings;

(C) as of the third quarter of 2014, among those Vermonters owing money in revolving debt, including credit cards, private label cards, and lines of credit, the average balance was \$9,822.00 per borrower;

(D) 62 percent of Vermont adults do not have a rainy-day fund, a liquid emergency fund that would cover three months of life's necessities;

(E) nearly 20 percent of adult Vermonters are unbanked or underbanked; and

(F) 22 percent of Vermont adults used one or more nonbank borrowing methods in the past five years, including an auto title loan, payday loan, advance on tax refund, pawn shop, and rent-to-own.

(11) Vermonters need the skills and tools to take control of their financial lives. Studies have shown that financial literacy is linked to positive outcomes like wealth accumulation, stock market participation, retirement planning, and avoidance of high cost alternative financial products.

(12) When they graduate, Vermont high school students should, at a minimum, understand how credit works, how to budget, and how to save and invest. College graduates should understand those concepts in addition to the connection between income and careers, and how student loans work. Vermont adults need to understand the critical importance of rainy-day and retirement funds, and the amounts they will need in those funds.

(13) All Vermonters should have access to content and training that will help them increase their personal finance knowledge. Vermont students and adults need a clear path to building their personal finance knowledge and skills. Vermont needs to increase its focus on helping Vermonters become

wiser consumers, savers, and investors. Financial literacy education is a helping hand that gives individuals knowledge and skills that can lift them out of a financial problem, or prevent difficulties from occurring.

(14) A more financially sophisticated and capable citizenry will help improve Vermont's economy and overall prosperity.

(15) In 2014, a Vermont Financial Literacy Task Force convened by the Center for Financial Literacy at Champlain College, recommended as one of its 13 action items that a Vermont Financial Literacy Commission be created to help improve the financial literacy and capability of all Vermonters.

Sec. 3. 9 V.S.A. chapter 151 is added to read:

CHAPTER 151. VERMONT FINANCIAL LITERACY COMMISSION

§ 6001. DEFINITIONS

In this chapter:

(1) "Financial capability" means:

(A) financial literacy and access to appropriate financial products; and

(B)(i) the ability to act, including knowledge, skills, confidence, and motivation; and

(ii) the opportunity to act, through access to beneficial financial products and institutions.

(2) "Financial literacy" means the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being.

§ 6002. VERMONT FINANCIAL LITERACY COMMISSION

(a) There is created a Vermont Financial Literacy Commission to measurably improve the financial literacy and financial capability of Vermont's citizens.

(b) The Commission shall be composed of the following members:

(1) the Vermont State Treasurer or designee;

(2) the Secretary of Education or designee;

(3) one representative of the Executive Branch, appointed by the Governor, who is an employee of an agency or department that conducts financial literacy education outreach efforts in Vermont, including the Department of Children and Families, Agency of Commerce and Community Development, Department of Financial Regulation, Department of Labor,

Department of Libraries, or the Commission on Women, but not including the Agency of Education;

(4) a member of the Vermont House of Representatives appointed by the Speaker of the House and a member of the Vermont Senate appointed by the President Pro Tempore of the Senate;

(5) a k–12 public school financial literacy educator appointed by the Vermont-NEA;

(6) one representative of k–12 public school administration, currently serving as a school board member, superintendent, or principal, appointed by the Governor based on nominees submitted by the Vermont School Board Association, the Vermont Superintendents Association, and the Vermont Principals Association;

(7) three representatives focused on collegiate financial literacy issues:

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

(B) one representative appointed by the Governor from either Vermont State Colleges or the University of Vermont; and

(C) one representative appointed by the Governor from an independent college in Vermont;

(8) two representatives from nonprofit entities engaged in providing financial literacy education to Vermont adults appointed by the Governor, one of which entities shall be a nonprofit that provides financial literacy and related services to persons with low income;

(9) one representative from Vermont’s banking industry appointed by the Vermont Bankers Association, and one representative from Vermont’s credit union industry appointed by the Association of Vermont Credit Unions; and

(10) one member of the public, appointed by the Governor.

(c) The Treasurer or designee and another member of the Commission, appointed by the Governor, who is not an employee of the State of Vermont, shall serve as co-chairs of the Commission.

(d)(1) Each member shall serve for a three-year term, provided that the Treasurer shall have the authority to designate whether an initial term for each appointee shall be for a one, two, or three-year initial term in order to ensure that no more than one-third of the terms expire in any given year.

(2) A vacancy shall be filled by the appointing authority as provided in

subsection (a) of this section for the remainder of the term.

(e) The Commission may request from any branch, division, department, board, commission, or other agency of the State or any entity that receives State funds, such information as will enable the Commission to perform its duties as required in this chapter.

§ 6003. POWERS AND DUTIES

The Vermont Financial Literacy Commission established by section 6002 of this title shall have the following powers and duties necessary and appropriate to achieve the purposes of this chapter:

(1) collaborate with relevant State agencies and departments, private enterprise, and nonprofit organizations;

(2) incentivize Vermont's k-16 educational system, businesses, community organizations, and governmental agencies to implement financial literacy and capability programs;

(3) advise the administration, governmental agencies and departments, and the General Assembly on the current status of our citizens' financial literacy and capability;

(4) create and maintain a current inventory of all financial literacy and capability initiatives available in the State, and in particular identify trusted options that will benefit our citizens;

(5) identify ways to equip Vermonters with the training, information, skills, and tools they need to make sound financial decisions throughout their lives and ways to help individuals with low income get access to needed financial products and services;

(6) identify ways to help Vermonters with low income save and build assets;

(7) identify ways to help increase the percentage of Vermont employees saving for retirement;

(8) recommend actions that can be taken by the public and private sector to achieve the goal of increasing the financial literacy and capability of all Vermonters;

(9) promote and raise the awareness in our State about the importance of financial literacy and capability;

(10) identify key indicators to be tracked regarding financial literacy and capability in Vermont;

(11) analyze data to monitor the progress in achieving an increase in the

financial literacy and capability of Vermont's citizens;

(12) pursue and accept funding for, and direct the administration of, the Financial Literacy Commission Fund created in section 6004 of this title;

(13) consider and implement research and policy initiatives that provide effective and meaningful results; and

(14) issue a report during the first month of each legislative biennium on the Commission's progress and recommendations for increasing the financial literacy and capability of Vermont's citizens, including an accounting of receipts, disbursements, and earnings of the Financial Literacy Commission Fund, and whether the Commission should be retired or reconfigured, to:

(A) the Governor;

(B) the House Committees on Commerce and Economic Development, on Education, on Government Operations, and on Human Services; and

(C) the Senate Committees on Economic Development, Housing and General Affairs, on Education, on Government Operations, and on Health and Welfare.

§ 6004. FINANCIAL LITERACY COMMISSION FUND

(a) There is created within the Office of the State Treasurer the Financial Literacy Commission Fund, a special fund created pursuant to 32 V.S.A. chapter 7, subchapter 5 that shall be administered by the Treasurer under the direction of the Financial Literacy Commission.

(b) The Fund shall consist of sums appropriated to the Fund and monies from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances. Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund and shall not revert to the General Fund.

(c) The purpose of the Fund shall be to enable the Commission to pursue and accept funding from diverse sources outside of State government in the form of gifts, grants, federal funding, or from any other sources public or private, consistent with this chapter, in order to support financial literacy projects.

(d) The Treasurer, under the supervision of the Commission, shall have the authority:

(1) to expend monies from the Fund for financial literacy projects in accordance with 32 V.S.A. § 462; and

(2) to invest monies in the Fund in accordance with 32 V.S.A. § 434.

* * * Fees for Automatic Dialing Service * * *

Sec. 4. 9 V.S.A. § 2466b is added to read:

§ 2466b. DISCLOSURE OF FEE FOR AUTOMATIC DIALING

SERVICE

(a) In this section:

(1) “Automatic dialing service” means a service of a home or business security, monitoring, alarm, or similar system, by which the system automatically initiates a call or connection to an emergency service provider, either directly or through a third person, upon the occurrence of an action specified within the system to initiate a call or connection.

(2) “Emergency functions” include services provided by the department of public safety, firefighting services, police services, sheriff’s department services, medical and health services, rescue, engineering, emergency warning services, communications, evacuation of persons, emergency welfare services, protection of critical infrastructure, emergency transportation, temporary restoration of public utility services, other functions related to civilian protection and all other activities necessary or incidental to the preparation for and carrying out of these functions.

(3) “Emergency service provider” means a person that performs emergency functions.

(b) Before executing a contract for the sale or lease of a security, monitoring, alarm, or similar system that includes an automatic dialing service, the seller or lessor of the system shall disclose in writing:

(1) any fee or charge the seller or lessor charges to the buyer or lessee for the service; and

(2) that the buyer or lessor may be subject to additional fees or charges imposed by another person for use of the service.

(c) A person who fails to provide the disclosure required by subsection (b) of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

* * * Consumer Litigation Funding * * *

Sec. 5. 8 V.S.A. § 2246 is added to read:

§ 2246. CONSUMER LITIGATION FUNDING

(a) Findings. The General Assembly finds that the relatively new business

of consumer litigation funding, as defined in subsection (b) of this section, raises concerns about whether and, if so, to what extent such transactions should be regulated by the Commissioner of Financial Regulation. Concerns include: finance charges and fees; terms and conditions of contracts; rescission rights; licensure or registration; disclosure requirements; enforcement and penalties; and any other standards and practices the Commissioner deems relevant.

(b) Definition. As used in this section, “consumer litigation funding” means a nonrecourse transaction in which a person provides personal expense funds to a consumer to cover personal expenses while the consumer is a party to a civil action or legal claim and, in return, the consumer assigns to such person a contingent right to receive an amount of the proceeds of a settlement or judgment obtained from the consumer’s action or claim. If no such proceeds are obtained, the consumer is not required to repay the person the funded amount, any fees or charges, or any other sums.

(c) Recommendation. On or before December 1, 2015, the Commissioner of Financial Regulation and the Attorney General shall submit a recommendation or draft legislation to the General Assembly reflecting an appropriate balance between:

(1) providing a consumer access to funds for personal expenses while the consumer is a party to a civil action or legal claim; and

(2) protecting the consumer from any predatory practices by a person who provides consumer litigation funding.

(d) Moratorium. A person shall not offer or enter into a consumer litigation funding contract on or after July 1, 2015 unless authorized to do so by further enactment of the General Assembly.

(e) Enforcement. A person who violates subsection (d) of this section shall be subject to the powers and penalties of the Commissioner of Financial Regulation under sections 13 (subpoenas and examinations) and 2215 (licensed lender penalties) of this title.

* * * Internet Dating Services * * *

Sec. 6. 9 V.S.A. chapter 63, subchapter 8 is added to read:

Subchapter 8. Internet Dating Services

§ 2482a. DEFINITIONS

In this chapter:

(1) “Account change” means a change to the password, e-mail address, age, identified gender, gender of members seeking to meet, primary photo

unless it has previously been approved by the Internet dating service, or other conspicuous change to a member's account or profile with or on an Internet dating service.

(2) "Banned member" means the member whose account or profile is the subject of a fraud ban.

(3) "Fraud ban" means barring a member's account or profile from an Internet dating service because, in the judgment of the service, the member poses a significant risk of attempting to obtain money from other members through fraudulent means.

(4) "Internet dating service" means a person or entity that is in the business of providing dating services principally on or through the Internet.

(5) "Member" means a person who submits to an Internet dating service information required to access the service and who obtains access to the service.

(6) "Vermont member" means a member who provides a Vermont residential or billing address or zip code when registering with the Internet dating service.

§ 2482b. REQUIREMENTS FOR INTERNET DATING SERVICES

(a) An Internet dating service shall disclose to all of its Vermont members known to have previously received and responded to an on-site message from a banned member:

(1) the user name, identification number, or other profile identifier of the banned member;

(2) the fact that the banned member was banned because in the judgment of the Internet dating service the banned member may have been using a false identity or may pose a significant risk of attempting to obtain money from other members through fraudulent means;

(3) that a member should never send money or personal financial information to another member; and

(4) a hyperlink to online information that clearly and conspicuously addresses the subject of how to avoid being defrauded by another member of an Internet dating service.

(b) The notification required by subsection (a) of this section shall be:

(1) clear and conspicuous;

(2) by e-mail, text message, or other appropriate means of communication; and

(3) sent within 24 hours after the fraud ban, or at a later time if the service has determined based on an analysis of effective messaging that a different time is more effective, but in no event later than three days after the fraud ban.

(c) An Internet dating service shall disclose in an e-mail, text message, or other appropriate means of communication, in a clear and conspicuous manner, within 24 hours after discovery of any account change to a Vermont member's account or profile:

(1) the fact that information on the member's account or personal profile has been changed;

(2) a brief description of the change; and

(3) if applicable, how the member may obtain further information on the change.

§ 2482c. IMMUNITY

(a) An Internet dating service shall not be liable to any person, other than the State of Vermont, or any agency, department, or subdivision of the State, for disclosing to any member that it has banned a member, the user name or identifying information of the banned member, or the reasons for the Internet dating service's decision to ban such member.

(b) An Internet dating service shall not be liable to any person, other than the State of Vermont, or any agency, department, or subdivision of the State, for the decisions regarding whether to ban a member, or how or when to notify a member pursuant to section 2482b of this title.

(c) This subchapter does not diminish or adversely affect the protections for Internet dating services that are afforded in 47 U.S.C. § 230 (Federal Communications Decency Act).

§ 2482d. VIOLATIONS

(a) A person who violates this subchapter commits an unfair and deceptive act in trade and commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, and enter into assurances of discontinuance as is provided under subchapter 1 of this chapter.

* * * Discount Membership Programs * * *

Sec. 7. 9 V.S.A. § 2470hh is amended to read:

§ 2470hh. VIOLATIONS

~~(a) A violation of this subchapter is deemed to be a violation of section~~

~~2453 of this title~~ A person who violates this subchapter commits an unfair and deceptive act in trade and commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as is provided under subchapter 1 of this chapter.

(c) It is an unfair and deceptive act and practice in commerce for any person to provide substantial assistance to the seller of a discount membership program that has engaged or is engaging in an unfair or deceptive act or practice in commerce, when the person or the person's authorized agent:

(1) receives notice from a regulatory, law enforcement, or similar governmental authority that the seller of the discount membership program is in violation of this subchapter;

(2) knows from information received or in its possession that the seller of the discount membership program is in violation of this subchapter; or

(3) consciously avoids knowing that the seller of the discount membership program is in violation of this subchapter.

(d) Subject to section 2452 of this title, a person who provides only incidental assistance, which does not further the sale of a discount membership program, to the seller of the program, or who does not receive a benefit from providing assistance to the seller of a discount membership, shall not be liable under this section unless the person receives notice, knows, or consciously avoids knowing, pursuant to subdivision (c)(1), (2), or (3) of this section, that a discount membership program is in violation of this chapter.

* * * Security Breach Notice Act * * *

Sec. 8. 9 V.S.A. § 2435(b)(6) is amended to read:

~~(6) For purposes of this subsection, notice to consumers may be provided~~ A data collector may provide notice of a security breach to a consumer by one or more of the following methods:

(A) Direct notice ~~to consumers~~, which may be by one of the following methods:

(i) ~~Written~~ written notice mailed to the consumer's residence;

(ii) ~~Electronic~~ electronic notice, for those consumers for whom the data collector has a valid e-mail address if:

~~(I) the data collector does not have contact information set forth in subdivisions (i) and (ii) of this subdivision (6)(A),~~ the data collector's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice

conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or

(II) the notice ~~provided~~ is consistent with the provisions regarding electronic records and signatures for notices ~~as set forth~~ in 15 U.S.C. § 7001; or

(iii) ~~Telephonic~~ telephonic notice, provided that telephonic contact is made directly with each affected consumer; and ~~the telephonic contact is not~~ through a prerecorded message.

(B)(i) Substitute notice, if:

(I) the data collector demonstrates that the cost of providing written or telephonic notice, ~~pursuant to subdivision (A)(i) or (iii) of this subdivision (6),~~ to affected consumers would exceed \$5,000.00; ~~or that~~

(II) the ~~affected~~ class of affected consumers to be provided written or telephonic notice, ~~pursuant to subdivision (A)(i) or (iii) of this subdivision (6),~~ exceeds 5,000; or

(III) the data collector does not have sufficient contact information.

~~(ii) Substitute notice shall consist of all of the following~~ A data collector shall provide substitute notice by:

~~(i)(I) conspicuous~~ conspicuously posting of the notice on the data collector's website ~~page~~ if the data collector maintains one; and

~~(ii)(II) notification to~~ notifying major statewide and regional media.

* * * Limitation of Liability for Advertisers * * *

Sec. 9. 9 V.S.A. § 2452 is amended to read:

§ 2452. LIMITATION

(a) Nothing in this chapter shall apply to the owner or publisher of a newspaper, magazine, publication, or printed matter, or to a provider of an interactive computer service, wherein an advertisement or offer to sell appears, or to the owner or operator of a radio or television station which disseminates an advertisement or offer to sell, when the owner, publisher ~~or~~ operator, or provider has no knowledge of the fraudulent intent, design, or purpose of the advertiser or ~~operator~~ offeror, and is not responsible, in whole or in part, for the creation or development of the advertisement or offer to sell.

(b) In this section, "interactive computer service" has the same meaning as in 47 U.S.C. § 230(f)(2).

* * * Effective Dates * * *

Sec. 10. EFFECTIVE DATES

(a) This section, Secs. 2–5, and 7–9 shall take effect on July 1, 2015.

(b) Sec. 1 shall take effect on September 1, 2015.

(c) In Sec. 6:

(1) 9 V.S.A. §§ 2482a, 2482c, and 2482d shall take effect on passage.

(2) 9 V.S.A. § 2482b shall take effect on January 1, 2016.

(Committee vote: 10-1-0)

(For text see Senate Journal 3/17/2015)

Rep. Lanpher of Vergennes, for the Committee on **Appropriations**, recommends the bill ought to pass when amended as recommended by the Committee on **Commerce & Economic Development** and when further amended as follows:

First: In Sec. 3, in 9 V.S.A. § 6002(b), by striking out subdivision (4) in its entirety (legislative members of Vermont Financial Literacy Commission)

Second: In Sec. 3, in 9 V.S.A. § 6002(b), in subdivision (5), by striking out the word “public” and by striking out the words “appointed by the Vermont NEA”

Third: In Sec. 3, in 9 V.S.A. § 6002(b), in subdivision (6), by striking out the word “public”

Fourth: In Sec. 3, in 9 V.S.A. § 6002(b), by striking out subdivision (7) in its entirety and inserting in lieu thereof a new subdivision (7) to read:

(7) one representative focused on collegiate financial literacy issues;

and by renumbering the subdivisions in subsection (b) to be numerically correct

Fifth: In Sec. 3, in 9 V.S.A. § 6002(d), by adding a subdivision (3) to read:

(3) A member of the Commission who is not an employee of the State of Vermont and who is not otherwise compensated or reimbursed for his or her attendance at a meeting of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

Sixth: In Sec. 3, in 9 V.S.A. § 6003(14), by striking out “retired or”

Seventh: By adding a Sec. 3A to read:

Sec. 3A. REPEAL

9 V.S.A. chapter 151 (Vermont Financial Literacy Commission) shall be repealed on July 1, 2018.

and that after passage the title of the bill be amended to read: “An act relating to consumer protection laws”

(**Committee Vote: 10-0-1**)

Favorable

S. 41

An act relating to developing a strategy for evaluating the effectiveness of individual tax expenditures

Rep. Condon of Colchester, for the Committee on **Ways & Means**, recommends that the bill ought to pass in concurrence.

(**Committee Vote: 11-0-0**)

(**For text see Senate Journal 3/17/15**)

Committee of Conference Report

S. 115

An act relating to expungement of convictions based on conduct that is no longer criminal

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate Bill entitled:

S. 115 An act relating to expungement of convictions based on conduct that is no longer criminal

Respectfully report that they have met and considered the same and recommend that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 7601 is amended to read:

§ 7601. DEFINITIONS

As used in this chapter:

* * *

(3) “Predicate offense” means a criminal offense that can be used to enhance a sentence levied for a later conviction, and includes operating a vehicle under the influence of intoxicating liquor or other substance in violation of 23 V.S.A. § 1201, domestic assault in violation of section 1042 of this title, and stalking in violation of section 1062 of this title. “Predicate offense” shall not include misdemeanor possession of marijuana or a disorderly conduct offense under section 1026 of this title.

(4) "Qualifying crime" means:

(A) a misdemeanor offense which is not a listed crime as defined in subdivision 5301(7) of this title, an offense involving sexual exploitation of children in violation of chapter 64 of this title, an offense involving violation of a protection order in violation of section 1030 of this title, a prohibited act as defined in section 2632 of this title, or a predicate offense;

(B) a violation of subsection 3701(a) of this title related to criminal mischief; ~~or~~

(C) a violation of section 2501 of this title related to grand larceny; or

(D) a violation of section 1201 of this title related to burglary, excluding any burglary into an occupied dwelling, as defined in subdivision 1201(b)(2) of this title.

Sec. 2. 13 V.S.A. § 7602 is amended to read:

§ 7602. EXPUNGEMENT AND SEALING OF RECORD,
POSTCONVICTION; PROCEDURE

(a)(1) A person ~~who was convicted of a qualifying crime or qualifying crimes arising out of the same incident or occurrence~~ may file a petition with the Court requesting expungement or sealing of the criminal history record related to the conviction. ~~The State's Attorney or Attorney General shall be the respondent in the matter. if:~~

(A) the person was convicted of a qualifying crime or qualifying crimes arising out of the same incident or occurrence; or

(B) the person was convicted of an offense for which the underlying conduct is no longer prohibited by law or designated as a criminal offense.

(2) The State's Attorney or Attorney General shall be the respondent in the matter.

(3) The Court shall grant the petition without hearing if the petitioner and the respondent stipulate to the granting of the petition. The respondent shall file the stipulation with the Court, and the Court shall issue the petitioner a certificate and provide notice of the order in accordance with this section.

* * *

(d) The Court shall grant the petition and order that the criminal history record be expunged in accordance with section 7606 of this title if the following conditions are met:

(1) The petitioner committed the qualifying crime or crimes prior to reaching 25 years of age.

(2) At least five years have elapsed since the date on which the person successfully completed the terms and conditions of the sentence for the conviction, or if the person has successfully completed the terms and conditions of an indeterminate term of probation that commenced at least five years previously.

(3) The person has not been convicted of a crime arising out of a new incident or occurrence since the person was convicted of the qualifying crime.

(4) The person successfully completed a term of regular employment or public service, independent of any service ordered as a part of the petitioner's sentence for the conviction, and as approved by the Community Justice Network of Vermont, which may include:

(A) community service hours completed without compensation, reparation of harm to the victim, or education regarding ways not to reoffend, or a combination of the three;

(B) at least one year of service in the U.S. Armed Forces, followed by an honorable discharge or continued service in good standing;

(C) at least one year of service in AmeriCorps or another local, state, national, or international service program, followed by successful completion of the program or continued service in good standing; or

(D) at least one year of regular employment.

(5) Any restitution ordered by the Court for any crime of which the person has been convicted has been paid in full.

(6) The Court finds that expungement of the criminal history record serves the interest of justice.

(e) For petitions filed pursuant to subdivision (a)(1)(B) of this section, the Court shall grant the petition and order that the criminal history record be expunged in accordance with section 7606 of this title if the following conditions are met:

(1) At least one year has elapsed since the completion of any sentence or supervision for the offense, whichever is later.

(2) Any restitution ordered by the Court has been paid in full.

(3) The Court finds that expungement of the criminal history record serves the interest of justice.

(f) For petitions filed pursuant to subdivision (a)(1)(B) of this section for a conviction for possession of a regulated drug under 18 V.S.A. chapter 84, subchapter 1 in an amount that is no longer prohibited by law or for which

criminal sanctions have been removed:

(1) The petitioner shall bear the burden of establishing that his or her conviction was based on possessing an amount of regulated drug that is no longer prohibited by law or for which criminal sanctions have been removed.

(2) There shall be a rebuttable presumption that the amount of the regulated drug specified in the affidavit of probable cause associated with the petitioner's conviction was the amount possessed by the petitioner.

(g) Prior to granting an expungement or sealing under this section for petitions filed pursuant to subdivision 7601(4)(D) of this title, the Court shall make a finding that the conduct underlying the conviction under section 1201 of this title did not constitute a burglary into an occupied dwelling, as defined in subdivision 1201(b)(2) of this title. The petitioner shall bear the burden of establishing this fact.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

Rep. Grad

Rep. Nuovo

Rep. Burditt

Committee on the part of the House

Sen. White

Sen. Nitka

Sen. Benning

Committee on the part of the Senate