Journal of the House

Friday, May 15, 2015

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

Devotional Exercises

Devotional exercises were conducted by the Speaker.

Pages Honored

In appreciation of their many services to the members of the General Assembly, the Speaker recognized the following named Pages who are completing their service today and presented them with commemorative pins:

Peter Antinozzi of Shelburne Jared Baron of Grand Isle Daniel Durgin of Cabot Liam Fisher of West Halifax Kaitlyn Girouard of Concord Kathleen Hall of Richmond Elliott Montroll of Burlington Elizabeth Sirjane of Shrewsbury Sophia St. John-Lockridge of Burlington Jacob Wohl of Burlington

Senate Proposal of Amendment Concurred in

H. 11

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

An act relating to the membership of the Commission on Alzheimer's Disease and Related Disorders

<u>First</u>: In Sec. 1, 3 V.S.A. § 3085b, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(b) The Commission shall be composed of <u>17</u> <u>18</u> members: the Commissioner Commissioners of Disabilities, Aging, and Independent Living and of Health or a designee designees, one Senator chosen by the Committee on Committees of the Senate, one Representative chosen by the Speaker of the House, and <u>14</u> <u>16</u> members appointed by the Governor. The members appointed by the Governor shall represent the following groups and

organizations: physicians, social workers, nursing home managers, including the administrators of the Vermont Veterans' Home, the clergy, adult day center providers, the business community, registered nurses, residential care home operators, family care providers, the home health agency, the legal profession, mental health service providers, the area agencies on aging, <u>University of Vermont's Center on Aging, the Support and Services at Home (SASH) program,</u> and the Alzheimer's Association. The members appointed by the Governor shall represent, to the degree possible, the five regions of the State.

<u>Second</u>: In Sec. 1, 3 V.S.A. § 3085b, by striking out subsection (c) in its entirety and inserting in lieu thereof the following:

(c) Eight of the members appointed by the Governor shall serve terms of two years and eight of the members shall serve terms of three years. Members shall serve until their successors are appointed. Members first appointed to the Commission prior to January 1, 2015, may apply to serve no more than one additional term of either two or three years following the expiration of their current term. Members first appointed to the Commission after January 1, 2015, shall serve a maximum of two terms. A member appointed to fill a vacancy occurring other than by expiration of a term shall be appointed only for the unexpired portion of the term, and if the unexpired portion of the term is less than or equal to one year, the member appointed to fill the vacancy occurring other than by expiration of a term may thereafter apply to serve a maximum of two additional terms.

<u>Third</u>: In Sec. 1, 3 V.S.A. § 3085b, by striking out subsection (d) in its entirety and inserting in lieu thereof the following:

(d) Legislative members shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406 for no more than six meetings per year; the remaining members Members of the Commission who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and expenses as provided in 32 V.S.A. § 1010 for no more than six four meetings per year. Payment to legislative members shall be from the appropriation to the Legislature. Payment to the remaining members shall be from the appropriation to the Department of Disabilities, Aging, and Independent Living.

Which proposal of amendment was considered and concurred in.

Report of Committee of Conference Adopted

S. 102

The Speaker placed before the House the following Committee of Conference report:

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

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

Respectfully reported that it has met and considered the same and recommended 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. § 352 is amended to read:

§ 352. CRUELTY TO ANIMALS

A person commits the crime of cruelty to animals if the person:

* * *

(5)(A) owns, possesses, keeps, or trains an animal engaged in an exhibition of fighting, or possesses, keeps, or trains any animal with intent that it be engaged in an exhibition of fighting, or permits any such act to be done on premises under his or her charge or control; or

(B) owns, possesses, ships, transports, delivers, or keeps a device, equipment, or implement for the purpose of training or conditioning an animal for participation in animal fighting, or enhancing an animal's fighting capability.

* * *

Sec. 2. 13 V.S.A. § 364 is amended to read:

§ 364. ANIMAL FIGHTS

(a) A person who participates in a fighting exhibition of animals shall be in violation of subdivisions 352(5) and (6) of this title.

(b) In <u>Notwithstanding any provision of law to the contrary, in</u> addition to seizure of fighting birds or animals involved in a fighting exhibition, a law enforcement officer or humane officer may seize:

(1) any equipment associated with that activity;

(2) any other personal property which is used to engage in a violation or further a violation of subdivisions 352(5) and (6) of this title; and

(3) monies, securities, or other things of value furnished or intended to be furnished by a person to engage in or further a violation of subdivisions 352(5) and (6) of this title. (c) In addition to the imposition of a penalty under this chapter, conviction under this section shall result in forfeiture of all seized fighting animals and, equipment, and other property subject to seizure under this section. The animals may be destroyed humanely or otherwise disposed of as directed by the court.

(d) Property subject to forfeiture under this subsection may be seized upon process issued by the court having jurisdiction over the property. Seizure without process may be made:

(1) incident to a lawful arrest;

(2) pursuant to a search warrant; or

(3) if there is probable cause to believe that the property was used or is intended to be used in violation of this section.

(e) Forfeiture proceedings instituted pursuant to the provisions of this section for property other than animals are subject to the procedures and requirements for forfeiture as set forth in 18 V.S.A. chapter 84, subchapter 2.

Sec. 3. 18 V.S.A. § 4241 is amended to read:

§ 4241. SCOPE

(a) The following property shall be subject to this subchapter:

* * *

(7) Any property seized pursuant to 13 V.S.A. § 364.

(b) This subchapter shall not apply to any property used or intended for use in an offense involving two ounces or less of marijuana or in connection with hemp or hemp products as defined in 6 V.S.A. § 562. This subchapter shall apply to property for which forfeiture is sought in connection with:

(1) a violation under chapter 84, subchapter 1 of this title that carries by law a maximum penalty of ten years' incarceration or greater; or

(2) a violation of 13 V.S.A. § 364.

Sec. 4. 18 V.S.A. § 4242 is amended to read:

§ 4242. SEIZURE

* * *

(b) Any property subject to forfeiture under this subchapter may be seized upon process. Seizure without process may be made when:

(1) the seizure is incident to an arrest with probable cause or a search under a valid search warrant;

(2) the property subject to seizure has been the subject of a prior judgment in favor of the state <u>State</u> in a forfeiture proceeding under this subchapter; or

(3) the seizure is incident to a valid warrantless search.

(c) If property is seized without process under subdivision (b)(1) or (3) of this section, the state <u>State</u> shall forthwith petition the court for a preliminary order or process under subsection (a) of this section.

(d) <u>All Notwithstanding subsection 4241(b) of this title, all</u> regulated drugs the possession of which is prohibited under this chapter are contraband and shall be automatically forfeited to the state and destroyed.

Sec. 5. 18 V.S.A. § 4243 is amended to read:

§ 4243. PETITION FOR JUDICIAL FORFEITURE PROCEDURE

(a) The State Conviction or agreement required. An asset is subject to forfeiture by judicial determination under section 4241 of this title and 13 V.S.A. § 364 if:

(1) a person is convicted of the criminal offense related to the action for forfeiture; or

(2) a person enters into an agreement with the prosecutor under which he or she is not charged with a criminal offense related to the action for forfeiture.

(b) Evidence. The State may introduce into evidence in the judicial forfeiture case the fact of a conviction in the Criminal Division.

(c) Burden of proof. The State bears the burden of proving by clear and convincing evidence that the property is an instrument of or represents the proceeds of the underlying offense.

(d) Notice. Within 60 days from when the seizure occurs, the State shall notify any owners, possessors, and lienholders of the property of the action, if known or readily ascertainable. Upon motion by the State, a court may extend the time period for sending notice for a period not to exceed 90 days for good cause shown.

(e) Return of property. If notice is not sent in accordance with subsection (d) of this section, and no time extension is granted or the extension period has expired, the law enforcement agency shall return the property to the person from whom the property was seized. An agency's return of property due to lack of proper notice does not restrict the agency's authority to commence a forfeiture proceeding at a later time. Nothing in this subsection shall require the agency to return contraband, evidence, or other property that the person from whom the property was seized is not entitled to lawfully possess.

(f) Filing of petition. Except as provided in section 4243a of this title, the <u>State</u> shall file a petition for forfeiture of any property seized under section 4242 of this title promptly, but not more than 14 days from the date the preliminary order or process is issued. The petition shall be filed in the <u>superior court Superior Court</u> of the county in which the property is located or in any court with jurisdiction over a criminal proceeding related to the property.

(b)(g) Service of petition. A copy of the petition shall be sent by certified mail to served on all persons named in the petition as provided for in Rule 4 of the Vermont Rules of Civil Procedure. In addition, the state State shall cause notice of the petition to be published in a newspaper of general circulation in the state State, as ordered by the court. The petition shall state:

(1) the facts upon which the forfeiture is requested, including a description of the property subject to forfeiture, and the type and quantity of regulated drug involved;

(2) the names of the apparent owner or owners, lienholders who have properly recorded their interests, and any other person appearing to have an interest; and, in the case of a conveyance, the name of the person holding title, the registered owner, and the make, model, and year of the conveyance.

Sec. 6. 18 V.S.A. § 4244 is amended to read:

§ 4244. FORFEITURE HEARING

(a) The court Within 60 days following service of notice of seizure and forfeiture under sections 4243 of this title, a claimant may file a demand for judicial determination of the forfeiture. The demand must be in the form of a civil complaint accompanied by a sworn affidavit setting forth the facts upon which the claimant intends to rely, including, if relevant, the noncriminal source of the asset or currency at issue. The demand must be filed with the court administrator in the county in which the seizure occurred.

(b) The Court shall hold a hearing on the petition no less than 14 nor more than 30 days after notice. For good cause shown, or on the court's own motion, the court may stay the forfeiture proceedings pending resolution of related criminal proceedings. If a person named in the petition is a defendant in a related criminal proceeding and the proceeding is dismissed or results in a judgment of acquittal, the petition shall be dismissed as to the defendant's

interest in the property as soon as practicable after, and in any event no later than 90 days following, the conclusion of the criminal prosecution.

(b)(c) A lienholder who has received notice of a forfeiture proceeding may intervene as a party. If the <u>court Court</u> finds that the lienholder has a valid, good faith interest in the subject property which is not held through a straw purchase, trust or otherwise for the actual benefit of another and that the lienholder did not at any time have knowledge or reason to believe that the property was being or would be used in violation of the law, the <u>court Court</u> upon forfeiture shall order compensation to the lienholder to the extent of the lienholder's interest.

(d) The Court shall not order the forfeiture of property if an owner, co-owner, or person who regularly uses the property, other than the defendant, shows by a preponderance of the evidence that the owner, co-owner, or regular user did not consent to or have any express or implied knowledge that the property was being or was intended to be used in a manner that would subject the property to forfeiture, or that the owner, co-owner, or regular user had no reasonable opportunity or capacity to prevent the defendant from using the property.

(c)(e) The proceeding shall be against the property and shall be deemed civil in nature. The state State shall have the burden of proving all material facts by clear and convincing evidence.

(d)(f) The court Court shall make findings of fact and conclusions of law and shall issue a final order. If the petition is granted, the court Court shall order the property held for evidentiary purposes, delivered to the state treasurer State Treasurer, or, in the case of regulated drugs or property which is harmful to the public, destroyed.

Sec. 7. 18 V.S.A. § 4247 is amended to read:

§ 4247. DISPOSITION OF PROPERTY

(a) Whenever property is forfeited and delivered to the state treasurer <u>State</u> <u>Treasurer</u> under this subchapter, the state treasurer <u>State Treasurer</u> shall, no sooner than 90 days of the date the property is delivered, sell the property at a public sale held under 27 V.S.A. chapter 13.

(b) The proceeds from the sale of forfeited property shall be used first to offset any costs of selling the property, and then, after any liens on the property have been paid in full, applied to payment of seizure, storage, and forfeiture expenses, including animal care expenses related to the underlying violation. Remaining proceeds shall be distributed as follows:

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(1)(A) Forty-five percent shall be distributed among:

(i) the Office of the Attorney General;

(ii) the Department of State's Attorneys and Sheriffs; and

(iii) State and local law enforcement agencies.

(B) The Governor's Criminal Justice and Substance Abuse Cabinet is authorized to determine the allocations among the groups listed in subdivision (A) of this subdivision (1), and may only reimburse the prosecutor and law enforcement agencies that participated in the enforcement effort resulting in the forfeiture for expenses incurred, including actual expenses for involved personnel. The proceeds shall be held by the Treasurer until the Cabinet notifies the Treasurer of the allocation determinations, at which time the Treasurer shall forward the allocated amounts to the appropriate agency's operating funds.

(2) The remaining 55 percent shall be deposited in the General Fund.

Sec. 8. 23 V.S.A. § 1213c is amended to read:

§ 1213c. IMMOBILIZATION AND FORFEITURE PROCEEDINGS

* * *

(o) A law enforcement or prosecution agency conducting forfeitures under this section may accept, receive, and disburse in furtherance of its duties and functions under this section any appropriations, grants, and donations made available by the State of Vermont and its agencies, the federal government and its agencies, any municipality or other unit of local government, or private or civil sources.

Sec. 9. ANIMAL CRUELTY RESPONSE TASK FORCE

(a) Creation. There is created a task force to evaluate the state of animal cruelty investigation and response in Vermont, including the resources devoted to animal investigation and response services and to recommend ways to consolidate, collaborate, or reorganize to use more effectively limited resources while improving the response to animal cruelty.

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

(1) a representative from the Governor's office;

(2) a member of the Vermont State Police;

(3) a member of the VT Police Chiefs Association;

(4) a representative of the VT Animal Control Association;

(5) a Humane Officer from a VT humane society focusing on domestic animals;

(6) a Humane Officer of a VT humane society focusing on large animals (livestock);

(7) a representative of the Vermont Humane Federation;

(8) a representative of the Vermont Federation of Dog Clubs;

(9) the Executive Director of the Department of State's Attorneys and Sheriffs or designee;

(10) a representative of the Vermont Veterinary Medical Association;

(11) a representative of the Vermont Agency of Agriculture, Food and Markets;

(12) a representative of the VT Constables Association;

(13) a representative of the VT Town Clerks Association;

(14) a representative of the Department for Children and Families; and

(15) a representative of the VT Federation of Sportsmens' Clubs.

(c) Powers and duties. The Task Force, in consultation with the Office of the Defender General, shall study and make recommendations concerning:

(1) training for humane agents, animal control officers, law enforcement officers, and prosecutors;

(2) the development of uniform response protocols for receiving, investigating, and following up on complaints of animal cruelty, including sentencing recommendations;

(3) the development of a centralized data collection system capable of sharing data collected from both the public and private sectors on substantiated complaints of animal cruelty and outcomes;

(4) funding the various responsibilities that are involved with an animal cruelty investigation, including which State agencies should be responsible for any State level authority and oversight; and

(5) any other issue the Task Force determines is relevant to improve the efficiency, process, and results of animal cruelty response actions in Vermont.

(d) Report. On or before January 15, 2016, the Task Force shall report its findings and recommendations to the House and Senate Committees on Judiciary.

(e) Meetings and sunset.

(1) The representative from the Governor's office shall call the first meeting of the Task Force.

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

(3) The Task Force shall hold its first meeting no later than August 15, 2015.

(4) Meetings of the Task Force shall be public meetings.

(5) The Task Force shall cease to exist on January 16, 2016.

Sec. 10. EFFECTIVE DATE

This act shall take effect on July 1, 2015.

COMMITTEE ON THE PART OFCOMMITTEE ON THE PART OFTHE SENATETHE HOUSE

SEN. TIMOTHY ASHE	REP. CHARLES CONQUEST
SEN. RICHARD SEARS	REP. GARY VIENS
SEN. JOSEPH BENNING	REP. WILLEM JEWETT

Which was considered and adopted on the part of the House.

Senate Proposal of Amendment Concurred in

H. 282

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

An act relating to professions and occupations regulated by the Office of Professional Regulation

<u>First</u>: By striking out Sec. 30 (amending 26 V.S.A. § 3006 (Board; establishment)) in its entirety and inserting in lieu thereof [Deleted.]

<u>Second</u>: By striking out Sec. 44 (effective dates) in its entirety and its accompanying reader assistance heading and inserting in lieu thereof the following:

* * * Applied Behavior Analysis * * *

Sec. 44. FINDINGS

(a) Licensure of applied behavior analysts and their assistants allows consumers to identify behavior analysts and assistants with defined competencies. It promotes credibility in the field of applied behavior analysis and defines scope of practice within State law.

(b) Licensure protects the public from harm and the misuse of behavioral technologies by untrained or undertrained practitioners and ensures that individuals holding themselves out as "behavior analysts" are appropriately trained and otherwise qualified.

(c) Licensure provides the State with the authority to respond to complaints of unprofessional conduct and to enforce appropriate practice standards within the field of applied behavior analysis.

Sec. 45. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

An Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be appointed by the Secretary of State and shall be an exempt employee. The following boards or professions are attached to the Office of Professional Regulation:

* * *

(43) Property Inspectors

(44) Applied Behavior Analysts.

Sec. 46. 26 V.S.A. chapter 95 is added to read:

CHAPTER 95. APPLIED BEHAVIOR ANALYSIS

Subchapter 1. General Provisions

<u>§ 4901. PURPOSE AND EFFECT</u>

In order to safeguard the life and health of the people of this State, a person shall not hold himself or herself out as practicing, practice, or offer to practice, as an applied behavior analyst or an assistant behavior analyst unless currently licensed under this chapter.

§ 4902. DEFINITIONS

As used in this chapter:

(1) "Applied behavior analyst" means a person who is licensed under this chapter to engage in the practice of applied behavior analysis. (2) "Assistant behavior analyst" means a person who is licensed under this chapter to engage in the practice of applied behavior analysis under the supervision of an applied behavior analyst.

(3) "Director" means the Director of Professional Regulation.

(4) "License" means a current authorization granted by the Director permitting the practice of applied behavior analysis.

(5) "Practice of applied behavior analysis" means the design, implementation, and evaluation of systematic instructional and environmental modifications for the purpose of producing socially significant improvements in and understanding of behavior based on the principles of behavior identified through the experimental analysis of behavior.

(A) It includes the identification of functional relationships between behavior and environments.

(B) It uses direct observation and measurement of behavior and environment. Contextual factors, establishing operations, antecedent stimuli, positive reinforcers, and other consequences are used, based on identified functional relationships with the environment, in order to produce practical behavior change.

§ 4903. PROHIBITIONS; OFFENSES

(a) It shall be a violation of this chapter for any person, including any corporation, association, or individual, to:

(1) sell or fraudulently obtain or furnish any applied behavior analysis degree, diploma, certificate of registration, license, or any other related document or record or to aid or abet another person to do so;

(2) practice applied behavior analysis under cover of any degree, diploma, registration, license, or related document or record illegally or fraudulently obtained or signed or issued unlawfully or under fraudulent representation;

(3) practice applied behavior analysis unless currently licensed or otherwise authorized to do so under the provisions of this chapter;

(4) represent himself or herself as being licensed or otherwise authorized by this State to practice applied behavior analysis or use in connection with a name any words, letters, signs, or figures that imply that a person is an applied behavior analyst or assistant behavior analyst when not licensed or otherwise authorized under this chapter; (5) practice applied behavior analysis during the time a license or authorization issued under this chapter is suspended or revoked; or

(6) employ an unlicensed or unauthorized person to practice as an applied behavior analyst or assistant behavior analyst.

(b) Any person violating this section shall be subject to the penalties provided in 3 V.S.A. § 127.

§ 4904. EXCEPTIONS

This chapter does not prohibit:

(1) The practice of a person who is not licensed under this chapter, who does not use the term "behavior analysis" or similar descriptors suggesting licensure under this chapter, and who is engaged in the course of his or her customary duties:

(A) in the practice of a religious ministry;

(B) in employment or rehabilitation counseling;

(C) as an employee of or under contract with the Agency of Human Services;

(D) as a mediator;

(E) in an official evaluation for court purposes;

(F) as a member of a self-help group, such as Alcoholics Anonymous, peer counseling, or domestic violence groups, whether or not for consideration;

(G) as a respite caregiver, foster care worker, or hospice worker; or

(H) incident to the practice of any other legally recognized profession or occupation.

(2) A person engaged or acting in the discharge of his or her duties as a student of applied behavior analysis or preparing for the practice of applied behavior analysis, provided that the person's title indicates his or her training status and that the preparation occurs under the supervision of an applied behavior analyst in a recognized training institution or facility.

(3) A behavior interventionist or paraprofessional, employed by a school, from working under the close direction of a supervisor licensed under this chapter, in relation to the direct implementation of skill-acquisition and behavior-modification plans developed by the supervisor or in relation to data collection or assessment designed by the supervisor, provided the supervisor

retains ultimate responsibility for delegating professional responsibilities in a manner consistent with 3 V.S.A. § 129a(a)(6).

Subchapter 2. Administration

<u>§ 4911. DUTIES OF THE DIRECTOR</u>

(a) The Director shall:

(1) provide general information to applicants for licensure under this chapter;

(2) receive applications for licensure and provide licenses to applicants qualified under this chapter;

(3) administer fees as established by law;

(4) refer all disciplinary matters to an administrative law officer;

(5) renew, revoke, and reinstate licenses as ordered by an administrative law officer; and

(6) explain appeal procedures to persons licensed under this chapter and to applicants and complaint procedures to the public.

(b) The Director may adopt rules necessary to perform his or her duties under this section.

<u>§ 4912. ADVISOR APPOINTEES</u>

(a) The Secretary of State shall appoint three persons in accordance with 3 V.S.A. § 129b for three-year staggered terms to serve at the Secretary's pleasure as advisors in matters relating to applied behavior analysis. One of the initial appointments shall be for less than a three-year term.

(1) Two of these appointees shall be applied behavior analysts.

(A) An applied behavior analyst advisor appointee shall have not less than three years' experience as an applied behavior analyst immediately preceding appointment, shall be licensed as an applied behavior analyst in Vermont, and shall be actively engaged in the practice of applied behavior analysis in this State during incumbency.

(B) Not more than one of these appointees may be employed by a designated agency. As used in this subdivision, "designated agency" shall have the same meaning as in 18 V.S.A. § 7252.

(2) One of these appointees shall be the parent of an individual with autism or a developmental disorder who is a recipient of applied behavior analysis services. This appointee shall not have a child or other family member who is receiving applied behavior analysis services from one of the advisor appointees appointed under subdivision (1) of this subsection.

(b) The Director shall seek the advice of the advisor appointees in carrying out the provisions of this chapter.

Subchapter 3. Licenses

<u>§ 4921. ELIGIBILITY FOR LICENSURE BY EXAMINATION AS AN</u> <u>APPLIED BEHAVIOR ANALYST</u>

To be eligible for licensure as an applied behavior analyst, an applicant shall:

(1) Obtain a doctoral or master's degree from a recognized educational program accredited by the Association for Behavior Analysis International Accreditation Board, or from a program at a recognized educational institution that is approved by the Director and that substantially meets the educational standards of the Association for Behavior Analysis International Accreditation Board or the Behavior Analysis Certification Board. Any program shall include an approved course sequence of the Behavior Analyst Certification Board.

(2) Successfully complete an approved practicum or supervised experience in the practice of applied behavior analysis, totaling at least 1,500 hours over a period of not less than one calendar year, of which at least 75 hours are in direct one-to-one contact with a supervisor.

(3) Successfully complete, as defined by the Director, a nationally recognized examination adopted from the Behavior Analyst Certification Board and approved by the Director, related to the principles and practice of applied behavior analysis. This subdivision (3) shall not be construed to require the Director to develop or administer any examination.

<u>§ 4922. ELIGIBILITY FOR LICENSURE BY EXAMINATION AS AN</u> <u>ASSISTANT BEHAVIOR ANALYST</u>

<u>To be eligible for licensure as an assistant behavior analyst, an applicant shall:</u>

(1) Obtain a bachelor's degree from a program at a recognized educational institution that is approved by the Director and that substantially meets the educational standards of the Association for Behavior Analysis International Accreditation Board or the Behavior Analysis Certification Board. Any program shall include an approved course sequence of the Behavior Analyst Certification Board. (2) Successfully complete an approved practicum or supervised experience in the practice of applied behavior analysis, totaling at least 1,000 hours over a period of not less than one calendar year, of which at least 50 hours are in direct one-to-one contact with a supervisor.

(3) Successfully complete, as defined by the Director, a nationally recognized examination adopted from the Behavior Analyst Certification Board and approved by the Director, related to the principles and practice of applied behavior analysis. This subdivision (3) shall not be construed to require the Director to develop or administer any examination.

§ 4923. LICENSURE BY ENDORSEMENT

A person may be licensed under this chapter if he or she:

(1)(A) possesses a valid registration or license to engage in the practice of applied behavior analysis issued by the appropriate regulatory authority of a state, territory, or possession of the United States, or the District of Columbia, based on requirements and qualifications shown by the application to be equal to or greater than the requirements of this chapter; or

(B) is certified as a board certified behavior analyst by the Behavior Analyst Certification Board; and

(2) meets any active practice requirements established by the Director by rule.

<u>§ 4924. ISSUANCE OF LICENSES</u>

The Director shall issue a license, upon payment of the fees prescribed in this chapter, to any applicant who has satisfactorily met all the requirements of this chapter.

§ 4925. RENEWALS

(a) Licenses shall be renewed every two years, on a schedule determined by the Director, upon payment of the renewal fee.

(b) Biennially, the Director shall provide notice to each licensee of license expiration and renewal requirements. Upon receipt of the completed form and the renewal fee, the Director shall issue a new license.

(c) As a condition of renewal, the Director may by rule require that a licensee establish that he or she has completed continuing education. The Director may accept proof of current certification from the Behavior Analyst Certification Board as evidence of continuing competency if the Director finds that the maintenance of such certification implies appropriate continuing education.

(d)(1) The Director may reinstate the license of an individual whose license has expired upon payment of the required fee and reinstatement penalty, provided the individual has satisfied all the requirements for renewal, including continuing education.

(2) The Director may adopt rules necessary for the protection of the public to assure the Director that an applicant whose license has expired or who has not worked for more than three years as an applied behavior analyst or an assistant behavior analyst is professionally qualified for license renewal. Conditions imposed under this subsection shall be in addition to the other requirements of this section.

§ 4926. LICENSE AND RENEWAL FEES

<u>Applicants and persons regulated under this chapter shall pay those fees set</u> forth in 3 V.S.A. § 125(b).

§ 4927. APPLICATIONS

<u>Applications for licensure and license renewal shall be on forms provided</u> by the Director. Each application shall contain a statement under oath showing the applicant's education, experience, and other pertinent information and shall be accompanied by the required fee.

§ 4928. SCOPE OF PRACTICE OF APPLIED BEHAVIOR ANALYSTS

(a) A person licensed under this chapter shall only engage in the practice of applied behavior analysis upon, and within the scope of, a referral from a licensed health professional or school official duly authorized to make such a referral.

(b) The practice of applied behavior analysis shall not include psychological testing, neuropsychology, diagnosis of mental health or developmental conditions, psychotherapy, cognitive therapy, sex therapy, psychoanalysis, psychopharmacological recommendations, hypnotherapy, or academic teaching by college or university faculty.

§ 4929. SUPERVISION OF ASSISTANT BEHAVIOR ANALYSTS

An assistant behavior analyst shall only engage in the practice of applied behavior analysis if he or she has a minimum of five hours per month of off-site case supervision by an applied behavior analyst. A supervising applied behavior analyst may require that his or her supervision of an assistant behavior analyst exceed the minimum requirements of this section, including the requirement that the supervision be on-site.

§ 4930. DISCLOSURE OF INFORMATION

The Director may adopt rules requiring a person licensed under this chapter to disclose the licensee's professional qualifications and experience, those actions that constitute unprofessional conduct, and the method for filing a complaint or making a consumer inquiry, and the manner in which that information shall be made available and to whom.

§ 4931. UNPROFESSIONAL CONDUCT

(a) Unprofessional conduct means the following conduct and the conduct set forth in 3 V.S.A. § 129a, committed by a licensee, an applicant, or a person who later becomes an applicant:

(1) making or causing to be made a false, fraudulent, or forged statement or representation in procuring or attempting to procure licensure or renew a license to practice under this chapter;

(2) using dishonest or misleading advertising;

(3) misusing a title in professional activity;

(4) engaging in any sexual conduct with a client, or with the immediate family member of a client, with whom the licensee has had a professional relationship within the previous five years;

(5) harassing, intimidating, or abusing a client;

(6) entering into an additional relationship with a client, supervisee, research participant, or student that might impair the person's objectivity or otherwise interfere with a licensee's obligations;

(7) practicing outside or beyond a licensee's area of training, experience, or competence;

(8) being or having been convicted of a misdemeanor related to the practice of applied behavior analysis or a felony;

(9) being unable to practice applied behavior analysis competently by reason of any cause;

(10) willfully or repeatedly violating any of the provisions of this chapter;

(11) being habitually intemperate or addicted to the use of habit-forming drugs;

(12) having a mental, emotional, or physical disability, the nature of which interferes with the ability to practice applied behavior analysis competently;

(13) engaging in conduct of a character likely to deceive, defraud, or harm the public, including exposing clients to unjustifiably degrading or cruel interventions or implementing therapies not supported by a competent clinical rationale; or

(14) failing to notify the Director in writing within ten days of the loss, revocation, discontinuation, or invalidation of any certification or degree offered to support eligibility for licensure or to demonstrate continuing competency.

(b) A person shall not be liable in a civil action for damages resulting from the good faith reporting of information to the Director or the Office of Professional Regulation about alleged incompetent, unprofessional, or unlawful conduct of a person licensed under this chapter.

Sec. 47. TRANSITIONAL PROVISIONS

(a) Advisor appointees. Notwithstanding the provisions of 26 V.S.A. \$ 4912(a)(1) (advisor appointees; qualifications of appointees) in Sec. 46 of this act, an initial advisor appointee may serve while reasonably expected within one year of appointment to become eligible for licensure as an applied behavior analyst and to satisfy the other requirements of 26 V.S.A. \$ 4912(a)(1).

(b) Licensing of applied behavior analysts. The Director of the Office of Professional Regulation shall establish a procedure so that an individual may become licensed as an applied behavior analyst without being required to take an examination if he or she:

(1) has graduated with a doctoral or master's degree from a regionally accredited university and is a Board Certified Behavior Analyst certificant of the Behavior Analyst Certification Board; or

(2) holds either a doctoral or master's degree in behavior analysis or a related field and can demonstrate competency in applied behavior analysis by virtue of training and experience as determined by the Director.

(c) Licensing of assistant behavior analysts. The Director of the Office of Professional Regulation shall establish a procedure so that an individual may become licensed as an assistant behavior analyst without being required to take an examination if he or she:

(1) has graduated with a bachelor's degree from a regionally accredited university and is a Board Certified Assistant Behavior Analyst certificant of the Behavior Analyst Certification Board; or (2) holds a bachelor's degree in behavior analysis or a related field and can demonstrate competency in applied behavior analysis by virtue of training and experience as determined by the Director.

(d) Any person licensed under subsection (b) or (c) of this section shall thereafter be eligible for licensure renewal pursuant to 26 V.S.A. § 4925.

(e) The ability of a person to become licensed under the provisions of subsection (b) or (c) of this section shall expire on July 1, 2017.

* * * Positions Authorization * * *

Sec. 48. CREATION OF NEW POSITIONS WITHIN THE OFFICE OF PROFESSIONAL REGULATION

(a) There is created within the Secretary of State's Office of Professional Regulation the following new positions:

(1) one (1) classified Research and Statistics Analyst position; and

(2) one (1) classified Enforcement position.

(b) Any funding necessary to support the positions created under subsection (a) of this section shall be derived from the Office's Professional Regulatory Fee Fund.

* * * Effective Dates * * *

Sec. 49. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 34 (amending 26 V.S.A. chapter 67 (audiologists and hearing aid dispensers)) shall take effect on September 1, 2015;

(2) Secs. 39 (amending 26 V.S.A. chapter 87 (speech-language pathologists)) and 40 (repeal of sections in 26 V.S.A. chapter 87) shall take effect on September 1, 2015;

(3) Secs. 45 (amending 3 V.S.A. § 122 (Office of Professional Regulation)) and 46 (adding 26 V.S.A. chapter 95 (applied behavior analysis)) shall take effect on July 1, 2016; and

(4) Sec. 31 (amending 26 V.S.A. chapter 61 (social workers)) shall take effect on July 1, 2017.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in With a Further Amendment Thereto

H. 484

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

An act relating to miscellaneous agricultural subjects

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

* * * Agricultural Water Quality; Financial Assistance * * *

Sec. 1. 6 V.S.A. § 4815(c) is amended to read:

(c) For purposes of <u>As used in</u> this section, "waste storage facility" means an impoundment made for the purpose of storing agricultural waste by constructing an embankment, excavating a pit or dugout, fabricating an in ground or above ground inground and aboveground structure, or any combination thereof. This section does not apply to concrete slabs used for agricultural waste management.

Sec. 2. 6 V.S.A. § 4820 is amended to read:

§ 4820. DEFINITIONS

For purposes of As used in this subchapter:

(1) "AAPs" means "accepted agricultural practices" as defined by the secretary of agriculture, food and markets <u>Secretary of Agriculture</u>, Food and <u>Markets</u> pursuant to subchapter 1 of this chapter.

(2) "Secretary" means the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets.

(3) "Agency" means the agency of agriculture, food and markets Agency of Agriculture, Food and Markets.

* * *

(6) "Good standing" means the participant:

(A) does not have an active enforcement violation that has reached a final order with the Secretary; or

(B) is in compliance with all terms of a current grant agreement or contract with the Agency.

Sec. 3. 6 V.S.A. § 4821 is amended to read:

§ 4821. ASSISTANCE PROGRAM CREATED; ADMINISTRATION

(a) Program created. A program is created to provide state <u>State</u> financial assistance to Vermont farmers in support of their voluntary construction of on-farm improvements and maintenance of acceptable operating standards designed to abate nonpoint source agricultural waste discharges into the waters of the <u>state State</u> of Vermont, consistent with goals of the federal Water Pollution Control Act and with <u>state State</u> water quality standards. The program shall be conducted in a manner which makes maximum use of federal financial aid for the same purpose, as provided by this subchapter, and which seeks to use the least costly methods available to accomplish the abatement required. The construction of temporary fencing intended to exclude livestock from entering surface waters of the <u>state State</u> shall be an on-farm improvement eligible for assistance under this subchapter when subject to a maintenance agreement entered into with the <u>agency of agriculture, food and markets Agency of Agriculture, Food and Markets</u>.

(b) Program administration. The secretary Secretary shall:

(1) administer <u>Administer</u> the state <u>State</u> assistance program, for which purpose the <u>secretary Secretary</u> shall coordinate with officials of the U.S. Department of Agriculture or other federal agencies, and shall adopt rules pursuant to <u>3 V.S.A.</u> chapter 25 of <u>Title 3</u> concerning farmer application and eligibility requirements, financial assistance award priorities, and other administrative and enforcement conditions; and.

(2) may May provide technical assistance to individual farmers with the preparation of on-farm agricultural waste management plans, applications for state <u>State</u> and federal financial assistance awards, installation of on-farm improvements, and maintenance of acceptable operating standards during the <u>life of a state assistance award contract term of the program grant agreement</u>. For this purpose, state <u>State</u> employees of the <u>agency Agency</u> shall cooperate with federal employees of the U.S. Department of Agriculture or other federal agencies.

Sec. 4. 6 V.S.A. § 4822 is amended to read:

§ 4822. ELIGIBILITY FOR STATE ASSISTANCE

Vermont farmers shall be eligible to receive available state <u>State</u> financial assistance with the installation of on-farm improvements designed to control agricultural nonpoint source waste discharges, provided that:

(1) for farmers who also seek federal financial assistance for this purpose, the improvements:

(A) are eligible for federal assistance through programs of the U.S. Department of Agriculture; and

(B) are consistent with a "nutrient management plan" prepared by the Vermont field office of the NRCS, or with an animal waste management plan based on standards equivalent to those of the NRCS; or

(2) for farmers who decline to seek or accept federal financial assistance for this purpose, the improvements:

(A) are determined by the <u>secretary</u> to be equivalent to those eligible for federal assistance through programs of the U.S. Department of Agriculture; and

(B) are consistent with an animal waste management plan based on standards determined by the secretary Secretary to be equivalent to those of the NRCS=; and

(3) improvements will be constructed on a farm that is in good standing with the Secretary at the time of the award on all grant agreements, contract awards, or enforcement proceedings.

Sec. 5. 6 V.S.A. § 4824 is amended to read:

§ 4824. STATE FINANCIAL ASSISTANCE AWARDS

(a) State grant. State financial assistance awarded under this subchapter shall be in the form of a grant. When a State grant is intended to match federal financial assistance for the same on-farm improvement project, the State grant shall be awarded only when the federal financial assistance has also been approved or awarded. An applicant for a State grant shall pay at least 10 percent of the total eligible project cost. The dollar amount of a State grant shall be equal to the total eligible project cost, less 10 percent of the total as paid by the applicant, and less the amount of any federal assistance awarded, except that a State grant shall not exceed 90 percent of the total eligible project cost.

(b) Farmer contract. A State grant awarded to an applicant under this subchapter shall be awarded in accordance with a State contract grant containing contract terms substantially the same as those required for receipt of a federal award for the same purpose from the U.S. Department of Agriculture, except as provided by the Secretary by rule.

Sec. 6. 6 V.S.A. § 4826 is amended to read:

§ 4826. COST ASSISTANCE FOR WASTE STORAGE FACILITIES

(a) The owner or operator of a farm required under section 4815 of this title to design, construct, or modify a waste storage facility may apply in writing to the Secretary of Agriculture, Food and Markets for cost assistance. Using state

<u>State</u> or federal funds, or both, a State assistance grant shall be awarded, subject to the availability of funds, to applicants. Such grants shall not exceed 90 percent of the cost of an adequately sized and designed waste storage facility and the equipment eligible for Natural Resources Conservation Service cost share assistance. Application for a State assistance grant shall be made in the manner prescribed by the Secretary. As used in this section, "waste storage facility" means an impoundment made for the purpose of storing agricultural waste by constructing an embankment, excavating a pit or dugout, fabricating an in-ground or above ground structure, or any combination thereof. This section shall apply to concrete slabs used for agricultural waste management.

(b) If the Secretary lacks adequate funds necessary for the cost assistance awards required by subsection (a) of this section, the Secretary shall appear before the Emergency Board, as soon as possible, and shall request that necessary funds be provided. If the Emergency Board fails to provide adequate funds, the design and construction requirements for waste storage facilities under subsection 4815(b) of this title and the AAPs for groundwater, as they relate to a waste storage facility, shall be suspended for a farm with a waste storage facility subject to the requirements of subsection 4815(b) of this title until adequate funding becomes available. Suspension of the design and construction requirements of subsection 4815(b) of this title does not relieve an owner or operator of a farm permitted under section 4858 or 4851 of this title from the remaining requirements of the owner's or operator's permit, including discharge standards, groundwater protection, nutrient management planning, and land application of manure. This subsection does not apply to farms permitted under 10 V.S.A. § 1263 or farms permitted under section 4851 of this title.

(c) The owner or operator of a farm with a waste storage facility may apply in writing to the Secretary of Agriculture, Food and Markets for a State assistance grant for the costs of complying with the U.S. Department of Agriculture Natural Resources Conservation Service requirements for inspection of a waste storage facility. Such grants shall not exceed 90 percent of the cost of the inspection of the waste storage facility. Application for a State assistance grant shall be made in the manner prescribed by the Secretary.

Sec. 7. 6 V.S.A. § 4827(e) and (f) are amended to read:

(e) If the Secretary or the applicable U.S. Department of Agriculture conservation programs lack adequate funds necessary for the financial assistance required by subsection (a) of this section, the requirement to develop and implement a nutrient management plan under State statute or State regulation shall be suspended until adequate funding becomes available.

Suspension of a State-required nutrient management plan does not relieve an owner or operator of a farm permitted under section 4858 <u>or 4851</u> of this title of the remaining requirements of a State permit, including discharge standards, groundwater protection, and land application of manure. This subsection does not apply to farms permitted under 10 V.S.A. § 1263 or farms permitted under section 4851 of this title.

(f) The Secretary may contract <u>enter into grants</u> with natural resources conservation districts, the University of Vermont Extension Service, and other persons and organizations to aid in the implementation of the incentive grants program under subsection (a) of this section and to assist farmers in the development and implementation of nutrient management plans.

Sec. 8. 6 V.S.A. § 4828 is amended to read:

§ 4828. CAPITAL EQUIPMENT ASSISTANCE PROGRAM

(a) It is the purpose of this section to provide assistance to contract applicators, nonprofit organizations, and farms to purchase or use innovative equipment that will aid in the reduction of surface runoff of agricultural wastes to state <u>State</u> waters, improve water quality of State waters, reduce odors from manure application, decrease greenhouse gas emissions, and reduce costs to farmers.

(b) The capital equipment assistance program is created in the Agency of Agriculture, Food and Markets to provide farms, nonprofit organizations, and custom applicators in Vermont with State financial assistance for the purchase of new or innovative equipment to improve manure application or nutrient management plan implementation.

(c) Assistance under this section shall in each fiscal year be allocated according to the following priorities and as further defined by rule by the Secretary:

(1) First priority shall be given to capital equipment to be used on farm sites that are serviced by custom applicators and nonprofit organizations and that are located in descending order within the boundaries of:

- (A) the Lake Champlain Basin;
- (B) the Lake Memphremagog Basin;
- (C) the Connecticut River Basin; and
- (D) the Hudson River Basin.

(2) Next priority shall be given to capital equipment to be used at a farm site which is located in descending order within the boundaries of:

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- (A) the Lake Champlain Basin;
- (B) the Lake Memphremagog Basin;
- (C) the Connecticut River Basin; and
- (D) the Hudson River Basin.
- (d) [Repealed.]

Sec. 9. 6 V.S.A. § 4849 is amended to read:

§ 4849. RECYCLING ANIMAL WASTE NUTRIENTS

In order to best use the nutrients of animal waste generated by large farm operations, the agency of agriculture, food and markets Agency of Agriculture, Food and Markets together with the department of public service Department of Public Service shall use available resources to inform large farm operations of appropriate methods and resources available to digest and compost their animal wastes, and to capture methane for beneficial uses.

Sec. 10. 6 V.S.A. § 4850 is amended to read:

§ 4850. DEFINITIONS

For purposes of As used in this subchapter:

(1) "Domestic fowl" means laying-hens, broilers, ducks, and turkeys, or any other number or type of fowl that the Secretary deems domestic fowl.

(2) "Livestock" means cattle, <u>mature cow/calf pairs</u>, <u>youngstock</u>, <u>heifers</u>, <u>bulls</u>, swine, sheep, or goats</u>, horses, <u>or any other number and type of</u> <u>domestic animal that the Secretary deems livestock</u>.

Sec. 11. 6 V.S.A. § 4851 is amended to read:

§ 4851. PERMIT REQUIREMENTS FOR LARGE FARM OPERATIONS

(a) No person shall, without a permit from the secretary Secretary, construct a new barn, or expand an existing barn, designed to house more than 700 mature dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal calves, 2,500 swine weighing over 55 pounds, 10,000 swine weighing less than 55 pounds, 500 horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying hens or broilers with a liquid manure handling system, 82,000 laying hens without a liquid manure handling system, 5,000 ducks with a liquid manure handling system. No permit shall be required to replace an existing barn in use for livestock or domestic fowl production at its existing capacity. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets, in

consultation with the secretary of natural resources Secretary of Natural Resources, shall review any application for a permit under this section with regard to water quality impacts and, prior to approval of a permit under this subsection, shall issue a written determination regarding whether the applicant has established that there will be no unpermitted discharge to waters of the state State pursuant to the federal regulations for concentrated animal feeding operations. If upon review of an application for a permit under this subsection, the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets determines that the permit applicant may be discharging to waters of the state State, the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets and the secretary of natural resources Secretary of Natural Resources shall respond to the discharge in accordance with the memorandum of understanding regarding concentrated animal feeding operations under subsection 4810(b) of this title. The secretary of natural resources Secretary of Natural Resources may require a large farm to obtain a permit under 10 V.S.A. § 1263 pursuant to federal regulations for concentrated animal feeding operations.

(b) A person shall apply for a permit in order to operate a farm which exceeds 700 mature dairy animals, 1,000 cattle or cow/calf pairs, 1,000 veal calves, 2,500 swine weighing over 55 pounds, 10,000 swine weighing less than 55 pounds, 500 horses, 10,000 sheep or lambs, 55,000 turkeys, 30,000 laying hens or broilers with a liquid manure handling system, 82,000 laying hens without a liquid manure handling system, 125,000 chickens other than laying hens without a liquid manure handling system, 5,000 ducks with a liquid manure handling system, or 30,000 ducks if the livestock or domestic fowl are in a barn or adjacent barns owned by the same person, or if the barns share a common border or have a common waste disposal system. In order to receive this permit, the person shall demonstrate to the secretary Secretary that the farm has an adequately sized manure management system to accommodate the wastes generated and a nutrient management plan to dispose of wastes in accordance with accepted agricultural practices adopted under this chapter and current U.S. Department of Agriculture nutrient management standards.

(c) The <u>secretary</u> <u>Secretary</u> shall approve, condition, or disapprove the application within 45 business days of the date of receipt of a complete application for a permit under this section. Failure to act within the 45 business days shall be deemed approval.

(d) A person seeking a permit under this section shall apply in writing to the secretary <u>Secretary</u>. The application shall include a description of the proposed barn or expansion of livestock or domestic fowl; a proposed nutrient management plan to accommodate the number of livestock or domestic fowl

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the barn is designed to house or <u>the farm is intending to</u> expand to; and a description of the manure management system to be used to accommodate agricultural wastes.

(e) The secretary <u>Secretary</u> may condition or deny a permit on the basis of odor, noise, traffic, insects, flies, or other pests.

(f) Before granting a permit under this section, the secretary Secretary shall make an affirmative finding that the animal wastes generated by the construction or expansion will be stored so as not to generate runoff from a 25-year, 24-hour storm event and shall be disposed of, in accordance with the accepted agricultural practices adopted under this chapter and current U.S. Department of Agriculture nutrient management standards.

(g) A farm that is permitted under this section and that withdraws more than 57,600 gallons of groundwater per day averaged over any 30 consecutive-day period shall annually report estimated water use to the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets shall share information reported under this subsection with the agency of natural resources Agency of Natural Resources.

Sec. 12. 6 V.S.A. § 4856 is amended to read:

§ 4856. RECYCLING ANIMAL WASTE NUTRIENTS

In order best to use the nutrients of animal waste generated by farms to which this subchapter applies, the agency of agriculture, food and markets, together with the department of public service, shall use available resources to inform operators of such farms of appropriate methods and resources available to digest and compost their animal wastes and to capture methane for beneficial uses. [Repealed.]

Sec. 13. 6 V.S.A. § 4857 is amended to read:

§ 4857. DEFINITIONS

For purposes of <u>As used in</u> this subchapter:

(1) "Animal feeding operation" (AFO) means a lot or facility where the livestock or domestic fowl have been, are, or will be stabled or confined and fed or maintained for a total of 45 days or more in any 12-month period, and crops, vegetation, or forage growth are not sustained in the normal growing season over any portion of the lot or facility. Two or more individual farms qualifying as an AFO which are under common ownership and which adjoin each other or use a common area or system for the disposal of waste, shall be considered to be a single AFO if the combined number of livestock or

domestic fowl resulting qualifies as a medium farm as defined in subdivision (2) of this section.

(2) "Medium farm" is an AFO which houses 200 to 699 mature dairy animals, 300 to 999 cattle or cow/calf pairs, 300 to 999 veal calves, 750 to 2,499 swine weighing over 55 pounds, 3,000 to 9,999 swine weighing less than 55 pounds, 150 to 499 horses, 3,000 to 9,999 sheep or lambs, 16,500 to 54,999 turkeys, 9,000 to 29,999 laying hens or broilers with a liquid manure handling system, 25,000 to 81,999 laying hens without a liquid manure handling system, 37,500 to 124,999 chickens other than laying hens without a liquid manure handling system or 10,000 to 29,999 ducks without a liquid manure handling system.

(3) "Small farm" is an AFO which houses no more than 199 mature dairy animals, 299 cattle or cow/calf pairs, 299 veal calves, 749 swine weighing over 55 pounds, 2,999 swine weighing less than 55 pounds, 149 horses, 2,999 sheep or lambs, 16,499 turkeys, 8,999 laying hens or broilers with a liquid manure handling system, 24,999 laying hens without a liquid manure handling system, 37,499 chickens other than laying hens without a liquid manure handling system, 1,499 ducks with a liquid manure handling system.

(4) "Domestic fowl" means laying hens, broilers, ducks, and turkeys, or any other number or type of fowl that the Secretary deems domestic fowl.

(5) "Livestock" means cattle, swine, sheep, <u>goats</u>, and horses, <u>or any</u> <u>other number and type of domestic animal that the Secretary deems livestock</u>.

Sec. 14. 6 V.S.A. § 4858(c) is amended to read:

(c)(1) Medium farm general permit. The owner or operator of a medium farm seeking coverage under a general permit adopted pursuant to this section shall certify to the secretary Secretary within a period specified in the permit, and in a manner specified by the secretary Secretary, that the medium farm does comply with permit requirements regarding an adequately sized and designed manure management system to accommodate the wastes generated and a nutrient management plan to dispose of wastes in accordance with accepted agricultural practices adopted under this chapter and current U.S. Department of Agriculture nutrient management standards. Any certification or notice of intent to comply submitted under this subdivision shall be kept on file at the agency of agriculture, food and markets Agency of Agriculture. Food and Markets. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets, in consultation with the secretary of natural resources Secretary of Natural Resources, shall review any certification or notice of intent to comply submitted under this subdivision with regard to the

water quality impacts of the medium farm for which the owner or operator is seeking coverage, and, within 18 months of receiving the certification or notice of intent to comply, shall verify whether the owner or operator of the medium farm has established that there will be no unpermitted discharge to waters of the state State pursuant to the federal regulations for concentrated animal feeding operations. If upon review of a medium farm granted coverage under the general permit adopted pursuant to this subsection, the secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets determines that the permit applicant may be discharging to waters of the state State, the secretary of agriculture, food and markets and the secretary of natural resources Secretary of Natural Resources shall respond to the discharge in accordance with the memorandum of understanding regarding concentrated animal feeding operations under subsection 4810(b) of this title.

* * *

(d) Medium and small farms; individual permit. The secretary Secretary may require the owner or operator of a small or medium farm to obtain an individual permit to operate after review of the farm's history of compliance, application of accepted agricultural practices, the use of an experimental or alternative technology or method to meet a state State performance standard, or other factors set forth by rule. The owner or operator of a small farm may apply to the secretary Secretary for an individual permit to operate under this section. To receive an individual permit, an applicant shall in a manner prescribed by rule demonstrate that the farm has an adequately sized and designed manure management system to accommodate the wastes generated and a nutrient management plan to dispose of wastes in accordance with accepted agricultural practices adopted under this chapter and current U.S. Department of Agriculture nutrient management standards, including setback requirements for waste application. An individual permit shall be valid for no more than five years. Any application for an individual permit filed under this subsection shall be kept on file at the agency of agriculture, food and markets Agency of Agriculture, Food and Markets. The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets, in consultation with the agency of natural resources Agency of Natural Resources, shall review any application for a permit under this subsection and, prior to issuance of an individual permit under this subsection, shall issue a written determination regarding whether the permit applicant has established that there will be no unpermitted discharge to waters of the state State pursuant to federal regulations for concentrated animal feeding operations. If, upon review of an application for a permit under this subsection, the secretary of agriculture, food and markets <u>Secretary of Agriculture</u>, Food and Markets that the permit applicant may be discharging to waters of the <u>state State</u>, the <u>secretary of agriculture</u>, food and <u>markets Secretary of Agriculture</u>, Food and <u>Markets</u> and the <u>secretary of natural resources Secretary of Natural Resources</u> shall respond to the discharge in accordance with the memorandum of understanding regarding concentrated animal feeding operations under subsection 4810(b) of this title. The <u>secretary of natural resources Secretary of Natural Resources</u> may require a medium or small farm to obtain a permit under 10 V.S.A. § 1263 pursuant to federal regulations for concentrated animal feeding operations. Coverage of a medium farm under a general permit adopted pursuant to this section or an individual permit issued to a medium or small farm under this section is rendered void by the issuance of a permit to a farm under 10 V.S.A. § 1263.

Sec. 15. 6 V.S.A. chapter 215, subchapter 6 is amended to read:

Subchapter 6. Vermont Agricultural Buffer Critical Area Seeding and Filter Strip Program

§ 4900. VERMONT AGRICULTURAL BUFFER SEEDING AND FILTER STRIP PROGRAM

(a) The secretary of agriculture, food and markets Secretary of Agriculture, Food and Markets is authorized to develop a Vermont agricultural buffer critical source area seeding and filter strip program in addition to the federal conservation reserve enhancement program in order to compensate farmers for establishing and maintaining harvestable perennial vegetative buffers and installing conservation practices in ditch networks grassed waterways and filter strips on agricultural land cropland perpendicular and adjacent to the surface waters of the state State, including ditches. Eligible acreage would include annually tilled cropland or a portion of cropland currently cropped as hay that will not be rotated into an annual crop for a 10-year period of time. Acreage that is currently managed as hay shall have a prior history of rotation as corn or other annual commodity crop.

(b) The establishment and annual incentive payments from the agency of agriculture, food and markets under the Vermont agricultural buffer program shall not exceed the combined federal and state payment that the relevant agricultural land or conservation practice would be eligible for under the federal conservation reserve enhancement program or another approved conservation program. The incentive payment Incentive payments from the Agency of Agriculture, Food and Markets shall be made annually at the end of the cropping season for a nonrenewable five year period at the outset of a

<u>10-year agreement to establish or maintain the acreage as harvestable grassed</u> waterway or filter strip.

(c) The secretary of agriculture, food and markets <u>Secretary of Agriculture</u>, <u>Food and Markets</u> may establish by procedure financial and technical criteria for the implementation and operation of the Vermont agricultural buffer <u>critical source area seeding and filter strip program</u>.

(d) Land enrolled in the Vermont agricultural buffer program shall be considered to be in "active use" as that term is defined in 32 V.S.A. § 3752(15).

(e) As used in this section, "surface waters" means all rivers, streams, ditches, creeks, brooks, reservoirs, ponds, lakes, and springs which are contained within, flow through, or border upon the state <u>State</u> or any portion of it.

Sec. 16. 6 V.S.A. § 4951 is amended to read:

§ 4951. FARM AGRONOMIC PRACTICES PROGRAM

(a) The Farm Agronomic Practices Assistance Program is created in the Agency of Agriculture, Food and Markets to provide the farms of Vermont with State financial assistance for the implementation of soil-based practices that improve soil quality and nutrient retention, increase crop production, minimize erosion potential, and reduce agricultural waste discharges. The following practices shall may be eligible for assistance to farms under the grant program:

(1) conservation crop rotation;

- (2) cover cropping;
- (3) strip cropping;
- (4) cross-slope tillage;
- (5) zone or no-tillage;
- (6) pre-sidedress nitrate tests;

(7) annual maintenance of a nutrient management plan that is no longer receiving funding under a State or federal contract, provided the maximum assistance provided to a farmer under this subdivision shall be \$2,000.00 per year;

(8) educational and instructional activities to inform the farmers and citizens of Vermont of:

(A) the impact on Vermont waters of agricultural waste discharges;

(B) the federal and State requirements for controlling agricultural waste discharges;

(9) implementing alternative manure application techniques; and

(10) additional soil erosion reduction practices.

(b) Funding available under section 4827 of this title for nutrient management planning may be used to fund practices under this section.

* * * Agency of Agriculture, Food and Markets Permitting * * *

Sec. 17. 6 V.S.A. § 1 is amended to read:

§ 1. GENERAL POWERS OF AGENCY; SECRETARY OF AGRICULTURE, FOOD AND MARKETS

(a) The agency of agriculture, food and markets <u>Agency of Agriculture</u>, <u>Food and Markets</u> shall be administered by a <u>secretary of agriculture</u>, food and <u>markets</u> <u>Secretary of Agriculture</u>, Food and <u>Markets</u>. The <u>secretary Secretary</u> shall supervise and be responsible for the execution and enforcement of all laws relating to agriculture and standards of weight and measure. The <u>secretary Secretary</u> may:

* * *

(13) notwithstanding any law to the contrary in this title or Title 9 or 20, issue all licenses, permits, registrations, or certificates under a program administered by the <u>secretary Secretary</u> for a term of up to three years; renew and issue such licenses, permits, registrations, and certificates on any calendar cycle; collect any annual fee set by law for such multiyear licensure, permit, registration, or certificate on a pro-rated basis which shall not exceed 150 percent of the annual fee for an 18-month cycle, 200 percent of the annual fee for a two-year cycle, or 300 percent of the annual fee for a three-year cycle; and conduct inspections at regulated premises at least once every three years when inspection is required by law. The authority to mandate licenses, permits, registrations, or certificates for more than one year shall not extend to any program administered by the <u>secretary Secretary</u> where the annual fee is more than \$125.00. The Secretary shall only provide refunds for overpayments of \$25.00 or more on a license, permit, registration, or certificate issued by the Secretary;

* * *

* * * Dairy Operations; Drugs * * *

Sec. 18. 6 V.S.A. § 2744a is amended to read:

§ 2744a. DRUGS

(a) No producer shall sell or offer for sale milk which contains any drug or drugs in excess of tolerances established by the United States Food and Drug Administration in the Code of Federal Regulations.

(1) In the event that milk from a dairy farm contains a drug, no more milk produced by that producer shall be received by any milk dealer or handler until a sample of at least one complete milking has been collected and found negative. In the event of a second violation within a 12-month period, no more milk produced by that producer shall be received by any milk dealer or handler for a period of up to two days and until a sample of at least one complete milking has been collected and found negative. In the event of a third violation within a 12-month period, the secretary shall, at a minimum, take the same action as required for a second violation and may prohibit the producer from selling milk in this state. No handler or dealer shall accept milk from a producer whose ability to sell milk is suspended or terminated.

(2) In lieu of suspending a producer's ability to sell milk, the secretary may issue an administrative penalty. The amount of the penalty shall not exceed the value of the milk which could have been prohibited from sale. A producer who fails to pay an administrative penalty, after opportunity for hearing, shall have his or her ability to sell milk suspended until the penalty is paid. In lieu of suspending a producer's ability to sell milk, the secretary may accept the assessment by the milk dealer or handler, against the producer, of damages beyond the milk dealer's or handler's control that occurred as a result of purchasing the contaminated milk, as an equivalent penalty.

(1) In the event that milk from a dairy producer contains a drug residue:

(A) No more milk from that producer shall be received by any milk dealer or handler until a sample of at least one complete milking has been collected and found negative.

(B) If a second drug residue violation occurs within 12 months of the first violation, no more milk from that producer shall be received by any milk dealer or handler until a sample of at least one complete milking has been collected and found negative. The producer shall have an administrative penalty equal to the value of one day of milk production assessed.

(C) If a third drug residue violation occurs within 12 months of the first violation, no more milk from that producer shall be received by any milk dealer or handler until a sample of at least one complete milking has been collected and found negative. The producer shall have an administrative penalty equal to the value of two days of milk production assessed. A hearing shall be warned to determine if the producer will be allowed to continue to ship milk.

(2) No handler or dealer shall accept milk from:

(A) a producer after a drug residue violation has occurred until a sample of at least one complete milking has been found negative; or

(B) a producer whose ability to sell milk is suspended or terminated.

(3) A producer who fails to pay an administrative penalty issued under this section within 30 days of issuance of a citation for violation of this section shall have his or her ability to sell milk suspended until the administrative penalty is paid. In lieu of suspending a producer's ability to sell milk, the Secretary may accept the assessment by the milk dealer against the producer.

(3)(4) Notwithstanding the provisions of subsection (c) of this section, the secretary <u>Secretary</u> may at any time issue an emergency order prohibiting a producer from selling and a handler from accepting any milk until the milk tests negative for drugs.

(b)(1) No producer shall sell livestock for slaughter which contains <u>livestock with bodily tissue containing</u> any drug or drugs in excess of tolerances established by the United States <u>U.S.</u> Food and Drug Administration in the Code of Federal Regulations.

(2) In the event that <u>bodily tissue obtained from</u> livestock intended for slaughter is found to contain a drug or drugs in excess of levels established by the <u>United States U.S.</u> Food and Drug Administration in the Code of Federal Regulations at the time of sale, the <u>secretary Secretary</u> may assess an administrative penalty not to exceed \$1,000.00 for each violation <u>and may</u> require the farm to participate in a program approved by the Agency intended to mitigate further selling of animals for food that contain violative drug residues in their tissue.

(c) Before issuing an order or administrative penalty under this section, the secretary <u>Secretary</u> shall provide the producer and the handler or dealer an opportunity for hearing.

* * * Weights and Measures * * *

Sec. 19. 9 V.S.A. § 2633 is amended to read:

§ 2633. SPECIFIC POWERS AND DUTIES OF SECRETARY; REGULATIONS

(a) The Secretary shall issue from time to time reasonable regulations for the enforcement of this chapter, which regulations shall have the force and effect of law. These regulations may include (1) standards of net weight, measure, or count, and reasonable standards of fill, for any commodity in package form, (2) rules governing the technical and reporting procedures to be followed and the report and record forms and marks of approval and rejection to be used by inspectors of weights and measures in the discharge of their official duties, (3) exemptions from the sealing or marking requirements of section 2639 of this title with respect to weights and measures of such character or size that such sealing or marking would be inappropriate, impracticable, or damaging to the apparatus in question. These regulations shall include specifications, tolerances, and other technical requirements for weights and measures of the character of those specified in section 2635 of this title, designed to eliminate from use, without prejudice to apparatus that conforms as closely as practicable to the official standards, those (1) that are not accurate, (2) that are of such construction that they are faulty—that is, that are not reasonably permanent in their adjustment or will not repeat their indications correctly—or (3) that facilitate the perpetration of fraud.

(b) The specifications, tolerances, and other technical requirements for commercial, law enforcement, data gathering, and other weighing and measuring devices, as adopted by the national conference on weights and measures and published in National Institute of Standards and Technology Handbook 44, "Specifications, Tolerances, and other Technical Requirements for Weighing and Measuring Devices," and supplements thereto, or revisions thereof, shall apply to weighing and measuring devices in the State, except insofar as modified or rejected by regulation.

(c) The uniform regulation for packaging and labeling, <u>the uniform</u> regulation for unit pricing, and the uniform regulation for the method of sale of commodities, except for bread, as adopted by the national conference on weights and measures, and published by the National Institute of Standards and Technology <u>Handbook 130</u>, <u>"Uniform Laws and Regulations</u>," together with amendments, supplements, and revisions thereto, are adopted as part of this chapter except as modified or rejected by regulation.

* * * VEDA; Water Quality Initiatives * * *

Sec. 20. 10 V.S.A. § 280a is amended to read:

§ 280a. ELIGIBLE PROJECTS; AUTHORIZED FINANCING PROGRAMS

(a) The Authority may develop, modify, and implement any existing or new financing program, provided that any specific project that benefits from such program shall meet the criteria contained in the Vermont Sustainable Jobs Strategy adopted under section 280b of this title, and provided further that the program shall meet the criteria contained in the Vermont Sustainable Jobs Strategy adopted under section 280b of this title. These programs may include:

* * *

(11) a program that would award grants made to eligible and qualified recipients as directed by the Agency of Agriculture, Food and Markets or the Agency of Natural Resources for the purpose of funding stream stability and conservation reserve enhancement environmental water quality initiatives approved by the agencies, provided that the maximum amount of grants awarded by the Authority pursuant to the program shall not exceed \$1,340,238.00 in the aggregate.

* * *

Sec. 21. VEDA FINANCING OF WATER QUALITY INITIATIVES

Notwithstanding 32 V.S.A. § 706, the Vermont Economic Development Authority is authorized to transfer to the Agency of Agriculture, Food and Markets funds held by VEDA for water quality programs pursuant to 10 V.S.A. § 280a(11).

* * * Working Lands Enterprise Program * * *

Sec. 22. 6 V.S.A. § 4604 is amended to read:

§ 4604. LEGISLATIVE INTENT

It is the intent of the General Assembly in adopting this subchapter to <u>create</u> <u>a working lands enterprise board to administer a fund and develop policy</u> <u>recommendations to</u>:

* * *

(8) increase the amount of State investment in working lands enterprises, particularly when it leverages private and philanthropic funds; and

(9) support the people and businesses that depend on Vermont's renewable land-based resources and the sustainable and productive use of the land by coordinating and integrating financial products and programs; and

(10) provide priority funding to agricultural and forest product enterprises. The priority for funding agricultural and forest product enterprises is not intended to exclude funding for technical assistance that directly supports enterprise development.

Sec. 23. 6 V.S.A. § 4606(b) is amended to read:

(b) Organization of Board. The Board shall be composed of:

(1) the Secretary of Agriculture, Food and Markets or designee, who shall serve as chair;

(2) the Commissioner of Forests, Parks and Recreation or designee;

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

(4) the following members appointed by the Speaker of the House:

(A) one member who is a representative of the Vermont forest industry who is also a consulting forester;

(B) one member who is actively engaged in commodity maple production;

(C) one member who is actively engaged in on-farm value-added processing;

(D) one member who is actively engaged in manufacturing or distribution of Vermont agricultural products; and

(E) one member with expertise in sales, marketing, or market development;

(5) the following members appointed by the Senate Committee on Committees:

(A) one member who is actively engaged in wood products manufacturing;

(B) one member who is a representative of one of the two largest membership based agricultural organizations in Vermont who is not a dairy farmer involved in production agriculture whose primary enterprise is not fluid milk;

(C) one member who is actively engaged in primary wood processing or logging;

(D) one member who is an agriculture and forestry enterprise funder; and

(E) one member who is a person with expertise in rural economic development; and

(6) the following members appointed by the Governor:

(A) one member who is a representative of Vermont's dairy industry who is also a dairy farmer;

(B) one member who is a representative of a membership-based forestland owner organization Vermont's forestry industry who is also a working forest landowner;

(C) one member with expertise in land planning and conservation efforts that support Vermont's working landscape; and

(D) one member who is an employee of a Vermont institution engaged in agriculture or forestry education, training, or research; and

(7) the following members appointed by the Vermont Agricultural and Forest Products Development Board:

(A) one member who is actively engaged in value-added agricultural products manufacturing; and

(B) two members actively engaged in providing marketing assistance, market development, or business and financial planning;

(8)(7) the following members, who shall serve as ex officio, nonvoting members:

(A) the Manager of the Vermont Economic Development Authority or designee;

(B) the Executive Director of the Vermont Sustainable Jobs Fund or designee; and

(C) the Executive Director of the Vermont Housing Conservation Board or designee.

Sec. 24. 6 V.S.A. § 4607 is amended to read:

§ 4607. POWERS AND DUTIES OF THE VERMONT WORKING LANDS ENTERPRISE BOARD

(a) Duties. The Vermont Working Lands Enterprise Board is charged with:

(1) optimizing the agricultural and forest use of Vermont lands and other agricultural resources;

(2) expanding existing markets and identifying and developing new profitable in-state and out-of-state markets for food, fiber, forest products, and value-added agricultural products, including farm-derived renewable energy; and

(3) identifying opportunities and challenges related to access to capital, infrastructure, product development, marketing, training, research, and education.

(b) Powers. The Vermont Working Lands Enterprise Board shall have the authority:

(1) to design and conduct an ongoing public engagement process, which may include taking testimony and receiving information from any party interested in the Board's activities;

(2) to gain information through the use of experts, consultants, and data to perform analysis as needed;

(3) to request services from State economists, State administrative agencies, and State programs;

(4) to obtain information from other planning entities, including the Farm to Plate Investment Program;

(5) to serve as a resource for and make recommendations to the Administration and the General Assembly on ways to improve Vermont's laws, regulations, and policies in order to attain the goals set forth in section 4604 of this title;

(1)(6) to establish an application process and eligibility criteria for awarding grants, loans, incentives, and other investments in agricultural and forestry enterprises and in food and forest systems, provided that the Board shall prioritize assistance under this chapter to a person engaged in farming or forestry before providing assistance to a nonprofit organization or nonprofit corporation for a project that competes with a person engaged in farming or forestry;

(2)(7) to award grants and other investments, which may include loans underwritten and administered through the Vermont Economic Development Authority;

(3)(8) to enter into performance contracts with one or more persons in order to provide investment and services to agricultural and forestry enterprises, including:

(A) technical assistance and product research services;

(B) marketing assistance, market development, and business and financial planning;

(C) organizational, regulatory, and development assistance; and

(D) feasibility studies of facilities or capital investments to optimize construction and other cost efficiencies;

(4)(9) to identify workforce needs and programs in order to develop training and incentive opportunities for the agriculture and forest product sectors after consulting with the Department of Labor;

(5)(10) to identify strategic statewide infrastructure and investment priorities considering:

(A) leveraging opportunities;

(B) economic clusters;

(C) return-on-investment analysis;

(D) other considerations the Board determines appropriate; and

(6)(11) to pursue and accept grants or other funding from any public or private source and to administer such grants or funding consistent with their terms. to develop an annual operating budget, and:

(A) solicit and accept any grants, gifts, or appropriations necessary to implement the budget pursuant to 32 V.S.A. § 5; and

(B) expend any monies necessary to carry out the purposes of this section.

(b)(c) Staff support. The Agency of Agriculture, Food and Markets shall provide administrative support to the extent authorized by the Secretary of Agriculture, Food and Markets, and with the assistance of the Department of Forests, Parks and Recreation to the extent authorized by the Commissioner of Forests, Parks and Recreation, in order to support the board Board in the performance of its duties pursuant to this section.

Sec. 25. REPEAL OF VERMONT AGRICULTURAL AND FOREST PRODUCTS DEVELOPMENT BOARD

<u>6 V.S.A. § 2966 (Agricultural and Forest Products Development Board)</u> shall be repealed on July 1, 2015.

Sec. 26. [Deleted.]

* * *Animal Shelter Working Group* * *

Sec. 26a. ANIMAL SHELTER WORKING GROUP

(a) Creation. There is created an Animal Shelter Working Group for the purpose of making recommendations to the General Assembly related to standards and requirement for the adequate shelter of animals.

(b) Membership. The Animal Shelter Working Group shall be composed of:

(1) the Secretary of Agriculture, Food and Markets or designee;

(2) a representative of the Vermont Humane Federation, appointed by the Governor;

(3) a representative of the Vermont Veterinary Medical Association, appointed by the Speaker of the House;

(4) a representative of the Vermont Federation of Dog Clubs, appointed by the Committee on Committees; and

(5) a representative of the Vermont Animal Control Association, appointed by the Governor.

(c) Powers and duties. The Animal Shelter Working Group shall:

(1) review current State requirements for adequate shelter of animals; and

(2) analyze the sufficiency of the State requirements for adequate shelter of animals and whether they should be amended.

(d) Assistance. The Animal Shelter Working Group shall have the administrative, technical, and legal assistance of the Agency of Agriculture, Food and Markets.

(e) Report. On or before January 15, 2016, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forest Products a written report containing the findings of the Animal Shelter Working Group. The report shall include:

(1) the recommendation of the Working Group as to whether and how the existing State requirements for the shelter of animals should be amended; and

(2) recommended draft legislation to implement any recommendations of the Working Group.

(f) Meetings.

(1) The Secretary of Agriculture, Food and Markets shall call the first meeting of the Animal Shelter Working Group to occur on or before September 1, 2015.

(2) The members of the Working Group shall select a chair from among its members at the first meeting.

(3) A majority of the membership of the Working Group shall constitute a quorum.

(4) The Animal Shelter Working Group shall cease to exist on January 16, 2016.

(g) Reimbursement. Members of the Animal Shelter Working Group shall not be entitled to compensation or reimbursement for participation in the Working Group.

Sec. 27. [Deleted.]

Sec. 28. [Deleted.]

* * * Unpasteurized Milk * * *

Sec. 29. 6 V.S.A. chapter 152 is amended to read:

CHAPTER 152. SALE OF UNPASTEURIZED (RAW) MILK

* * *

§ 2777. STANDARDS FOR THE SALE OF UNPASTEURIZED (RAW) MILK

* * *

(c) Unpasteurized milk operations shall conform to reasonable sanitary standards, including:

(1)(A) Unpasteurized milk shall be derived from healthy animals which are subject to appropriate veterinary care, including tuberculosis and brucellosis testing and rabies vaccination, according to accepted testing and vaccinations vaccination standards as established by the Agency.

(B) A producer shall ensure that all ruminant animals are tested for brucellosis and tuberculosis, according to accepted testing standards established by the Agency, prior to the sale of unpasteurized milk.

(C) A producer shall ensure that dairy animals entering the producer's milking herd, including those born on the farm, are tested for brucellosis and tuberculosis, according to accepted testing standards established by the Agency, prior to the animals milk being sold to consumers, unless:

(i) The dairy animal has a negative U.S. Department of Agriculture approved test for brucellosis within 30 days prior to importation into the State, in which case a brucellosis test shall not be required;

(ii) The dairy animal has a negative U.S. Department of Agriculture approved tuberculosis test within 60 days prior to importation into the State, in which case a tuberculosis test shall not be required;

(iii) The dairy animal leaves and subsequently reenters the producer's herd from a state or Canadian province that is classified as "certified free" of brucellosis and "accredited free" of tuberculosis or an

equivalent classification, in which case a brucellosis or tuberculosis test shall not be required.

(D) Test <u>A producer shall post test</u> results and verification of vaccinations shall be posted on the farm in a prominent place and be easily visible make results available to customers and the Agency.

* * *

(d) Unpasteurized milk shall conform to the following production and marketing standards:

* * *

(6) Customer inspection and notification.

(A) Prior to selling milk to a new customer, the new customer shall visit the farm and the <u>The</u> producer shall provide the customer with the opportunity to tour the farm and any area associated with the milking operation. The producer shall permit the customer to return to the farm at a reasonable time and at reasonable intervals to reinspect any areas associated with the milking operation.

* * *

(e) Producers <u>A producer</u> selling 87.5 or fewer gallons (350 quarts) of unpasteurized milk per week shall meet the requirements of subsections (a) through (d) of this section and shall sell unpasteurized milk only from the farm on which it was produced. A producer selling 87.5 or fewer gallons of unpasteurized milk may choose to meet the requirements of subsection (f) of this section, in which case the producer may deliver in accordance with section 2778 of this title.

(f) <u>Producers A producer</u> selling 6 more than 87.5 gallons to $\frac{280}{350}$ gallons (more than 350 to $\frac{1,120}{1,400}$ quarts) of unpasteurized milk per week shall meet the requirements of subsections (a) through (d) of this section as well as the following standards:

* * *

(3) Testing.

(A) A producer shall have unpasteurized milk tested twice per month by a U.S. Food and Drug Administration accredited laboratory <u>using</u> <u>accredited lab approved testing containers</u>. Milk shall be tested for the following and the results shall be below these limits:

(i) total bacterial (aerobic) count: 15,000 cfu/ml (cattle and goats);

(ii) total coliform count: 10 cfu/ml (cattle and goats);

(iii) somatic cell count: 225,000/ml (cattle); 500,000/ml (goats).

(B) The producer shall assure <u>ensure</u> that all test results are forwarded to the Agency, by the laboratory, upon completion of testing or within five days of receipt of the results by the producer.

* * *

(D) The Secretary shall issue a warning to a producer when any two out of four consecutive, monthly tests exceed the limits. The Secretary shall have the authority to suspend unpasteurized milk sales if any three out of five consecutive, monthly tests exceed the limits until an acceptable sample result is achieved. The Secretary shall not require a warning to the consumer based on a high test result.

* * *

(6) <u>Prearranged Off-farm</u> delivery. <u>Prearranged The</u> delivery of unpasteurized milk is permitted and shall be in compliance with section 2778 of this title.

(g) The sale of more than $\frac{280}{350}$ gallons ($\frac{1,120}{1,400}$ quarts) of unpasteurized milk in any one week is prohibited.

§ 2778. DELIVERY OF UNPASTEURIZED (RAW) MILK

(a) Delivery of unpasteurized milk <u>off the farm</u> is permitted only within the State of Vermont and only of milk produced by those producers <u>a producer</u> meeting the requirements of subsection 2777(f) of this chapter.

(b) Delivery shall conform to the following requirements:

(1) Delivery shall be to customers who have <u>a customer who has</u>:

(A) visited the farm as required under subdivision 2777(d)(4) of this title; and

(B) purchased milk in advance either by a one-time payment or through a subscription. <u>Milk is purchased in advance of delivery when</u> payment is provided prior to delivery at the customer's home or prior to commencement of the farmers' market where the customer receives delivery.

(2) Delivery shall be <u>A producer may deliver</u> directly to the customer:

(A) at the customer's home or into a refrigerated unit at the customer's home if such unit is capable of maintaining the unpasteurized milk at 40 degrees Fahrenheit <u>or lower</u> until obtained by the customer;

(B) at a farmers' market, as that term is defined in section 5001 of this title, where the producer is a vendor-;

(3) During delivery, <u>unpasteurized</u> milk shall be protected from exposure to direct sunlight.

(4) During delivery, <u>unpasteurized</u> milk shall be kept at 40 degrees Fahrenheit or lower at all times.

(c) A producer may contract with another individual to deliver the <u>unpasteurized</u> milk in accordance with this section. The producer shall be jointly and severally liable for the delivery of the <u>unpasteurized</u> milk in accordance with this section.

(d) Prior to delivery at a farmers' market under this section, a producer shall submit to the Agency of Agriculture, Food and Markets, on a form provided by the Agency, written or electronic notice of intent to deliver unpasteurized milk at a farmers' market. The notice shall:

(1) include the producer's name and proof of registration;

(2) identify the farmers' market or markets where the producer will deliver milk; and

(3) specify the day or days of the week on which delivery will be made at a farmers' market.

(e) A producer delivering unpasteurized milk at a farmers' market under this section shall display the registration required under subdivision 2777(f)(4) of this title <u>and the sign required under subdivision 2777(d)(6)</u> on the farmers' market stall or stand in a prominent manner that is clearly visible to consumers.

* * * Effective Dates * * *

Sec. 30. EFFECTIVE DATES

(a) This section and Sec. 29 (unpasteurized milk) shall take effect on passage.

(b) The remainder of the act shall take effect on July 1, 2015.

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

By striking Sec. 26a in its entirety and inserting in lieu thereof the following:

Sec. 26a. ANIMAL SHELTER WORKING GROUP

(a) Creation. There is created an Animal Shelter Working Group for the purpose of making a recommendation to the House Committee on Agriculture and Forest Products and the Senate Committee on Agriculture regarding the appropriate statutory standards and requirements for adequate shelter of animals.

(b) Membership. The Animal Shelter Working Group shall be composed of:

(1) the Chair of the House Committee on Agriculture and Forest Products or designee;

(2) a representative of the Vermont Humane Federation (VHF), to be appointed by the VHF;

(3) a representative of the Vermont Veterinary Medical Association, to be appointed by the Association; and

(4) a representative of the Vermont Federation of Dog Clubs, to be appointed by the Federation.

(c) Additional members. The members of the Animal Shelter Working Group may vote to add additional members to the Working Group. Additional members shall have the same powers and authority of members designated under subsection (b) of this section.

(d) Purpose. The Animal Shelter Working shall convene to propose draft legislation designed to amend and improve the statutory requirements for adequate shelter of animals in the State of Vermont.

(e) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Animal Shelter Working Group shall have the assistance of the Office of Legislative Council and the Joint Fiscal Office.

(f) Report. On or before January 15, 2016, the Animal Shelter Working Group shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forest Products a written report containing the findings of the Animal Shelter Working Group. The report shall include recommendations as to whether and how the existing State requirements for the shelter of animals should be amended. The report may be in the form of proposed legislation.

(g) Meetings.

(1) The Chair of the House Committee on Agriculture and Forest Products or designee shall be the Chair of the working group.

(2) The Chair shall call all meetings of the Animal Shelter Working Group, the first of which shall occur on or before September 1, 2015.

(h) Reimbursement. Members of the Animal Shelter Working Group shall not be entitled to compensation or reimbursement of expenses for participation in the Working Group.

Which was agreed to.

Rules Suspended; Bills Messaged to Senate Forthwith

On motion of **Rep. Savage of Swanton**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith:

H. 484

House bill, entitled

An act relating to miscellaneous agricultural subjects

S. 102

Senate bill, entitled

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

Recess

At ten o'clock and twenty-six minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

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

Rules Suspended; Report of Committee of Conference Adopted; Rules Suspended and Bill Ordered Messaged to the Senate Forthwith

S. 9

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and Senate bill, entitled

An act relating to improving Vermont's system for protecting children from abuse and neglect

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE FINDINGS

(a) In 2014, the tragic deaths of two children exposed problems with Vermont's system intended to protect children from abuse and neglect. This act is intended to address these problems and implement the recommendations of the Joint Legislative Committee on Child Protection created by 2014 Acts and Resolves No. 179, Sec. C.109 and improve our State's system for protecting our children to help prevent future tragedies.

(b) To better prevent child abuse and neglect, Vermont must invest in proven strategies to support and strengthen families.

(c) To better protect Vermont's children from abuse and neglect, and to address the increasing burden of drug abuse and other factors that are ripping families apart, the General Assembly believes that our State's child protection system must be focused on the safety and best interests of children, and be comprehensive and properly funded. This system must ensure that:

(1) the dedicated frontline professionals, including guardians ad litem, who struggle to handle the seemingly ever-increasing caseloads have the support, training, and resources necessary to do their job;

(2) children who have suffered abuse and neglect can find safe, nurturing, and permanent homes, whether with their custodial parents, relatives, or other caring families and individuals;

(3) the most serious cases of abuse are thoroughly investigated and prosecuted if appropriate;

(4) courts have the information and tools necessary to make the best possible decisions;

(5) all participants in the child protection system, from the frontline caseworker to the judge determining ultimate custody, work together to prioritize the child's safety and best interests; and

(6) an effective oversight structure is established.

(d) This act is only the beginning of what must be an ongoing process in which the House and Senate Committees on Judiciary, the Senate Committee on Health and Welfare, the House Committee on Human Services, in consultation with the Senate and House Committees on Appropriations,

continue to enhance the statewide approach to the prevention of child abuse and neglect.

* * * Agency of Human Services; Evidence-Informed Models * * *

Sec. 2. AGENCY OF HUMAN SERVICES EVIDENCE-INFORMED MODELS

The Secretary of Human Services shall identify and utilize evidence-informed models of serving families that prioritize child safety and prevention of child abuse and neglect through early interventions with high-risk families that develop family strengths and reduce the impact of adverse childhood experiences. The Secretary shall make recommendations in the FY2017 budget that reflect the utilization of these models.

* * * Human Services; Child Welfare Services; Definitions * * *

Sec. 3. 33 V.S.A. § 4912 is amended to read:

§ 4912. DEFINITIONS

As used in this subchapter:

(1) "Abused or neglected child" means a child whose physical health, psychological growth and development, or welfare is harmed or is at substantial risk of harm by the acts or omissions of his or her parent or other person responsible for the child's welfare. An "abused or neglected child" also means a child who is sexually abused or at substantial risk of sexual abuse by any person and a child who has died as a result of abuse or neglect.

* * *

(14) "Risk of harm" means a significant danger that a child will suffer serious harm by other than by accidental means, which harm would be likely to cause physical injury, neglect, emotional maltreatment, or sexual abuse, including as the result of:

(A) a single, egregious act that has caused the child to be at significant risk of serious physical injury;

(B) the production or preproduction of methamphetamines when a child is actually present;

(C) failing to provide supervision or care appropriate for the child's age or development and, as a result, the child is at significant risk of serious physical injury;

(D) failing to provide supervision or care appropriate for the child's age or development due to use of illegal substances, or misuse of prescription drugs or alcohol;

(E) failing to supervise appropriately a child in a situation in which drugs, alcohol, or drug paraphernalia are accessible to the child; and

(F) a registered sex offender or person substantiated for sexually abusing a child residing with or spending unsupervised time with a child.

(15) "Sexual abuse" consists of any act or acts by any person involving sexual molestation or exploitation of a child, including:

(A) incest;

(<u>B</u>) prostitution;

<u>(C)</u> rape,;

(D) sodomy;

(E) or any lewd and lascivious conduct involving a child. Sexual abuse also includes the:

(F) aiding, abetting, counseling, hiring, or procuring of a child to perform or participate in any photograph, motion picture, exhibition, show, representation, or other presentation which, in whole or in part, depicts sexual conduct, sexual excitement, or sadomasochistic abuse involving a child;

(G) viewing, possessing, or transmitting child pornography, with the exclusion of the exchange of images between mutually consenting minors, including the minor whose image is exchanged;

(H) human trafficking;

(I) sexual assault;

(J) voyeurism;

(K) luring a child; or

(L) obscenity.

* * *

(17) "Serious physical injury" means, by other than accidental means:

(A) physical injury that creates any of the following:

(i) a substantial risk of death;

(ii) a substantial loss or impairment of the function of any bodily member or organ;

(iii) a substantial impairment of health; or

(iv) substantial disfigurement; or

(B) strangulation by intentionally impeding normal breathing or circulation of the blood by applying pressure on the throat or neck or by blocking the nose or mouth of another person.

* * * Confidentiality * * *

Sec. 4. 33 V.S.A. § 4913 is amended to read:

§ 4913. REPORTING CHILD ABUSE AND NEGLECT; REMEDIAL ACTION

(a) Any A mandated reporter is any:

(1) health care provider, including any:

(A) physician, surgeon, osteopath, chiropractor, or physician assistant licensed, certified, or registered under the provisions of Title $26_{\frac{1}{2}}$

- (B) any resident physician;
- <u>(C)</u> intern,;

(D) or any hospital administrator in any hospital in this State;

- (F) whether or not so registered, and any registered nurse;
- (G) licensed practical nurse;
- (H) medical examiner;
- (I) emergency medical personnel as defined in 24 V.S.A. § 2651(6);
- (J) dentist,;
- (K) psychologist; and

(L) pharmacist, any other health care provider, child care worker;

(2) individual who is employed by a school district or an approved or recognized independent school, or who is contracted and paid by a school district or an approved or recognized independent school to provide student services, including any:

(A) school superintendent;

(B) headmaster of an approved or recognized independent school as defined in 16 V.S.A. 11₇:

 (\underline{C}) school teacher;

(D) student teacher;

(E) school librarian;

(F) school principal; and

(G) school guidance counselor, and any other individual who is employed by a school district or an approved or recognized independent school, or who is contracted and paid by a school district or an approved or recognized independent school to provide student services,:

(3) child care worker;

(4) mental health professional;

(5) social worker;

(6) probation officer;

(7) any employee, contractor, and grantee of the Agency of Human Services who have contact with clients;

(8) police officer;

<u>(9)</u> camp owner;

(10) camp administrator;

(11) camp counselor; or

(12) member of the clergy.

(b) As used in subsection (a) of this section, "camp" includes any residential or nonresidential recreational program.

(c) Any mandated reporter who has reasonable cause to believe that any child has been abused or neglected reasonably suspects abuse or neglect of a child shall report or cause a report to be made in accordance with the provisions of section 4914 of this title within 24 hours of the time information regarding the suspected abuse or neglect was first received or observed. As used in this subsection, "camp" includes any residential or nonresidential recreational program.

(b)(d)(1) The Commissioner shall inform the person who made the report under subsection (a) of this section:

(1)(A) whether the report was accepted as a valid allegation of abuse or neglect;

(2)(B) whether an assessment was conducted and, if so, whether a need for services was found; and

(3)(C) whether an investigation was conducted and, if so, whether it resulted in a substantiation.

(2) Upon request, the Commissioner shall provide relevant information contained in the case records concerning a person's report to a person who:

(A) made the report under subsection (a) of this section; and

(B) is engaged in an ongoing working relationship with the child or family who is the subject of the report.

(3) Any information disclosed under subdivision (2) of this subsection shall not be disseminated by the mandated reporter requesting the information. A person who intentionally violates the confidentiality provisions of this section shall be fined not more than \$2,000.00.

(4) In providing information under subdivision (2) of this subsection, the Department may withhold:

(A) information that could compromise the safety of the reporter or the child or family who is the subject of the report; or

(B) specific details that could cause the child to experience significant mental or emotional stress.

* * *

Sec. 4a. 33 V.S.A. § 4914 is amended to read:

§ 4914. NATURE AND CONTENT OF REPORT; TO WHOM MADE

A report shall be made orally or in writing to the Commissioner or designee. The Commissioner or designee shall request the reporter to follow the oral report with a written report, unless the reporter is anonymous. Reports shall contain the name and address or other contact information of the reporter as well as the names and addresses of the child and the parents or other persons responsible for the child's care, if known; the age of the child; the nature and extent of the child's injuries together with any evidence of previous abuse and neglect of the child or the child's siblings; and any other information that the reporter believes might be helpful in establishing the cause of the injuries or reasons for the neglect as well as in protecting the child and assisting the family. If a report of child abuse or neglect involves the acts or omissions of the Commissioner or employees of the Department, then the report shall be directed to the Secretary of Human Services who shall cause the report to be investigated by other appropriate Agency staff. If the report is substantiated, services shall be offered to the child and to his or her family or caretaker according to the requirements of section 4915b of this title.

Sec. 5. 33 V.S.A. § 4921 is amended to read:

§ 4921. DEPARTMENT'S RECORDS OF ABUSE AND NEGLECT

(a) The Commissioner shall maintain all records of all investigations, assessments, reviews, and responses initiated under this subchapter. The Department may use and disclose information from such records in the usual course of its business, including to assess future risk to children, to provide appropriate services to the child or members of the child's family, or for other legal purposes.

(b) The Commissioner shall promptly inform the parents, if known, or guardian of the child that a report has been accepted as a valid allegation pursuant to subsection 4915(b) of this title and the Department's response to the report. The Department shall inform the parent or guardian of his or her ability to request records pursuant to subsection (c) of this section. This section shall not apply if the parent or guardian is the subject of the investigation.

(c) Upon request, the redacted investigation file shall be disclosed to:

(1) the child's parents, foster parent, or guardian, absent good cause shown by the Department, provided that the child's parent, foster parent, or guardian is not the subject of the investigation; and

(2) the person alleged to have abused or neglected the child, as provided for in subsection 4916a(d) of this title; and

(3) the attorney representing the child in a child custody proceeding in the Family Division of the Superior Court.

(d) Upon request, Department records created under this subchapter shall be disclosed to:

(1) the court <u>Court</u>, parties to the juvenile proceeding, and the child's guardian ad litem if there is a pending juvenile proceeding or if the child is in the custody of the Commissioner;

(2) the Commissioner or person designated by the Commissioner to receive such records;

(3) persons assigned by the Commissioner to conduct investigations;

(4) law enforcement officers engaged in a joint investigation with the Department, an assistant attorney general Assistant Attorney General, or a state's attorney State's Attorney; and

(5) other State agencies conducting related inquiries or proceedings; and.

(6) a Probate Division of the Superior Court involved in guardianship proceedings. The Probate Division of the Superior Court shall provide a copy of the record to the respondent, the respondent's attorney, the petitioner, the guardian upon appointment, and any other individual, including the proposed guardian, determined by the Court to have a strong interest in the welfare of the respondent. [Repealed.]

(e)(1) Upon request, relevant Department records <u>or information</u> created under this subchapter may shall be disclosed to:

(A) service providers working with a person or child who is the subject of the report; and <u>A</u> person, agency, or organization, including a multidisciplinary team empaneled under section 4917 of this title, authorized to diagnose, care for, treat, or supervise a child or family who is the subject of a report or record created under this subchapter, or who is responsible for the child's health or welfare.

(B) <u>Health and mental health care providers working directly with the child or family who is the subject of the report or record.</u>

(C) Educators working directly with the child or family who is the subject of the report or record.

(D) Licensed or approved foster caregivers for the child.

(E) Mandated reporters as defined by section 4913 of this subchapter, making a report in accordance with the provisions of section 4914 of this subchapter and engaging in an ongoing working relationship with the child or family who is the subject of the report.

(F) A Family Division of the Superior Court involved in any proceeding in which custody of a child or parent-child contact is at issue.

(G) A Probate Division of the Superior Court involved in guardianship proceedings.

(H) other Other governmental entities for purposes of child protection.

(2) Determinations of relevancy shall be made by the Department.

(3) In providing records or information under this subsection (e), the Department may withhold:

(A) information that could compromise the safety of the reporter or the child or family who is the subject of the report; or

(B) specific details that could cause the child to experience significant mental or emotional stress.

(4) In providing records or information under this section, the Department may also provide other records related to its child protection activities for the child.

(5) Any persons or agencies authorized to receive confidential information under this section may share such information with other persons or agencies authorized to receive confidential information under this section for the purposes of providing services and benefits to the children and families those persons or agencies mutually serve.

(f) Upon request, relevant Department information created under this subchapter may be disclosed to a parent with a reasonable concern that an individual who is residing at least part time with the parent requestor's child presents a risk of abuse or neglect to the requestor's child. As it is used in this subsection, "relevant Department information" shall mean information regarding the individual that the Department determines could avert the risk of harm presented by the individual to the requestor's child. If the Department denies the request for information, the requestor may petition the Family Division of the Superior Court, which may, after weighing the privacy concerns of the individuals involved with the parent's right to protect his or her child, order the release of the information.

(g) Any records or information disclosed under this section and information relating to the contents of those records or reports shall not be disseminated by the receiving persons or agencies to any persons or agencies, other than to those persons or agencies authorized to receive information pursuant to this section. A person who intentionally violates the confidentiality provisions of this section shall be fined not more than \$2,000.00.

Sec. 6. 33 V.S.A. § 5110 is amended to read:

§ 5110. CONDUCT OF HEARINGS

(a) Hearings under the juvenile judicial proceedings chapters shall be conducted by the Court without a jury and shall be confidential.

(b) The general public shall be excluded from hearings under the juvenile judicial proceedings chapters, and only the parties, their counsel, witnesses, persons accompanying a party for his or her assistance, and such other persons as the Court finds to have a proper interest in the case or in the work of the Court, including a foster parent or a representative of a residential program where the child resides, may be admitted by the Court. <u>An individual without party status seeking inclusion in the hearing in accordance with this subsection may petition the Court for admittance by filing a request with the clerk of the</u>

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<u>Court.</u> This subsection shall not prohibit a victim's exercise of his or her rights under sections 5233 and 5234 of this title, and as otherwise provided by law.

(c) There shall be no publicity given by any person to any proceedings under the authority of the juvenile judicial proceedings chapters except with the consent of the child, the child's guardian ad litem, and the child's parent, guardian, or custodian. A person who violates this provision may be subject to contempt proceedings pursuant to Rule 16 of the Vermont Rules for Family Proceedings.

* * * Juvenile Proceedings; General Provisions; Children in Need of Care or Supervision; Request for an Emergency Care Order * * *

Sec. 7. 33 V.S.A. § 5302 is amended to read:

§ 5302. REQUEST FOR EMERGENCY CARE ORDER

(a) If an officer takes a child into custody pursuant to subdivision section 5301(1) or (2) of this title, the officer shall immediately notify the child's custodial parent, guardian, or custodian and release the child to the care of the child's custodial parent, guardian, or custodian unless the officer determines that the child's immediate welfare requires the child's continued absence from the home.

(b) If the officer determines that the child's immediate welfare requires the child's continued absence from the home, the officer shall:

(1) <u>Remove The officer shall remove</u> the child from the child's surroundings, contact the Department, and deliver the child to a location designated by the Department. The Department shall have the authority to make reasonable decisions concerning the child's immediate placement, safety, and welfare pending the issuance of an emergency care order.

(2) Prepare The officer or a social worker employed by the Department for Children and Families shall prepare an affidavit in support of a request for an emergency care order and provide the affidavit to the State's Attorney. The affidavit shall include: the reasons for taking the child into custody; and to the degree known, potential placements with which the child is familiar; the names, addresses, and telephone number of the child's parents, guardian, custodian, or care provider; the name, address, and telephone number of any relative who has indicated an interest in taking temporary custody of the child. The officer or social worker shall contact the Department and the Department may prepare an affidavit as a supplement to the affidavit of the law enforcement officer or social worker if the Department has additional information with respect to the child or the family. * * *

* * * Temporary Care Order; Custody * * *

Sec. 8. 33 V.S.A. § 5308 is amended to read:

§ 5308. TEMPORARY CARE ORDER

(a) The Court shall order that legal custody be returned to the child's custodial parent, guardian, or custodian unless the Court finds by a preponderance of the evidence that a return home would be contrary to <u>the best</u> interests of the child's welfare child because any one of the following exists:

(1) A return of legal custody could result in substantial danger to the physical health, mental health, welfare, or safety of the child.

(2) The child or another child residing in the same household has been physically or sexually abused by a custodial parent, guardian, or custodian, or by a member of the child's household, or another person known to the custodial parent, guardian, or custodian.

(3) The child or another child residing in the same household is at substantial risk of physical or sexual abuse by a custodial parent, guardian, or custodian, or by a member of the child's household, or another person known to the custodial parent, guardian, or custodian. It shall constitute prima facie evidence that a child is at substantial risk of being physically or sexually abused if:

(A) a custodial parent, guardian, or custodian receives actual notice that a person has committed or is alleged to have committed physical or sexual abuse against a child; and

(B) a custodial parent, guardian, or custodian knowingly or recklessly allows the child to be in the physical presence of the alleged abuser after receiving such notice.

(4) The custodial parent, guardian, or guardian <u>custodian</u> has abandoned the child.

(5) The child or another child in the same household has been neglected and there is substantial risk of harm to the child who is the subject of the petition.

(b) Upon a finding that any of the conditions set forth in subsection (a) of this section exists a return home would be contrary to the best interests of the child, the Court may issue such temporary orders related to the legal custody of the child as it deems necessary and sufficient to protect the welfare and safety of the child, including, in order of preference:

(1) A <u>a</u> conditional custody order returning <u>or granting</u> legal custody of the child to the custodial parent, guardian, or custodian, <u>noncustodial parent</u>, <u>relative</u>, or a person with a significant relationship with the child</u>, subject to such conditions and limitations as the Court may deem necessary and sufficient to protect the child.;

(2)(A) An order transferring temporary legal custody to a noncustodial parent. Provided that parentage is not contested, upon a request by a noncustodial parent for temporary legal custody and a personal appearance of the noncustodial parent, the noncustodial parent shall present to the Court a care plan that describes the history of the noncustodial parent's contact with the child, including any reasons why contact did not occur, and that addresses:

(i) the child's need for a safe, secure, and stable home;

(ii) the child's need for proper and effective care and control; and

(iii) the child's need for a continuing relationship with the custodial parent, if appropriate.

(B) The Court shall consider court orders and findings from other proceedings related to the custody of the child.

(C) The Court shall transfer legal custody to the noncustodial parent unless the Court finds by a preponderance of the evidence that the transfer would be contrary to the child's welfare because any of the following exists:

(i) The care plan fails to meet the criteria set forth in subdivision (2)(A) of this subsection.

(ii) Transferring temporary legal custody of the child to the noncustodial parent could result in substantial danger to the physical health, mental health, welfare, or safety of the child.

(iii) The child or another child residing in the same household as the noncustodial parent has been physically or sexually abused by the noncustodial parent or a member of the noncustodial parent's household, or another person known to the noncustodial parent.

(iv) The child or another child residing in the same household as the noncustodial parent is at substantial risk of physical or sexual abuse by the noncustodial parent or a member of the noncustodial parent's household, or another person known to the noncustodial parent. It shall constitute prima facie evidence that a child is at substantial risk of being physically or sexually abused if: (I) a noncustodial parent receives actual notice that a person has committed or is alleged to have committed physical or sexual abuse against a child; and

(II) the noncustodial parent knowingly or recklessly allows the child to be in the physical presence of the alleged abuser after receiving such notice.

(v) The child or another child in the noncustodial parent's household has been neglected, and there is substantial risk of harm to the child who is the subject of the petition.

(D) If the noncustodial parent's request for temporary custody is contested, the Court may continue the hearing and place the child in the temporary custody of the Department, pending further hearing and resolution of the custody issue. Absent good cause shown, the Court shall hold a further hearing on the issue within 30 days.

(3) An order transferring temporary legal custody of the child to a relative, provided:

(A) The relative seeking legal custody is a grandparent, greatgrandparent, aunt, great-aunt, uncle, great-uncle, stepparent, sibling, or step-sibling of the child.

(B) The relative is suitable to care for the child. In determining suitability, the Court shall consider the relationship of the child and the relative and the relative's ability to:

(i) Provide a safe, secure, and stable environment.

(ii) Exercise proper and effective care and control of the child.

(iii) Protect the child from the custodial parent to the degree the Court deems such protection necessary.

(iv) Support reunification efforts, if any, with the custodial parent.

(v) Consider providing legal permanence if reunification fails.

(2) an order transferring temporary legal custody of the child to a noncustodial parent or to a relative;

(3) an order transferring temporary legal custody of the child to a person with a significant relationship with the child; or

(4) an order transferring temporary legal custody of the child to the Commissioner.

(C) (c) The Court shall consider orders and findings from other proceedings relating to the custody of the child, the child's siblings, or children of any adult in the same household as the child.

(d) In considering the suitability of a relative under this subdivision (3) an order under subsection (b) of this section, the Court may order the Department to conduct an investigation of a person seeking custody of the child, and the suitability of that person's home, and file a written report of its findings with the Court. The Court may place the child in the temporary custody of the Department Commissioner, pending such investigation.

(4) A temporary care order transferring temporary legal custody of the child to a relative who is not listed in subdivision (3)(A) of this subsection or a person with a significant relationship with the child, provided that the criteria in subdivision (3)(B) of this subsection are met. The Court may make such orders as provided in subdivision (3)(C) of this subsection to determine suitability under this subdivision.

(5) A temporary care order transferring temporary legal custody of the child to the Commissioner.

(c)(e) If the Court transfers legal custody of the child, the Court shall issue a written temporary care order.

(1) The order shall include:

(A) a <u>A</u> finding that remaining in the home is contrary to the child's welfare best interests of the child and the facts upon which that finding is based; and.

(B) a <u>A</u> finding as to whether reasonable efforts were made to prevent unnecessary removal of the child from the home. If the Court lacks sufficient evidence to make findings on whether reasonable efforts were made to prevent the removal of the child from the home, that determination shall be made at the next scheduled hearing in the case but, in any event, no later than 60 days after the issuance of the initial order removing a child from the home.

(2) The order may include other provisions as may be necessary for the protection and welfare in the best interests of the child, such as including:

(A) establishing parent-child contact under such and terms and conditions as are necessary for the protection of the child. <u>and terms and conditions for that contact;</u>

(B) requiring the Department to provide the child with services, if legal custody of the child has been transferred to the Commissioner;

(C) requiring the Department to refer a parent for appropriate assessments and services, including a consideration of the needs of children and parents with disabilities, provided that the child's needs are given primary consideration;

(D) requiring genetic testing if parentage of the child is at issue;

(E) requiring the Department to make diligent efforts to locate the noncustodial parent;

(F) requiring the custodial parent to provide the Department with names of all potential noncustodial parents and relatives of the child; <u>and</u>

(G) establishing protective supervision and requiring the Department to make appropriate service referrals for the child and the family, if legal custody is transferred to an individual other than the Commissioner.

(3) In his or her discretion, the Commissioner may provide assistance and services to children and families to the extent that funds permit, notwithstanding subdivision (2)(B) of this subsection.

(d) If a party seeks to modify a temporary care order in order to transfer legal custody of a child from the Commissioner to a relative or a person with a significant relationship with the child, the relative shall be entitled to preferential consideration under subdivision (b)(3) of this section, provided that a disposition order has not been issued and the motion is filed within 90 days of the date that legal custody was initially transferred to the Commissioner. [Repealed.]

* * * Adoption Act; Postadoption Contact Agreements * * *

Sec. 9. 15A V.S.A. § 1-109 is amended to read:

§ 1-109. TERMINATION OF ORDERS AND AGREEMENTS FOR VISITATION OR COMMUNICATION UPON ADOPTION

When a decree of adoption becomes final, except as provided in Article 4 of this title <u>and 33 V.S.A. § 5124</u>, any order or agreement for visitation or communication with the minor shall be unenforceable.

Sec. 10. 33 V.S.A. § 5124 is added to read:

§ 5124. POSTADOPTION CONTACT AGREEMENTS

(a) Either or both parents and each intended adoptive parent may enter into a postadoption contact agreement regarding communication or contact between either or both parents and the child after the finalization of an adoption by the intended adoptive parent or parents who are parties to the agreement. Such an agreement may be entered into if: (1) the child is in the custody of the Department for Children and Families;

(2) an order terminating parental rights has not yet been entered; and

(3) either or both parents agree to a voluntary termination of parental rights, including an agreement in a case which began as an involuntary termination of parental rights.

(b) The Court shall approve the postadoption contact agreement if:

(1)(A) it determines that the child's best interests will be served by postadoption communication or contact with either or both parents; and

(B) in making a best interests determination, it may consider:

(i) the age of the child;

(ii) the length of time that the child has been under the actual care, custody, and control of a person other than a parent;

(iii) the desires of the child, the child's parents; and the child's intended adoptive parents;

(iv) the child's relationship with and the interrelationships between the child's parents, the child's intended adoptive parents, the child's siblings, and any other person with a significant relationship with the child;

(v) the willingness of the parents to respect the bond between the child and the child's intended adoptive parents;

(vi) the willingness of the intended adoptive parents to respect the bond between the child and the parents;

(vii) the adjustment to the child's home, school, and community;

(viii) any evidence of abuse or neglect of the child;

(ix) the recommendation of any guardian ad litem;

(x) the recommendation of a therapist or mental health care provider working directly with the child; and

(xi) the recommendation of the Department;

(2) it has reviewed and made each of the following a part of the Court record:

(A) a sworn affidavit by the parties to the agreement which affirmatively states that the agreement was entered into knowingly and voluntarily and is not the product of coercion, fraud, or duress and that the parties have not relied on any representations other than those contained in the agreement;

(B) a written acknowledgment by each parent that the termination of parental rights is irrevocable, even if the intended adoption is not finalized, the adoptive parents do not abide by the postadoption contact agreement, or the adoption is later dissolved;

(C) an agreement to the postadoption contact or communication from the child to be adopted, if he or she is 14 years of age or older; and

(D) an agreement to the postadoption contact or communication in writing from the Department, the guardian ad litem, and the attorney for the child.

(c) A postadoption contact agreement must be in writing and signed by each parent and each intended adoptive parent entering into the agreement. There may be separate agreements for each parent. The agreement shall specify:

(1) the form of communication or contact to take place;

(2) the frequency of the communication or contact;

(3) if visits are agreed to, whether supervision shall be required, and if supervision is required, what type of supervision shall be required;

(4) if written communication or exchange of information is agreed upon, whether that will occur directly or through the Vermont Adoption Registry, set forth in 15A V.S.A. § 6-103;

(5) if the Adoption Registry shall act as an intermediary for written communication, that the signing parties will keep their addresses updated with the Adoption Registry;

(6) that failure to provide contact due to the child's illness or other good cause shall not constitute grounds for an enforcement proceeding;

(7) that the right of the signing parties to change their residence is not impaired by the agreement;

(8) an acknowledgment by the intended adoptive parents that the agreement grants either or both parents the right to seek to enforce the postadoption contact agreement;

(9) an acknowledgment that once the adoption is finalized, the court shall presume that the adoptive parent's judgment concerning the best interests of the child is correct;

(10) the finality of the termination of parental rights and of the adoption shall not be affected by implementation of the provisions of the postadoption contact agreement; and

(11) a disagreement between the parties or litigation brought to enforce or modify the agreement shall not affect the validity of the termination of parental rights or the adoption.

(d) A copy of the order approving the postadoption contact agreement and the postadoption contact agreement shall be filed with the Probate Division of the Superior Court with the petition to adopt filed under 15A V.S.A. Article 3, and, if the agreement specifies a role for the Adoption Registry, with the Registry.

(e) The order approving a postadoption contact agreement shall be a separate order issued before and contingent upon the final order of voluntary termination of parental rights.

(f) The executed postadoption contact agreement shall become final upon legal finalization of an adoption under 15A V.S.A. Article 3.

Sec. 11. 15A V.S.A. Article 9 is added to read:

ARTICLE 9. ENFORCEMENT, MODIFICATION, AND TERMINATION OF POSTADOPTION CONTACT AGREEMENTS

§ 9-101. ENFORCEMENT, MODIFICATION, AND TERMINATION OF

POSTADOPTION CONTACT AGREEMENTS

(a) An adoptive parent may petition the Court to modify or terminate a postadoption contact agreement entered into under 33 V.S.A. § 5124 if the adoptive parent believes the best interests of the child are being compromised by the terms of the agreement. In an action brought under this section, the burden of proof shall be on the adoptive parent to show by clear and convincing evidence that the modification or termination of the agreement is in the best interests of the child.

(b) A former parent may petition for enforcement of a postadoption contact agreement entered into under 33 V.S.A. § 5124 if the adoptive parent is not in compliance with the terms of the agreement. In an action brought under this section, the burden of proof shall be on the former parent to show by a preponderance of the evidence that enforcement of the agreement is in the best interests of the child. (c) A disagreement between the parties or litigation brought to enforce or modify the agreement shall not affect the validity of the termination of parental rights or the adoption.

(d) The Court shall not act on a petition to modify or enforce the agreement unless the petitioner had in good faith participated or attempted to participate in mediation or alternative dispute resolution proceedings to resolve the dispute prior to bringing the petition for enforcement.

(e) Parties to the proceeding shall be the individuals who signed the original agreement created under 33 V.S.A. § 5124. The adopted child, if 14 years of age or older, may also participate. The Department for Children and Families shall not be required to be a party to the proceeding and the Court shall not order further investigation or evaluation by the Department.

(f) The Court may order the communication or contact be terminated or modified if the Court deems such termination or modification to be in the best interests of the child. In making a best interests determination, the Court may consider:

(1) the protection of the physical safety of the adopted child or other members of the adoptive family;

(2) the emotional well-being of the adopted child;

(3) whether enforcement of the agreement undermines the adoptive parent's parental authority; and

(4) whether, due to a change in circumstances, continued compliance with the agreement would be unduly burdensome to one or more of the parties.

(g) A Court-imposed modification of the agreement may limit, restrict, condition, or decrease contact between the former parents and the child, but in no event shall a Court-imposed modification serve to expand, enlarge, or increase the amount of contact between the former parents and the child or place new obligations on the adoptive parents.

(h) A hearing held to enforce, modify, or terminate an agreement for postadoption contact shall be confidential.

(i) Failure to comply with the agreement or petitioning the Court to enforce, modify, or terminate an agreement shall not form the basis for an award of monetary damages.

(j) An agreement for postadoption contact or communication under 33 V.S.A. § 5124 shall cease to be enforceable on the date the adopted child turns 18 years of age or upon dissolution of the adoption. Sec. 12. 33 V.S.A. § 152 is amended to read:

§ 152. ACCESS TO RECORDS

(a) The Commissioner may obtain from the Vermont Crime Information Center the record of convictions of any person to the extent <u>required by law or</u> the Commissioner has determined by rule that such information is necessary to regulate a facility or individual subject to regulation by the Department <u>or to</u> carry out the Department's child protection obligations under chapters 49–59 of this title. The Commissioner shall first notify the person whose record is being requested.

* * *

Sec. 13. 33 V.S.A. § 6911 is amended to read:

§ 6911. RECORDS OF ABUSE, NEGLECT, AND EXPLOITATION

(a) Information obtained through reports and investigations, including the identity of the reporter, shall remain confidential and shall not be released absent a court order, except as follows:

The investigative report shall be disclosed only to: the (1)Commissioner or person designated to receive such records; persons assigned by the Commissioner to investigate reports; the person reported to have abused, neglected, or exploited a vulnerable adult; the vulnerable adult or his or her representative; the Office of Professional Regulation when deemed appropriate by the Commissioner; the Secretary of Education when deemed appropriate by the Commissioner; the Commissioner for Children and Families or designee, for purposes of review of expungement petitions filed pursuant to section 4916c of this title; a law enforcement agency; the State's Attorney, or the Office of the Attorney General, when the Department believes there may be grounds for criminal prosecution or civil enforcement action, or in the course of a criminal or a civil investigation. When disclosing information pursuant to this subdivision, reasonable efforts shall be made to limit the information to the minimum necessary to accomplish the intended purpose of the disclosure, and no other information, including the identity of the reporter, shall be released absent a court order.

* * *

(c) The Commissioner or the Commissioner's designee may disclose Registry information only to:

* * *

(5) the Commissioner for Children and Families, or the Commissioner's designee, for purposes related to:

(A) the licensing or registration of facilities <u>and individuals</u> regulated by the Department for Children and Families<u>; and</u>

(B) the Department's child protection obligations under chapters 49–59 of this title.

* * *

Sec. 14. [Deleted.]

* * * Municipal and County Government; Special Investigative

Units; Mission and Jurisdiction * * *

Sec. 15. 24 V.S.A. § 1940 is amended to read:

§ 1940. TASK FORCES; SPECIALIZED SPECIAL INVESTIGATIVE UNITS; BOARDS; GRANTS

(a) Pursuant to the authority established under section 1938 of this title, and in collaboration with law enforcement agencies, investigative agencies, victims' advocates, and social service providers, the Department of State's Attorneys and Sheriffs shall coordinate efforts to provide access in each region of the <u>state State</u> to special investigative units to investigate sex crimes, child abuse, domestic violence, or crimes against those with physical or developmental disabilities. The General Assembly intends that access to special investigative units be available to all Vermonters as soon as reasonably possible, but not later than July 1, 2009 which:

(1) shall investigate:

(A) an incident in which a child suffers, by other than accidental means, serious bodily injury as defined in 13 V.S.A. § 1021; and

(B) potential violations of:

(i) 13 V.S.A. § 2602 (lewd or lascivious conduct with child);

(ii) 13 V.S.A. chapter 60 (human trafficking);

(iii) 13 V.S.A. chapter 64 (sexual exploitation of children);

(iv) 13 V.S.A. chapter 72 (sexual assault); and

(v) 13 V.S.A. § 1379 (sexual abuse of a vulnerable adult); and

(2) may investigate:

(A) an incident in which a child suffers:

(i) bodily injury, by other than accidental means, as defined in 13 V.S.A. § 1021; or

(ii) death;

(B) potential violations of:

(i) 13 V.S.A. § 2601 (lewd and lascivious conduct);

(ii) 13 V.S.A. § 2605 (voyeurism); and

(iii) 13 V.S.A. § 1304 (cruelty to a child); and

(3) may assist with the investigation of other incidents, including incidents involving domestic violence and crimes against vulnerable adults.

(b) A task force or specialized special investigative unit organized and operating under this section may accept, receive, and disburse in furtherance of its duties and functions any funds, grants, and services made available by the State of Vermont and its agencies, the federal government and its agencies, any municipality or other unit of local government, or private or civic sources. Any employee covered by an agreement establishing a special investigative unit shall remain an employee of the donor agency.

(c) A Specialized Special Investigative Unit Grants Board is created which shall be comprised of comprise the Attorney General, the Secretary of Administration, the Executive Director of the Department of State's Attorneys and Sheriffs, the Commissioner of Public Safety, the Commissioner for Children and Families, a representative of the Vermont Sheriffs' Association, a representative of the Vermont Association of Chiefs of Police, the Executive Director of the Center for Crime Victim Services, and the Executive Director of the Vermont League of Cities and Towns. Specialized Special investigative units organized and operating under this section for the investigation of sex crimes, child abuse, elder abuse, domestic violence, or crimes against those with physical or developmental disabilities may apply to the Board for a grant or grants covering the costs of salaries and employee benefits to be expended during a given year for the performance of unit duties as well as unit operating costs for rent, utilities, equipment, training, and supplies. Grants under this section shall be approved by a majority of the entire Board and shall not exceed 50 percent of the yearly salary and employee benefit costs of the unit. Preference shall be given to grant applications which include the participation of the Department of Public Safety, the Department for Children and Families, sheriffs' departments, community victims' advocacy organizations, and municipalities within the region. Preference shall also be given to grant applications which promote policies and practices that are consistent across the State, including policies and practices concerning the referral of complaints, the investigation of cases, and the supervision and management of special investigative units. However, a sheriff's department in a county with a population of less fewer than 8,000 residents shall upon application receive a grant of up to \$20,000.00 for 50 percent of the yearly salary and employee benefits costs of a part-time specialized special investigative unit investigator which shall be paid to the department as time is billed on a per hour rate as agreed by contract up to the maximum amount of the grant.

(d) The Board may adopt rules relating to grant eligibility criteria, processes for applications, awards, and reports related to grants authorized pursuant to this section. The Attorney General shall be the adopting authority.

Sec. 16. 33 V.S.A. § 4915b(e) is amended to read:

(e) The Department shall report to and request assistance from law enforcement in the following circumstances:

(1) investigations of child sexual abuse by an alleged perpetrator age 10 or older;

(2) investigations of serious physical abuse or neglect likely to result in eriminal charges or requiring emergency medical care;

(3) situations potentially dangerous to the child or Department worker. [Repealed.]

Sec. 17. 33 V.S.A. § 4915 is amended to read:

§ 4915. ASSESSMENT AND INVESTIGATION

* * *

(g) The Department shall report to and receive assistance from appropriate law enforcement in the following circumstances:

(1) investigations of child sexual abuse by an alleged perpetrator 10 years of age or older;

(2) investigations of serious physical abuse or neglect requiring emergency medical care, resulting in death, or likely to result in criminal charges;

(3) situations potentially dangerous to the child or Department worker; and

(4) an incident in which a child suffers:

(A) serious bodily injury as defined in 13 V.S.A. § 1021, by other than accidental means; and

(B) potential violations of:

(i) 13 V.S.A. § 2602 (lewd or lascivious conduct with child);

(ii) 13 V.S.A. chapter 60 (human trafficking);

(iii) 13 V.S.A. chapter 64 (sexual exploitation of children); and

(iv) 13 V.S.A. chapter 72 (sexual assault).

* * * Penalties for Mandated Reporters, Public Officers, and Others * * *

- Sec. 18. [Deleted.]
- Sec. 19. [Deleted.]
- Sec. 20. [Deleted.]
- Sec. 21. [Deleted.]

* * * Department for Children and Families; Policies * * *

Sec. 22. THE DEPARTMENT FOR CHILDREN AND FAMILIES; POLICIES, PROCEDURES, AND PRACTICES

(a) The Commissioner for Children and Families shall:

(1) ensure that Family Services Division policies, procedures, and practices are consistent with the best interests of the child and are consistent with statute;

(2) ensure that Family Services Division policies, procedures, and practices are consistent with each other and are applied in a consistent manner in all Department offices and in all regions of the State;

(3) develop metrics as to the appropriate caseload for social workers in the Family Services Division that take into account the experience and training of a social worker, the number of families and the total number of children a social worker is responsible for, and the acuity or difficulty of cases;

(4) ensure that all Family Services Division employees receive training on:

(A) relevant policies, procedures, and practices; and

(B) the employees' legal responsibilities and obligations;

(5) determine how to improve data sharing between the Department, courts, treatment providers, the Agency of Education, and other branches, departments, agencies, and persons involved in protecting children from abuse and neglect, including:

(A) determine the data that should be shared between parties;

(B) investigate regulatory requirements and security parameters;

(C) investigate the potential costs of creating a platform to share data; and

(D) make recommendations to address these issues and to improve the system for protecting children from abuse and neglect;

(6) develop policies, procedures, and practices to:

(A) ensure the consistent sharing of information among treatment providers, courts, State's Attorneys, guardians ad litem, law enforcement, and other relevant parties in a manner that complies with statute;

(B) encourage treatment providers and all agencies, departments, and other persons that support recovery to provide regular treatment progress updates to the Commissioner;

(C) ensure that courts have all relevant information in a timely fashion, and that Department employees file paperwork and reports in a timely manner;

(D) require that the Family Services Division assesses a child's safety if:

(i) the child remains in a home from which other children have been removed; or

(ii) the child remains in the custody of a parent or guardian whose parental rights as to another child have been terminated;

(E) improve information sharing with mandatory reporters who have an ongoing relationship with a child;

(F) ensure that mandatory reporters are informed that any confidential information they may receive cannot be disclosed to a person who is not authorized to receive that information;

(G) ensure all parties authorized to receive confidential information are informed of their right to receive that information; and

(H) apply results-based accountability or other data-based quality measures to determine if children who receive services from the Family Services Division in different areas of the State have different outcomes and the reasons for those differences;

(7) ensure that all employees assigned to carry out investigations of child abuse and neglect have training or experience in conducting investigations and have a master's degree in social work or an equivalent degree, or relevant experience; and

(8) on or before September 30, 2015, develop and implement a Family Services Division policy requiring a six-month supervision period by the Department after a child is returned to the home from which he or she was removed due to abuse or neglect.

(b) On or before September 30, 2015, the Commissioner shall submit a written response to the House Committees on Human Services and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary with the Commissioner's response to the issues in subsection (a) of

this section, including the language of any new or amended policies and procedures.

(c) The Commissioner for Children and Families shall develop a plan to implement the following policies, procedures, and practices, including identifying potential costs, and on or before September 30, 2015, shall report to the Joint Legislative Child Protection Oversight Committee on any additional resources necessary to:

(1) increase the number of required face-to-face meetings between Family Services Division social workers and children;

(2) increase the number of required home visits and require unannounced home visits by Family Services Division social workers; and

(3) require that all persons living in a household or who will have child care responsibilities be assessed for criminal history and potential safety risks whenever a child who has been removed from a home is returned to that home.

(d) The Commissioner for Children and Families shall report on or before June 30, 2016, to the House and Senate Committees on Judiciary, the House Committee on Human Services, the Senate Committee on Health and Welfare, and the Joint Legislative Child Protection Oversight Committee on the reports it makes to law enforcement pursuant to 33 V.S.A. § 4915.

> * * * Legislature; Establishing a Joint Legislative Child Protection Oversight Committee * * *

Sec. 23. JOINT LEGISLATIVE CHILD PROTECTION OVERSIGHT COMMITTEE

(a) Creation. There is created a Joint Legislative Child Protection Oversight Committee.

(b) Membership. The Committee shall be composed of the following six members, who shall be appointed each biennial session of the General Assembly:

(1) Three current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House.

(2) Three current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees.

(c) Powers and duties.

(1) The Committee shall:

(A) Exercise oversight over Vermont's system for protecting children from abuse and neglect, including:

(i) evaluating whether the branches, departments, agencies, and persons that are responsible for protecting children from abuse and neglect are effective;

(ii) determining if there are deficiencies in the system and the causes of those deficiencies;

(iii) evaluating which programs are the most cost-effective;

(iv) determining whether there is variation in policies, procedures, practices, and outcomes between different areas of the State and the causes and results of any such variation;

(v) evaluating whether licensed mandatory reporters should be required to certify that they completed training on the requirements set forth under 33 V.S.A. § 4913; and

(vi) evaluating the measures recommended by the Working Group to Recommend Improvements to CHINS Proceedings established in Sec. 24 of this act to ensure that once a child is returned to his or her family, the court or the Department for Children and Families may continue to monitor the child and family where appropriate.

(B) The Committee shall report any proposed legislation on or before January 15, 2016 to the House and Senate Committees on Judiciary, the House Committee on Human Services, and the Senate Committee on Health and Welfare.

(2) The Committee may review and make recommendations to the House and Senate Committees on Appropriations regarding budget proposals and appropriations relating to protecting children from abuse and neglect.

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

(e) Retaliation. No person who is an employee of the State of Vermont, or of any State, local, county, or municipal department, agency, or person involved in child protection, and who testifies before, supplies information to, or cooperates with the Committee shall be subject to retaliation by his or her employer. Retaliation shall include job termination, demotion in rank, reduction in pay, alteration in duties and responsibilities, transfer, or a negative job performance evaluation based on the person's having testified before, supplied information to, or cooperated with the Committee.

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(f) Meetings.

(1) The first meeting of the Committee shall be called by the first Senator appointed to the Committee.

(2) The Committee shall select a Chair, Vice Chair, and Clerk from among its members and may adopt rules of procedure. The Chair shall rotate biennially between the House and the Senate members. A quorum shall consist of five members.

(3) When the General Assembly is in session, the Committee shall meet at the call of the Chair. The Committee may meet six times during adjournment, and may meet more often subject to approval of the Speaker of the House and the President Pro Tempore of the Senate.

(g) Reimbursement. For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

(h) Sunset. On June 1, 2018, this section (creating the Joint Legislative Child Protection Oversight Committee) is repealed and the Committee shall cease to exist.

* * * Improvements to CHINS Proceedings * * *

Sec. 24. WORKING GROUP TO RECOMMEND IMPROVEMENTS TO CHINS PROCEEDINGS

(a) Creation. There is created a working group to recommend ways to improve the efficiency, timeliness, and process of Children in Need of Care or Supervision (CHINS) proceedings.

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

(1) the Chief Administrative Judge or designee;

(2) the Defender General or designee;

(3) the Attorney General or designee;

(4) the Commissioner for Children and Families or designee;

(5) the Executive Director of State's Attorneys and Sheriffs or designee; and

(6) a guardian ad litem who shall be appointed by the Chief Superior Judge.

(c) Powers and duties. The Working Group shall study and make recommendations concerning:

(1) how to ensure that statutory time frames are met in 90 percent of proceedings;

(2) how to ensure that attorneys, judges, and guardians ad litem appear on time and are prepared;

(3) how to monitor and improve the performance and work quality of attorneys, judges, and guardians ad litem;

(4) how to ensure that there is a sufficient number of attorneys available to handle all CHINS cases, in all regions of the State, in a timely manner;

(5) the role of guardians ad litem, and how to ensure their information is presented to, and considered by, the court:

(6) how to expedite a new proceeding that concerns a family with repeated contacts with the child protection system;

(7) whether requiring a reunification hearing would improve child welfare outcomes;

(8) how and whether to provide financial assistance to individuals seeking to mediate a dispute over a postadoption contact agreement;

(9) how and whether to change the confidentiality requirements for juvenile judicial proceedings under 33 V.S.A. chapter 53; and

(10) any other issue the Working Group determines is relevant to improve the efficiency, timeliness, process, and results of CHINS proceedings.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Office of the Attorney General. The Working Group may consult with any persons necessary in fulfilling its powers and duties.

(e) Report. On or before November 1, 2015, the Working Group shall provide a report on its findings and recommendations with respect to subdivisions (c)(1)–(5) of this section to the Joint Legislative Child Protection Oversight Committee, the House Committees on Human Services and on Judiciary, and the Senate Committees on Health and Welfare and on Judiciary. On or before November 1, 2016, the Working Group shall report its findings and recommendations with respect to subdivisions (c)(6)-(10) of this section to the same Committees.

(f) Meetings and sunset.

(1) The Attorney General or designee shall call the first meeting of the Working Group.

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

(3) The Working Group shall cease to exist on November 2, 2016.

* * * Cruelty to a Child * * *

Sec. 25. 13 V.S.A. § 1304 is amended to read:

§ 1304. CRUELTY TO CHILDREN UNDER 10 BY ONE OVER 16 A

CHILD

(a) A person over the age of 16 years of age, having the custody, charge or care of a child under 10 years of age, who wilfully willfully assaults, ill treats, neglects or abandons or exposes such child, or causes or procures such child to be assaulted, ill-treated, neglected, abandoned or exposed, in a manner to cause such child unnecessary suffering, or to endanger his or her health, shall be imprisoned not more than two years or fined not more than \$500.00, or both.

(b)(1) If the child suffers death, or serious bodily injury as defined in 13 V.S.A. § 1021(2), or is subjected to sexual conduct as defined in 13 V.S.A. § 2821(2), the person shall be imprisoned not more than ten years or fined not more than \$20,000.00, or both.

(2) It shall be an affirmative defense to a charge under this subsection (b), if proven by a preponderance of the evidence, that the defendant engaged in the conduct set forth in subsection (a) of this section because of a reasonable fear that he or she or another person would suffer death, bodily injury, or serious bodily injury as defined in section 1021 of this title, or sexual assault in violation of chapter 72 of this title.

(c) The provisions of this section do not limit or restrict the prosecution for other offenses arising out of the same conduct, nor shall it limit or restrict defenses available under common law.

* * * Effective Dates * * *

Sec. 26. EFFECTIVE DATES

This act shall take effect on July 1, 2015, except for this section, Secs. 22 (Department for Children and Families; policies, procedures, and practices), 23 (Joint Legislative Child Protection Oversight Committee), and 24 (Working Group to Recommend Improvements to CHINS Proceedings), which shall take effect on passage.

JOURNAL OF THE HOUSE

OF

COMMITTEE ON THE PART OF THE SENATE	COMMITTEE ON THE PART THE HOUSE
SEN. RICHARD SEARS	REP. ANN PUGH
SEN. MARGARET FLORY	REP. MAXINE GRAD
SEN. VIRGINIA LYONS	REP. THOMAS BURDITT

Which was considered and adopted on the part of the House.

On motion of **Rep. Turner of Milton**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Recess

At three o'clock and fifty-five minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

At six o'clock and thirteen minutes in the evening, the Speaker called the House to order.

Rules Suspended; Report of Committee of Conference Adopted; Rules Suspended; Bill Ordered Messaged to Senate Forthwith

S. 122

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and Senate bill, entitled

An act relating to miscellaneous changes to laws related to motor vehicles, motorboats, and other vehicles

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the House accede to the Senate's Proposal of Further Amendment, and that the bill be further amended as follows:

<u>First</u>: In Sec. 1, by striking out 23 V.S.A. § 4(8)(A)(ii)(II), (III), and (IV) in their entirety, and inserting in lieu thereof the following:

(II) For a dealer in snowmobiles, motorboats, or all-terrain vehicles, "engaged in the business" means having sold or exchanged at least

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one snowmobile, motorboat, or all-terrain vehicle, respectively, in the immediately preceding year or two in the two immediately preceding years.

(III) For a dealer in trailers, semi-trailers, or trailer coaches, "engaged in the business" means having sold or exchanged at least one trailer, semi-trailer, or trailer coach in the immediately preceding year or a combination of two such vehicles in the two immediately preceding years.

(IV) For a dealer in motorcycles or motor-driven cycles, "engaged in the business" means having sold or exchanged at least one motorcycle or motor-driven cycle in the immediately preceding year or a combination of two such vehicles in the two immediately preceding years.

<u>Second</u>: By striking out Secs. 11–13 in their entirety, and inserting in lieu thereof the following:

Sec. 11. 23 V.S.A. § 1095a is amended to read:

§ 1095a. JUNIOR OPERATOR USE OF PORTABLE ELECTRONIC DEVICES

(a) A person under 18 years of age shall not use any portable electronic device as defined in subdivision 4(82) of this title while operating a moving motor vehicle in a place open temporarily or permanently to public or general circulation of vehicles.

(b) In addition, a person under 18 years of age shall not use any portable electronic device while operating a motor vehicle on a public highway, including while the vehicle is stationary unless otherwise provided in this section. As used in this subsection:

(1) "Public highway" means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(2) "Operating" means operating a motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other temporary delays. "Operating" does not include operating a motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off the public highway and has halted in a location where the vehicle can safely and lawfully remain stationary.

(c) This prohibition The prohibitions of this section shall not apply when use of a portable electronic device is necessary for a person to communicate with law enforcement or emergency service personnel under emergency circumstances.

Sec. 12. 23 V.S.A. § 1095b is amended to read:

§ 1095b. HANDHELD USE OF PORTABLE ELECTRONIC DEVICE PROHIBITED

(a) Definition. As used in this section, "hands-free use" means the use of a portable electronic device without use of either hand by employing an internal feature of, or an attachment to, the device.

(b) Use of handheld portable electronic device prohibited.

(1) A person shall not use a portable electronic device while operating a moving motor vehicle in a place open temporarily or permanently to public or general circulation of vehicles.

(2) In addition, a person shall not use a portable electronic device while operating a motor vehicle on a public highway in Vermont, including while the vehicle is stationary unless otherwise provided in this section. As used in this subdivision (b)(2):

(A) "Public highway" means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(B) "Operating" means operating a motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other temporary delays. "Operating" does not include operating a motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off the public highway and has halted in a location where the vehicle can safely and lawfully remain stationary.

(3) The prohibition prohibitions of this subsection shall not apply:

(1)(A) to To hands-free use;

(2)(B) to To activation or deactivation of hands-free use, as long as the device is in a cradle or otherwise securely mounted in the vehicle and the eradle or other any accessory for secure securely mounting the device is not affixed to the windshield in violation of section 1125 of this title;

(3)(C) when <u>When</u> use of a portable electronic device is necessary for a person to communicate with law enforcement or emergency service personnel under emergency circumstances; or.

(4)(D) to To use of an ignition interlock device, as defined in section 1200 of this title.

(E) To use of a global positioning or navigation system if it is installed by the manufacturer or securely mounted in the vehicle in a manner that does not violate section 1125 of this title. As used in this subdivision (b)(3)(E), "securely mounted" means the device is placed in an accessory or location in the vehicle, other than the operator's hands, where the device will remain stationary under typical driving conditions.

* * *

Sec. 13. 23 V.S.A. § 1099 is amended to read:

§ 1099. TEXTING PROHIBITED

(a) As used in this section, "texting" means the reading or the manual composing or sending of electronic communications, including text messages, instant messages, or e-mails, using a portable electronic device as defined in subdivision 4(82) of this title, but shall not be construed to include use. Use of a global positioning or navigation system shall be governed by section 1095b of this title.

(b)(1) A person shall not engage in texting while operating a moving motor vehicle in a place open temporarily or permanently to public or general circulation of vehicles.

(2) In addition, a person shall not engage in texting while operating a motor vehicle on a public highway in Vermont, including while the vehicle is stationary unless otherwise provided under this section. As used in this subdivision (b)(2):

(A) "Public highway" means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(B) "Operating" means operating a motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other temporary delays. "Operating" does not include operating a motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off the public highway and has halted in a location where the vehicle can safely and lawfully remain stationary.

(c) A person who violates this section commits a traffic violation as defined in section 2302 of this title and shall be subject to a penalty of not less than \$100.00 and not more than \$200.00 upon adjudication of for a first violation, and of not less than \$250.00 and not more than \$500.00 upon adjudication of for a second or subsequent violation within any two-year period.

<u>Third</u>: After Sec. 33, by inserting a new section and a reader assistance thereto to read:

* * * Exempt Vehicle Title * * *

Sec. 33a. 23 V.S.A. chapter 21 is amended to read:

CHAPTER 21. TITLE TO MOTOR VEHICLES

Subchapter 1. General Provisions

§ 2001. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

* * *

(15) "Title or certificate of title" means a written instrument or document that certifies ownership of a vehicle and is issued by the Commissioner or equivalent official of another jurisdiction. <u>These terms do not include an exempt vehicle title authorized to be issued under subdivision</u> 2013(a)(2) of this chapter.

* * *

§ 2002. FEES

(a) The Commissioner shall be paid the following fees:

(1) for any certificate of title, including a salvage certificate of title, <u>or</u> an exempt vehicle title, \$33.00;

* * *

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

(1) A <u>a</u> vehicle owned by the United States, unless it is registered in this State;

(2) A <u>a</u> vehicle owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration, or used by an educational institution approved by the Agency of Education for driver training purposes, or a vehicle used by a manufacturer solely for testing;

(3) A <u>a</u> vehicle owned by a nonresident of this State and not required by law to be registered in this State;

(4) A <u>a</u> vehicle regularly engaged in the interstate transportation of persons or property for which a currently effective certificate of title has been issued in another state;

(5) A \underline{a} self-propelled wheel chair wheelchair or invalid tricycle;

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(6) A <u>a</u> motorcycle which has less than 300 cubic centimeters of engine displacement or a motorcycle powered by electricity with less than 20 kilowatts of engine power;

(7) Any any trailer with an unladened weight of 1,500 pounds or less;

(8) $A \underline{a}$ motor-driven cycle;

(9) Any any other type of vehicle designed primarily for off-highway use and deemed exempt by the Commissioner; or

(10) a vehicle that is more than 15 years old.

§ 2013. WHEN CERTIFICATE REQUIRED; ISSUANCE OF EXEMPT VEHICLE TITLE UPON REQUEST

(a)(1) Except as provided in section 2012 of this title, the provisions of this chapter shall apply to and a title must be obtained for all motor vehicles at the time of first registration or when a change of registration is required under the provisions of section 321 of this title by reason of a sale for consideration, except for vehicles that are more than 15 years old.

(2) In addition, a Vermont resident may apply at any time to the Commissioner to obtain an "exempt vehicle title" for a vehicle that is more than 25 years old. Such titles shall be in a form prescribed by the Commissioner and shall include a legend indicating that the title is issued under the authority of this subdivision. The Commissioner shall issue an exempt vehicle title if the applicant pays the applicable fee and fulfills the requirements of this section, and if the Commissioner is satisfied that:

(A) the applicant is the owner of the vehicle;

(B) the applicant is a Vermont resident; and

(C) the vehicle is not subject to any liens or encumbrances.

(3) Prior to issuing an exempt vehicle title pursuant to subdivision (2) of this subsection, the Commissioner shall require all of the following:

(A) The applicant to furnish one of the following proofs of ownership, in order of preference:

(i) a previous Vermont or out-of-state title indicating the applicant's ownership;

(ii) an original or a certified copy of a previous Vermont or out-of-state registration indicating the applicant's ownership;

(iii) sufficient evidence of ownership as determined by the Commissioner, including bills of sale or original receipts for major components of homebuilt vehicles; or

(iv) a notarized affidavit certifying that the applicant is the owner of the vehicle and is unable to produce the proofs listed in subdivisions (i)–(iii) of this subdivision (3)(A) despite reasonable efforts to do so.

(B) A notarized affidavit certifying:

(i) the date the applicant purchased or otherwise took ownership of the vehicle;

(ii) the name and address of the seller or transferor, if known;

(iii) that the applicant is a Vermont resident; and

(iv) that the vehicle is not subject to any liens or encumbrances.

(C) Assignment of a new vehicle identification number pursuant to section 2003 of this title, if the vehicle does not have one.

(b) The commissioner <u>Commissioner</u> shall not require an application for a certificate of title upon the renewal of the registration of a vehicle.

(c) The <u>commissioner</u> <u>Commissioner</u> shall note on the face of the registration of each vehicle for which a certificate of title has been issued a statement to that effect.

* * *

§ 2016. COMMISSIONER TO CHECK IDENTIFICATION NUMBER

The Commissioner, upon receiving application for a first certificate of title <u>or exempt vehicle title</u>, shall check the identification number of the vehicle shown in the application against the records of vehicles required to be maintained by section 2017 of this title and against the record of stolen and converted vehicles required to be maintained by section 2084 of this title.

§ 2017. ISSUANCE OF CERTIFICATE; RECORDS

(a) The Commissioner shall file each application received and, when satisfied as to its genuineness and regularity and that the applicant is entitled to the issuance of a certificate of title, shall issue a certificate of title of the vehicle.

(b) The Commissioner shall maintain at his or her central office a record of all certificates of title issued by him or her for vehicles 15 years old and newer, and of all exempt vehicle titles issued by him or her, under a distinctive title number assigned to the vehicle; under the identification number of the vehicle;

alphabetically, under the name of the owner; and, in the discretion of the Commissioner, by any other method he or she determines. The original records may be maintained on microfilm or electronic imaging.

* * *

§ 2021. REFUSAL OF CERTIFICATE

The Commissioner shall refuse issuance of a certificate of title <u>or an exempt</u> <u>vehicle title</u> if any required fee is not paid or if he or she has reasonable grounds to believe that:

(1) the applicant is not the owner of the vehicle;

(2) the application contains a false or fraudulent statement; or

(3) the applicant fails to furnish required information or documents or any additional information the Commissioner reasonably requires.

* * *

§ 2029. SUSPENSION OR REVOCATION OF CERTIFICATE

(a) The Commissioner shall suspend or revoke a certificate of title <u>or</u> <u>exempt vehicle title</u>, upon notice and reasonable opportunity to be heard in accordance with section 2004 of this chapter, if he or she finds:

(1) the certificate of title <u>or exempt vehicle title</u> was fraudulently procured or erroneously issued; or

(2) the vehicle has been scrapped, dismantled, or destroyed.

(b) Suspension or revocation of a certificate of title does not, in itself, affect the validity of a security interest noted on it.

(c) When the Commissioner suspends or revokes a certificate of title <u>or</u> <u>exempt vehicle title</u>, the owner or person in possession of it shall, immediately upon receiving notice of the suspension or revocation, mail or deliver the certificate to the Commissioner.

(d) The Commissioner may seize and impound any certificate of title <u>or</u> <u>exempt vehicle title</u> which has been canceled, suspended, or revoked.

* * *

Subchapter 5: Anti-theft Provisions and Penalties

§ 2081. APPLICATION OF SUBCHAPTER

(a) This subchapter does not apply to a self-propelled wheelchair or invalid tricycle.

(b) The provisions of this subchapter that apply to certificates of title shall also apply to salvage certificates of title, <u>exempt vehicle titles</u>, certificates of origin, and secure assignments of title.

* * *

<u>Fourth</u>: In Sec. 34 (effective dates; applicability), by striking subsection (c) in its entirety and inserting in lieu thereof the following:

(c) Sec. 33a (exempt vehicle title) shall take effect on January 1, 2016.

(d) All other sections shall take effect on July 1, 2015.

Which was considered and adopted on the part of the House.

On motion of **Rep. Turner of Milton**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Rules Suspended; Report of Committee of Conference Adopted

H. 477

On motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to miscellaneous amendments to election law

Appearing on the Calendar for notice, was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the House accede to the Senate proposal of amendment and the Senate proposal be further amended as follows:

<u>First</u>: In the first instance of amendment, in Sec. 6, 17 V.S.A. § 2386 (time for filing statements), in subsection (a), following "<u>not later than 5:00 p.m. on the</u>" by striking out "<u>third</u>" and inserting in lieu thereof <u>sixth</u>

<u>Second</u>: In the second instance of amendment, by striking out in its entirety Sec. 29b and inserting in lieu thereof the following:

Sec. 29b. [Deleted.]

Which was considered and adopted on the part of the House.

Recess

At six o'clock and thirty minutes in the evening, the Speaker declared a recess until the fall of the gavel.

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

Message from the Senate No. 70

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

Mr. Speaker:

I am directed to inform the House that:

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

H. 40. An act relating to establishing a renewable energy standard and energy transformation program.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 361. An act relating to making amendments to education funding, education spending, and education governance.

And has accepted and adopted the same on its part.

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

H. 117. An act relating to creating a Division for Telecommunications and Connectivity within the Department of Public Service.

The President announced the appointment as members of such Committee on the part of the Senate:

> Senator MacDonald Senator Mullin Senator Sirotkin.

Message from the Senate No. 71

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

Mr. Speaker:

I am directed to inform the House that:

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

H. 5. An act relating to hunting, fishing, and trapping.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the House is requested.

The Senate has considered House proposal of amendment to Senate proposal of amendment to House bill of the following title:

H. 484. An act relating to miscellaneous agricultural subjects.

And has concurred therein.

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

H. 497. An act relating to approval of amendments to the charter of the Town of Colchester.

And has passed the same in concurrence.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 117. An act relating to creating a Division for Telecommunications and Connectivity within the Department of Public Service.

And has accepted and adopted the same on its part.

The Senate has on its part adopted Senate concurrent resolutions of the following titles:

S.C.R. 17. Senate concurrent resolution congratulating Michael Stone on his selection as the National Football Foundation Vermont Chapter's 2015 Contribution to Amateur Athletics Award winner.

S.C.R. 18. Senate concurrent resolution congratulating the Union Elementary School in Montpelier on its 75th birthday..

S.C.R. 19. Senate concurrent resolution congratulating Beth Downing on her selection as a Teacher Appreciation Week recipient of a courage telephone call from U.S. Secretary of Education Arne Duncan..

S.C.R. 20. Senate concurrent resolution honoring Giovanna Peebles on her career as Vermont's first State Archaeologist.

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S.C.R. 21. Senate concurrent resolution congratulating the Adamant Cooperative on its 80th anniversary.

S.C.R. 22. Senate concurrent resolution congratulating Emily Packard on her race car driving accomplishments.

S.C.R. 23. Senate concurrent resolution honoring Karen Lane on her exemplary librarianship as Director of the Aldrich Public Library in Barre.

S.C.R. 24. Senate concurrent resolution honoring Colonel Thomas L'Esperance on his exemplary career with the Vermont State Police.

The Senate has on its part adopted concurrent resolutions originating in the House of the following titles:

H.C.R. 158. House concurrent resolution commemorating Vermont's role in the Civil War during 1865.

H.C.R. 159. House concurrent resolution congratulating ECFiber on establishing its 1,000th customer connection.

H.C.R. 160. House concurrent resolution congratulating Richard Albert Moore of Springfield on his induction into the Vermont Agricultural Hall of Fame.

H.C.R. 161. House concurrent resolution in memory of former Representative Alvin W. Warner.

H.C.R. 162. House concurrent resolution recognizing May 17–May 23, 2015, as National Public Works Week in Vermont.

H.C.R. 163. House concurrent resolution honoring Montpelier's unique music man, Fred Wilber.

H.C.R. 164. House concurrent resolution honoring Mary Riley for her dedicated civic and community service in Woodstock.

H.C.R. 165. House concurrent resolution in memory of University of Vermont Professor Emeritus Alan Philip Wertheimer.

H.C.R. 166. House concurrent resolution honoring L.D. Sutherland Jr. for his civic service on behalf of the State of Vermont and the town and village of Woodstock.

H.C.R. 167. House concurrent resolution in memory of Eleanor G. Haskin.

H.C.R. 168. House concurrent resolution commemorating the centennial anniversary of Powers Park in Lyndonville.

H.C.R. 169. House concurrent resolution honoring Eric Thomas Buckley

for his exemplary service as the Detachment of Vermont Commander of the Sons of the American Legion.

H.C.R. 170. House concurrent resolution congratulating BROC-Community Action in Southwestern Vermont on its 50th anniversary.

H.C.R. 171. House concurrent resolution honoring outgoing Rutland City Fire Chief Robert L. Schlachter.

H.C.R. 172. House concurrent resolution honoring Vermont Law School as it celebrates its 40th commencement.

H.C.R. 173. House concurrent resolution in memory of Leslie Ann Bingham Williams of Calais.

H.C.R. 174. House concurrent honoring University of Vermont Dean of Education and Social Services Fayneese S. Miller.

H.C.R. 175. House concurrent resolution honoring the American Rail Dispatching Center in St. Albans.

H.C.R. 176. House concurrent resolution congratulating the 2015 Champlain Valley Union High School Redhawks Division I championship girls' basketball team.

H.C.R. 177. House concurrent resolution congratulating the Castleton State College Spartans 2015 North Atlantic Conference championship men's lacrosse team.

H.C.R. 178. House concurrent resolution congratulating the Castleton State College Spartans 2015 North Atlantic Conference championship women's lacrosse team.

H.C.R. 179. House concurrent resolution in memory of former Speaker, Vermont Supreme Court Chief Justice, and U.S. Federal District Judge Franklin Swift Billings Jr..

H.C.R. 180. House concurrent resolution congratulating the Youth Safety Council of Vermont on its tenth anniversary and designating June 2015 as Teen Highway Safety Month in Vermont.

H.C.R. 181. House concurrent resolution congratulating the Castleton State College Spartans 2015 North Atlantic Conference championship baseball team.

H.C.R. 182. House concurrent resolution commemorating the opening of the eighth Brookfield Floating Bridge.

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Rules Suspended; Senate Proposal of Amendment Concurred in

H. 5

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to hunting, fishing, and trapping

Was taken up for immediate consideration.

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

<u>First</u>: By striking out Sec. 5 in its entirety and inserting in lieu thereof the following:

Sec. 5. 10 V.S.A. § 4255(c) is amended to read:

(c) A permanent or free license may be secured on application to the Department by a person qualifying as follows:

* * *

(6) In each year a permanent license holder intends to hunt, trap, or fish, the permanent license holder shall notify the Department that he or she will exercise his or her hunting, trapping, or fishing privileges. Failure to notify the Department as required by this subdivision (c)(6) shall not result in the assessment of points under section 4502 of this title.

Second: By adding a Sec. 5a to read:

Sec. 5a. 10 V.S.A. § 4279 is amended to read:

§ 4279. LIFETIME LICENSES

(a) A resident or nonresident lifetime fishing, hunting, or combination fishing and hunting license may be obtained upon application to the Department.

* * *

(g) In each year a lifetime license holder intends to hunt, trap, or fish, the lifetime license holder shall notify the Department that he or she will exercise his or her hunting, trapping, or fishing privileges. Failure to notify the Department as required by this subsection shall not result in the assessment of points under section 4502 of this title.

<u>Third</u>: By adding a Sec. 14a and accompanying reader assistance to read as follows:

* * * Forest Fragmentation Report * * *

Sec. 14a. RECOMMENDATIONS FOR IMPLEMENTATION OF VERMONT FOREST FRAGMENTATION REPORT

On or before January 15, 2016, the Commissioner of Forests, Parks and Recreation shall report to the House and Senate Committees on Natural Resources and Energy and the House Committee on Fish, Wildlife and Water Resources with recommendations for implementing the policy options to promote forest integrity contained within the Department of Forests, Parks and Recreation's 2015 Vermont Forest Fragmentation Report. The report shall include proposed legislative changes to implement the recommendations of the Commissioner of Forests, Parks and Recreation. Prior to submitting the report required by this section, the Commissioner of Forests, Parks and Recreation shall consult with interested stakeholders.

<u>Fourth</u>: By striking out the reader assistance preceding Sec. 15 and by striking out Sec. 15 in its entirety and inserting in lieu thereof Secs. 15–19 to read:

* * * Gun Suppressors * * *

Sec. 15. 13 V.S.A. § 4010 is amended to read:

§ 4010. GUN SILENCERS SUPPRESSORS

A person who manufactures, sells, uses, or possesses with intent to sell or use an appliance known as or used for a gun silencer shall be fined \$25.00 for each offense. The provisions of this section shall not prevent the use or possession of gun silencers by:

(1) a Level III certified law enforcement officer or Department of Fish and Wildlife employee in connection with his or her duties and responsibilities and in accordance with the policies and procedures of that officer's or employee's agency or department; or

(2) the Vermont National Guard in connection with its duties and responsibilities.

(a) As used in this section:

(1) "Gun suppressor" means any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for use in assembling or fabricating a gun suppressor, and any part intended only for use in such assembly or fabrication.

(2) "Sport shooting range" shall have the same meaning as used in 10 V.S.A. § 5227(a).

(b) A person shall not manufacture, make, or import a gun suppressor, except for:

(1) a licensed manufacturer, as defined in 18 U.S.C. § 921, who is registered as a manufacturer pursuant to 26 U.S.C. § 5802;

(2) a licensed importer, as defined in 18 U.S.C. § 921, who is registered as an importer pursuant to 26 U.S.C. § 5802; or

(3) a person who makes a gun suppressor in compliance with the requirements of 26 U.S.C. § 5822.

(c) A person shall not use a gun suppressor in the State, except for use by:

(1) a Level III certified law enforcement officer or Department of Fish and Wildlife employee in connection with his or her duties and responsibilities and in accordance with the policies and procedures of that officer's or employee's agency or department;

(2) the Vermont National Guard in connection with its duties and responsibilities;

(3) a licensed manufacturer or a licensed importer, as defined in 18 U.S.C. § 921, who is also registered as a manufacturer or an importer pursuant to 26 U.S.C. § 5802, who in the ordinary course of his or her business as a manufacturer or as an importer tests the operation of the gun suppressor; or

(4) a person lawfully using a sport shooting range.

(d)(1) A person who violates subsection (b) of this section shall be fined not less than 500.00 for each offense.

(2) A person who violates subsection (c) of this section shall be fined \$50 for each offense.

Sec. 16. 10 V.S.A. § 4704 is amended to read:

§ 4704. USE OF MACHINE GUNS AND, AUTOLOADING RIFLES, AND GUN SUPPRESSORS

(a) A person engaged in hunting for wild animals shall not use, carry, or have in his or her possession:

(1) a machine gun of any kind or description $\overline{\text{or}}$;

(2) an autoloading rifle with a magazine capacity of over six cartridges, except a .22 caliber rifle using rim fire cartridges; or

(3) a gun suppressor.

(b) As used in this section, "gun suppressor" means any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for use in assembling or fabricating a gun suppressor, and any part intended only for use in such assembly or fabrication.

Sec. 17. 10 V.S.A. § 4502 is amended to read:

§ 4502. UNIFORM POINT SYSTEM; REVOCATION OF LICENSE

(a) A uniform point system which that assigns points to those convicted of a violation of a provision of this part is established. The conviction report from the court Court shall be prima facie evidence of the points assessed. In addition to other penalties assessed for violation of fish and wildlife statutes, the Commissioner shall suspend licenses issued under this part which are held by a person who has accumulated ten or more points in accordance with the provisions of subsection (c) of this section.

(b) A person violating provisions of this part shall receive points for convictions in accordance with the following schedule (all sections are in Title 10 of Vermont Statutes Annotated):

* * *

(2) Ten points shall be assessed for:

* * *

(G) § 4704. Use of machine guns and, autoloading rifles, and gun suppressors

* * *

Sec. 18. 13 V.S.A. § 4010 is amended to read:

§ 4010. GUN SUPPRESSORS

(a) As used in this section:

(1) "Gun "gun suppressor" means any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for use in assembling or fabricating a gun suppressor, and any part intended only for use in such assembly or fabrication.

(2) "Sport shooting range" shall have the same meaning as used in 24 V.S.A. § 5227(a).

(b) A person shall not manufacture, make, or import a gun suppressor, except for:

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(1) a licensed manufacturer, as defined in 18 U.S.C. § 921, who is registered as a manufacturer pursuant to 26 U.S.C. § 5802;

(2) a licensed importer, as defined in 18 U.S.C. § 921, who is registered as an importer pursuant to 26 U.S.C. § 5802; or

(3) a person who makes a gun suppressor in compliance with the requirements of 26 U.S.C. § 5822.

(c) A person shall not use a gun suppressor in the State, except for use by:

(1) a Level III certified law enforcement officer or Department of Fish and Wildlife employee in connection with his or her duties and responsibilities and in accordance with the policies and procedures of that officer's or employee's agency or department;

(2) the Vermont National Guard in connection with its duties and responsibilities; or

(3) a licensed manufacturer or a licensed importer, as defined in 18 U.S.C. § 921, who is also registered as a manufacturer or an importer pursuant to 26 U.S.C. § 5802, who in the ordinary course of his or her business as a manufacturer or as an importer tests the operation of the gun suppressor; or

(4) a person lawfully using a sport shooting range.

(d)(1) A person who violates subsection (b) of this section shall be fined not less than 500.00 for each offense.

(2) A person who violates subsection (c) of this section shall be fined \$50 for each offense.

* * * Effective Dates * * *

Sec. 19. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 3 (permanent license for persons with disability), 4 (report on permanent license for persons with disability), 6 (mentored hunting license), and 14 (moose permits for veterans) shall take effect on January 1, 2016.

Which proposal of amendment was considered and concurred in.

Rules Suspended; Senate Proposal of Amendment Concurred in

H. 40

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled An act relating to establishing a renewable energy standard and energy transformation program

Was taken up for immediate consideration.

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

<u>First</u>: In Sec. 1, by striking out the reader assistance heading and inserting in lieu thereof a new reader assistance heading to read as follows:

* * * Renewable Energy Standard * * *

Second: In Sec. 1, 30 V.S.A. § 8002, by striking out subdivision (26) and inserting in lieu thereof a new subdivision (26) to read as follows:

(26) "RES" means the Renewable Energy Standard established under sections 8004 and 8005 of this title.

<u>Third</u>: In Sec. 2, 30 V.S.A. § 8004, in the section header, by striking out "<u>AND ENERGY TRANSFORMATION (RESET) PROGRAM</u>" and inserting in lieu thereof <u>(RES)</u> and, in the section text, by striking out each occurrence of "<u>RESET Program</u>" and inserting in lieu thereof <u>RES</u>

<u>Fourth</u>: In Sec. 2, 30 V.S.A. § 8004, in subsection (a), after the second occurrence of "renewable energy credits" by inserting <u>that it owns and retires</u> before the comma.

<u>Fifth</u>: In Sec. 2, 30 V.S.A. § 8004, by striking out subsection (b) (rules; procedures) and inserting in lieu thereof a new subsection (b) (rules) to read:

(d)(b) Rules. The Board shall provide, by order or rule, adopt the regulations and procedures rules that are necessary to allow the Board and the Department to implement and supervise further the implementation and maintenance of a renewable portfolio standard the RESET program.

<u>Sixth</u>: In Sec. 3, 30 V.S.A. § 8005, in subsection (a) (categories), in subdivision (3) (energy transformation), in subdivision (B) (required amounts), at the end of the subdivision, by inserting the following: <u>However, in the case of a provider that is a municipal electric utility serving not more than 6,000 customers, the required amount shall be two percent of the provider's annual retail sales beginning on January 1, 2019, increasing by an additional two-thirds of a percent each subsequent January 1 until reaching 10 and two-thirds percent on and after January 1, 2032. Prior to January 1, 2019, such a municipal electric utility voluntarily may engage in one or more energy transformation projects in accordance with this subdivision (3).</u>

<u>Seventh</u>: In Secs. 3 (30 V.S.A. § 8005), 6 (30 V.S.A. § 8005b), 7 (30 V.S.A. § 8006), 8 (Public Service Board), and 9 (10 V.S.A. § 2751), by

striking out each occurrence of "<u>RESET Program</u>" and inserting in lieu thereof <u>RES</u>

<u>Eighth</u>: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3), by striking out subdivision (C) and inserting in lieu thereof a new subdivision (C) to read:

(C) Eligibility criteria. For an energy transformation project to be eligible under this subdivision (a)(3), each of the following shall apply:

(i) Implementation of the project shall have commenced on or after January 1, 2015.

(ii) Over its life, the project shall result in a net reduction in fossil fuel consumed by the provider's customers and in the emission of greenhouse gases attributable to that consumption, whether or not the fuel is supplied by the provider.

(iii) The project shall meet the need for its goods or services at the lowest present value life cycle cost, including environmental and economic costs. Evaluation of whether this subdivision (iii) is met shall include analysis of alternatives that do not increase electricity consumption.

(iv) The project shall cost the utility less per MWH than the applicable alternative compliance payment rate.

<u>Ninth</u>: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3), in subdivision (D), in the first sentence, by striking out "<u>or procedures</u>", and in subdivision (F), by striking out each occurrence of "<u>or procedures</u>".

<u>Tenth</u>: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3)(E), after subdivision (ii), by inserting a subdivision (iii) to read:

(iii) To meet the requirements of this subdivision (3), one or more retail electricity providers may jointly propose with an energy efficiency entity appointed under subdivision 209(d)(2) of this title an energy transformation project or group of such projects. The proposal shall include standards of measuring performance and methods to allocate savings and reductions in fossil fuel consumption and greenhouse gas emissions among each participating provider and efficiency entity.

<u>Eleventh</u>: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3)(F), by striking out subdivision (viii) and inserting in lieu thereof a new subdivision (viii) to read:

(viii) To ensure that, if an energy transformation project will increase the use of electric energy, the project incorporates best practices for demand management, uses technologies appropriate for Vermont, and encourages the installation of the technologies in buildings that meet minimum energy performance standards.

<u>Twelfth</u>: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3)(G)(i), by striking out "<u>strict</u>".

<u>Thirteenth</u>: In Sec. 3, 30 V.S.A. § 8005, in subsection (b) (reduced amounts; providers; 100 percent renewable), in subdivision (1), by striking out subdivision (B) and inserting in lieu thereof a new subdivision (B) to read as follows:

(B) annually each July 1 commencing in 2018, owns and has retired tradeable renewable energy credits monitored and traded on the New England Generation Information System or otherwise approved by the Board equivalent to 100 percent of the provider's total retail sales of electricity for the previous calendar year.

<u>Fourteenth</u>: In Sec. 3, 30 V.S.A. § 8005, in subdivision (d)(1), by striking out "<u>of Portland, Maine</u>".

<u>Fifteenth</u>: In Sec. 4, 30 V.S.A. § 8005a, in subdivision (k)(3), in the last sentence, after "<u>purchasing power</u>" by striking out "<u>from</u>" and inserting in lieu thereof <u>generated by</u>.

Sixteenth: In Sec. 6, 30 V.S.A. § 8005b, by striking out subsections (a) and (b) in their entirety and inserting in lieu thereof new subsections (a) and (b) to read as follows:

(a) On or before January 15, 2013 and no later than every second January 15 thereafter through January 15, 2033, the Board <u>The Department</u> shall file a report reports with the General Assembly in accordance with this section. The Board shall prepare the report in consultation with the Department.

(1) The House Committee on Commerce and Economic Development, the Senate Committees on Economic Development, Housing and General Affairs and on Finance, and the House and Senate Committees on Natural Resources and Energy each shall receive a copy of these reports.

(2) The Department shall file the report under subsection (b) of this section annually each January 15 commencing in 2018 through 2033.

(3) The Department shall file the report under subsection (c) of this section biennially each March 1 commencing in 2017 through 2033.

(4) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the reports to be made under this section.

(b) <u>The annual report under this section shall include at least each of the following:</u>

(1) An assessment of the costs and benefits of the RES based on the most current available data, including rate and economic impacts, customer savings, technology deployment, greenhouse gas emission reductions actually achieved, fuel price stability, and effect on transmission and distribution upgrade costs, and any recommended changes based on this assessment.

(2) Projections, looking at least 10 years ahead, of the impacts of the RES.

(A) The Department shall employ an economic model to make these projections, to be known as the Consolidated RES Model, and shall consider at least three scenarios based on high, mid-range, and low energy price forecasts.

(B) The Department shall make the model and associated documents available on the Department's website.

(C) In preparing these projections, the Department shall:

(i) characterize each of the model's assumptions according to level of certainty, with the levels being high, medium, and low; and

(ii) provide an opportunity for public comment.

(D) The Department shall project, for the State, the impact of the RES in each of the following areas: electric utility rates; total energy consumption; electric energy consumption; fossil fuel consumption; and greenhouse gas emissions. The report shall compare the amount or level in each of these areas with and without the Program.

(3) An assessment of whether the requirements of the RES have been met to date, and any recommended changes needed to achieve those requirements.

<u>Seventeenth</u>: In Sec. 6, 30 V.S.A. § 8005b, in subsection (c), by striking out subdivision (8) and by renumbering the remaining subdivision to be numerically correct.

<u>Eighteenth</u>: By striking out Sec. 8 (Public Service Board rulemaking) and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. PUBLIC SERVICE BOARD IMPLEMENTATION

(a) Commencement. On or before August 31, 2015, the Public Service Board (the Board) shall commence a proceeding to implement Secs. 2 (sales of electric energy; RESET Program), 3 (RESET Program categories), and 7 (tradeable renewable energy credits) of this act. (b) Notice; comment; workshop. The proceeding shall include one or more workshops to solicit the input of potentially affected parties and the public. The Board shall provide notice of the workshops on its website and directly to the Department, Vermont's retail electricity providers, Renewable Energy Vermont, business organizations such as Associated Industries of Vermont, environmental and consumer advocacy organizations such as the Vermont Natural Resources Council and the Vermont Public Interest Research Group, and to any other person that requests direct notice or to whom the Board may consider direct notice appropriate. The Board also shall provide an opportunity for submission of written comments, which the notice shall include.

(c) Order. On or before July 1, 2016, the Board shall issue an order to take effect on January 1, 2017 that initially implements Secs. 2, 3, and 7 of this act.

(d) On or before July 1, 2018, the Board shall commence rulemaking to implement Secs. 2, 3, and 7 of this act. The Board shall finally adopt these rules within eight months of commencing rulemaking, unless this period is extended by the Legislative Committee on Administrative Rules under 3 V.S.A. § 843.

(e) Assistance. The Board and the Department of Public Service may retain experts and other personnel to assist them with the proceedings and rulemaking under this section and allocate the costs of these personnel to the electric distribution utilities in accordance with the process under 30 V.S.A. § 21.

<u>Nineteenth</u>: In Sec. 12, 30 V.S.A. § 8010(c), in subdivision (2)(F), by striking out the third sentence and inserting in lieu thereof:

For example, a monthly credit amount may be higher if taken over 10 years and lower if taken over 20 years.

<u>Twentieth</u>: By striking out Sec. 14a in its entirety and inserting in lieu thereof the following:

Sec. 14a. [Deleted.]

<u>Twenty-first</u>: By striking out Sec. 14b in its entirety and inserting lieu thereof a new Sec. 14b to read as follows:

Sec. 14b. JOINT ENERGY COMMITTEE; RECOMMENDATION

(a) On or before February 15, 2016, the Joint Energy Committee under 2 V.S.A. chapter 17 shall submit a recommendation to the House Committee on Commerce and Economic Development, Senate Committee on Finance,

House Committee on Ways and Means, and House and Senate Committees on Natural Resources and Energy on:

(1) what revisions, if any, the Committee recommends that the General Assembly enact with respect to the statutes applicable to energy efficiency entities appointed and charges imposed under 30 V.S.A. § 209(d); and

(2) what legislation, if any, the Committee recommends that the General Assembly enact to clarify or alter the relationship of energy efficiency entities and charges under 30 V.S.A. § 209(d) with the energy transformation category adopted under Sec. 3 of this act, 30 V.S.A. § 8005(a).

(b) Prior to submitting its recommendation under this section, the Joint Energy Committee shall offer an opportunity for comment by affected State agencies; utilities; appointed energy efficiency entities; advocates for business, consumer, and environmental interests; and members of the public.

(c) For the purpose of this section, the Joint Energy Committee:

(1) may meet no more than four times during adjournment without prior approval of the Speaker of the House and the President Pro Tempore of the Senate; and

(2) shall have the administrative, technical, and professional assistance of the Office of Legislative Council and the Joint Fiscal Office.

(d) A bill or amendment during the 2016 session to adopt legislation regarding the issues to be addressed by the Joint Energy Committee under this section this act shall be in order.

<u>Twenty-second</u>: After Sec. 15, by inserting a new Sec. 15a to read as follows:

Sec. 15a. 30 V.S.A. § 209(j)(5) is added to read:

(5) This subdivision applies to a transferee of all or substantially all of the assets at the served property of an entity approved to participate in the self-managed energy efficiency program. The Board shall allow the transferee to continue as a participant in the self-managed energy efficiency program class in the same manner and under the same terms and conditions that the transferor participant was authorized to participate, provided:

(A) the transferor participant met the requirements of subdivision (4)(A) of this subsection (j) and the transferee otherwise meets the requirements of this subsection; and

(B) the transferee assumes the obligation to fulfill any outstanding commitment of the transferor participant under subdivision (4)(D) of this subsection.

<u>Twenty-third</u>: In Sec. 19, 30 V.S.A. § 248(b), by striking out subdivision (9) and inserting a new subdivision (9) to read as follows:

(9) with respect to a waste to energy facility;

(A) is included in a solid waste management plan adopted pursuant to 24 V.S.A. 2202a, which is consistent with the State Solid Waste Management Plan; and

(B) is included in a solid waste management plan adopted pursuant to 24 V.S.A. § 2202a for the municipality and solid waste district from which 1,000 tons or more per year of the waste is to originate, if that municipality or district owns an operating facility that already beneficially uses a portion of the waste;

<u>Twenty-fourth</u>: In Sec. 21, 30 V.S.A. § 8001(b), by striking out "and procedures" and inserting in lieu thereof and procedures.

<u>Twenty-fifth</u>: After Sec. 21 by adding three new sections to be numbered Secs. 21a, 21b, and 21c to read as follows:

Sec. 21a. HEAT PUMPS; REPORT

On or before December 15, 2015, the Commissioner of Public Service shall submit a report on heat pumps to the House and Senate Committees on Natural Resources and Energy, the House Committee on Commerce and Economic Development, and the Senate Committee on Finance. The Commissioner shall recommend whether the State of Vermont should establish minimum standards for heat pumps sold in the State, including standards related to heat pump efficiency and cold climate use. The report shall include the standards, if any, recommended by the Commissioner. The report shall describe the research and analysis undertaken to prepare the report and the results of the research and analysis, and state the rationale for each recommendation.

Sec. 21b. REPORT; RATEPAYER ADVOCATE OFFICES

(a) Report. The Commissioner of Public Service shall evaluate the pros and cons of various forms of ratepayer advocate offices and report on or before December 15, 2015, to the House Committee on Commerce and Economic Development and the Senate Committee on Finance with any recommendations on how to improve the structure and effectiveness of the Division for Public Advocacy within the Department of Public Service.

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(b) Process. In order to receive information relevant to this evaluation, and prior to submit the report, the Commissioner shall:

(1) solicit input from consumer advocates, utilities, and utility regulation experts; and

(2) conduct at least two public hearings dedicated to the subject of this section.

(c) Scope. The Commissioner shall study various forms of ratepayer advocacy offices and assess them in terms of:

(1) their structure and reporting requirements;

(2) whether and how their independence is ensured through structure and budget;

(3) their effectiveness in representing residential ratepayers in regulatory proceedings; and

(4) how ratepayer benefits, specifically rate savings, vary with differing ratepayer advocate structures.

Sec. 21c. RENEWABLE GENERATION; IMPACTS; REPORT

On or before December 15, 2015, the Secretary of Natural Resources, in consultation with the Secretary of Agriculture and the Commissioner of Public Service, shall report to the House and Senate Committees on Natural Resources and Energy on the environmental and land use impacts of renewable electric generation in Vermont, methods for mitigating those impacts, and recommendations for appropriate siting and design of renewable electric generation facilities. The report shall include examination of the effects of renewable generation with respect to water quality, wildlife habitat, fragmentation of forest land, agricultural soils, aesthetics, and any other environmental or land use issue the Secretary considers relevant.

<u>Twenty-sixth</u>: In Sec. 25 (conforming amendments; renewable energy definitions), in subsection (b), by striking out subdivision (29), and inserting in lieu thereof a new subdivision (29) to read:

(29) "RES" means the Renewable Energy Standard established under sections 8004 and 8005 of this title.

<u>Twenty-seventh</u>: After Sec. 25, by inserting a new Sec. 25a to read as follows:

Sec. 25a. REVISION AUTHORITY

In preparing this act for publication in the Acts and Resolves and for codification, the Office of Legislative Council is authorized to make appropriate revisions to reflect the amendment of the bill as introduced to change the name of the Renewable Energy Standard and Energy Transformation Program to the Renewable Energy Standard and the associated acronym from RESET to RES.

<u>Twenty-eighth</u>: After Sec. 26, by inserting new Secs. 26a through 26g to read as follows:

* * * Solar Plants; Setback and Screening Requirements * * *

Sec. 26a. 30 V.S.A. § 248(a)(4)(F) is added to read:

(F) The legislative body and the planning commission for the municipality in which a facility is located shall have the right to appear as a party in any proceedings held under this subsection.

Sec. 26b. 30 V.S.A. § 248(s) is added read:

(s) This subsection sets minimum setback requirements that shall apply to in-state ground-mounted solar electric generation facilities approved under this section.

(1) The minimum setbacks shall be:

(A) from a State or municipal highway, measured from the edge of the traveled way:

(i) 100 feet for a facility with a plant capacity exceeding 150 kW; and

(ii) 40 feet for a facility with a plant capacity less than or equal to 150 kW but greater than 15 kW.

(B) From each property boundary that is not a State or municipal highway:

(i) 50 feet for a facility with a plant capacity exceeding 150 kW; and

(ii) 25 feet for a facility with a plant capacity less than or equal to 150 kW but greater than 15 kW.

(2) This subsection does not require a setback for a facility with a plant capacity equal to or less than 15 kW.

(3) On review of an application, the Board may:

(A) require a larger setback than this subsection requires; or

(B) approve an agreement to a smaller setback among the applicant, the municipal legislative body, and each owner of property adjoining the smaller setback.

(4) In this subsection:

(A) "kW" and "plant capacity" shall have the same meaning as in section 8002 of this title.

(B) "Setback" means the shortest distance between the nearest portion of a solar panel or support structure for a solar panel, at its point of attachment to the ground, and a property boundary or the edge of a highway's traveled way.

Sec. 26c. 30 V.S.A. § 248(b) is amended to read:

(b) Before the Public Service Board issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment or construction:

(1) with respect to an in-state facility, will not unduly interfere with the orderly development of the region with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of the municipal legislative bodies, and the land conservation measures contained in the plan of any affected municipality. However, i

(A) with respect to a natural gas transmission line subject to Board review, the line shall be in conformance with any applicable provisions concerning such lines contained in the duly adopted regional plan; and, in addition, upon application of any party, the Board shall condition any certificate of public good for a natural gas transmission line issued under this section so as to prohibit service connections that would not be in conformance with the adopted municipal plan in any municipality in which the line is located; and

(B) with respect to a ground-mounted solar electric generation facility, shall comply with the screening requirements of a municipal bylaw adopted under 24 V.S.A. § 4414(15) or a municipal ordinance adopted under 24 V.S.A. § 2291(28), and the recommendation of a municipality applying such a bylaw or ordinance, unless the Board finds that requiring such compliance would prohibit or have the effect of prohibiting the installation of such a facility or have the effect of interfering with the facility's intended functional use. Sec. 26d. 24 V.S.A. § 4414(15) is added to read:

(15) Solar plants; screening. Notwithstanding any contrary provision of sections 2291a and 4413 of this title or 30 V.S.A. chapter 5 or 89, a municipality may adopt a freestanding bylaw to establish screening requirements that shall apply to a ground-mounted plant that generates electricity from solar energy. In a proceeding under 30 V.S.A. § 248, the municipality may make recommendations to the Public Service Board applying the bylaw to such a plant. The bylaw may designate the municipal body to make this recommendation. Screening requirements and recommendations adopted under this subdivision shall be a condition of a certificate of public good issued for the plant under 30 V.S.A. § 248, provided that they do not prohibit or have the effect of prohibiting the installation of such a plant and do not have the effect of interfering with its intended functional use.

(A) Screening requirements under this subdivision shall not be more restrictive than screening requirements applied to commercial development in the municipality under this chapter or, if the municipality does not have other bylaws except flood hazard, 10 V.S.A. chapter 151.

(B) In this section, "plant" shall have the same meaning as in 30 V.S.A. § 8002 and "screening" means reasonable aesthetic mitigation measures to harmonize a facility with its surroundings and includes landscaping, vegetation, fencing, and topographic features.

(C) This subdivision (15) shall not authorize requiring a municipal land use permit for a solar electric generation plant and a municipal action under this subdivision shall not be subject to the provisions of subchapter 11 (appeals) of this chapter. Notwithstanding any contrary provision of this title, enforcement of a bylaw adopted under this subdivision shall be pursuant to the provisions of 30 V.S.A. § 30 applicable to violations of 30 V.S.A. § 248.

Sec. 26e. 24 V.S.A. § 2291 is amended to read:

§ 2291. ENUMERATION OF POWERS

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

* * *

(28) Notwithstanding any contrary provision of sections 2291a and 4413 of this title or 30 V.S.A. chapter 5 or 89, a municipality may adopt an ordinance to establish screening requirements that shall apply to a ground-mounted plant that generates electricity from solar energy. In a proceeding under 30 V.S.A. § 248, the municipality may make recommendations to the Public Service Board applying the ordinance to such a plant. The ordinance may designate the municipal body to make this recommendation. Screening requirements and recommendations adopted under this subdivision shall be a condition of a certificate of public good issued for the plant under 30 V.S.A. § 248, provided that they do not prohibit or have the effect of prohibiting the installation of such a plant and do not have the effect of interfering with its intended functional use.

(A) Screening requirements under this subdivision shall not be more restrictive than screening requirements applied to commercial development in the municipality under chapter 117 of this title or, if the municipality does not have other bylaws except flood hazard, 10 V.S.A. chapter 151.

(B) In this section, "plant" shall have the same meaning as in 30 V.S.A. § 8002 and "screening" means reasonable aesthetic mitigation measures to harmonize a facility with its surroundings and includes landscaping, vegetation, fencing, and topographic features.

(C) This subdivision (28) shall not authorize requiring a municipal permit for a solar electric generation plant. Notwithstanding any contrary provision of this title, enforcement of an ordinance adopted under this subdivision shall be pursuant to the provisions of 30 V.S.A. § 30 applicable to violations of 30 V.S.A. § 248.

Sec. 26f. REPORT; TOWN ADOPTION OF SOLAR SCREENING

(a) On or before January 15, 2017, the Commissioners of Housing and Community Development and of Public Service (the Commissioners) jointly shall submit a report to the House and Senate Committees on Natural Resources and Energy that:

(1) identifies the municipalities that have adopted screening requirements pursuant to Sec. 26d of this act, 24 V.S.A. § 4414(15), or Sec. 26e of this act, 24 V.S.A. § 2291(28);

(2) summarizes these adopted screening requirements; and

(3) provides the number of proceedings before the Public Service Board in which these screening requirements were applied and itemizes the disposition and status of those proceedings.

(b) Each municipality adopting an ordinance or bylaw under 24 V.S.A. § 2291(28) or 4414(15) shall provide the Commissioners, on request, with information needed to complete the report required by this section.

Sec. 26g. SOLAR SITING TASK FORCE; REPORT

(a) Creation. There is created a Solar Siting Task Force to study issues pertaining to the siting, design, and regulatory review of solar electric generation facilities.

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

(1) the Commissioner of Public Service or designee;

(2) the Commissioner of Housing and Community Development or designee;

(3) the Secretary of Natural Resources or designee;

(4) a representative of the Vermont League of Cities and Towns, appointed by the League;

(5) a representative of the Vermont Planners Association, appointed by that Association;

(6) a representative of the Vermont Association of Planning and Development Agencies, appointed by that Association;

(7) a representative of Renewable Energy Vermont (REV), appointed by REV;

(8) a representative of an electric distribution utility appointed by the Vermont System Planning Committee;

(9) a landscape architect appointed by the Vermont chapter of the American Society of Landscape Architects; and

(10) a Vermont resident with public policy and environmental and energy expertise who is not affiliated with a public utility or developer of energy facilities, by joint appointment of the Vermont Natural Resources Council and the Vermont Public Interest Research Group.

(c) Duties. The Task Force shall study the design, siting, and regulatory review of solar electric generation facilities and shall provide a report in the form of proposed legislation with the rationale for each proposal. In studying these issues, the Task Force shall consider the report of the Secretary of Natural Resources to be submitted under Sec. 21c of this act.

(d) Assistance. The Task Force shall be entitled to administrative, technical, and professional assistance from the Agencies of Natural Resources and of Commerce and Community Development and the Department of Public Service and, on request, to the technical and professional assistance of the Natural Resources Board and the Public Service Board.

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(e) Proposed legislation. On or before January 15, 2016, the Task Force shall submit its proposed legislation to the House and Senate Committees on Natural Resources and Energy, the House Committee on Commerce and Economic Development, and the Senate Committee on Finance.

(f) Meetings.

(1) The Commissioner of Public Service shall call the first meeting of the Task Force to occur on or before August 1, 2015.

(2) The Task Force shall select a chair and vice chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Task Force shall cease to exist on March 15, 2016.

<u>Twenty-ninth</u>: By striking out Sec. 28 (effective dates), and inserting in lieu thereof a new Sec. 28 to read as follows:

Sec. 28. EFFECTIVE DATES

(a) This section and Secs. 8 (Public Service Board rulemaking), 10 (Forests, Parks and Recreation rulemaking), 14b (joint energy committee; recommendation), 18 (net metering pilot project), and 27 (severability) shall take effect on passage. Notwithstanding 1 V.S.A. § 214, Sec. 18 shall apply to facilities for which an application for a certificate of public good is pending as of its effective date.

(b) Secs. 1 through 7, 9, 11, 13, 14, 15 through 17, 19, 20, and 21 through 26 shall take effect on July 1, 2015. Sec. 11 (net metering systems; environmental attributes) shall not apply to complete applications filed prior to its effective date.

(c) Secs. 26a (municipal party status), 26b (setbacks), 26c (certificate of public good), 26d (solar screening bylaw), 26e (solar screening ordinance), and 26f (report) shall take effect on passage.

(d) Sec. 12 (net metering systems; environmental attributes) shall amend 30 V.S.A. § 8010 as added effective January 1, 2017 by 2014 Acts and Resolves No. 99, Sec. 4. Sec. 12 shall take effect on January 2, 2017, except that, notwithstanding 1 V.S.A. § 214, the section shall apply to the Public Service Board process under 2014 Acts and Resolves No. 99, Sec. 5.

Which proposal of amendment was considered and concurred in.

Rules Suspended; Report of Committee of Conference Adopted

H. 361

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and bill, entitled

An act relating to making amendments to education funding, education spending, and education governance

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reported that it has met and considered the same and recommended that the Senate recede from its proposals of amendment, and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Findings; Goals; Intent * * *

Sec. 1. FINDINGS

(a) Vermont's kindergarten through grade 12 student population has declined from 103,000 in fiscal year 1997 to 78,300 in fiscal year 2015.

(b) The number of school-related personnel has not decreased in proportion to the decline in student population.

(c) The proportion of Vermont students with severe emotional needs has increased from 1.5 percent of the population in fiscal year 1997 to 2.3 percent in fiscal year 2015. In addition, the proportion of students from families in crisis due to loss of employment, opiate addiction, and other factors has also increased during this time period, requiring the State's public schools to fulfill an array of human services functions.

(d) From July 1997 through July 2014, the number of Vermont children ages 6 through 17 residing with families receiving nutrition benefits has increased by 47 percent, from 13,000 to 19,200. While other factors affect student academic performance, studies demonstrate that when the percentage of students in a school who are living in poverty increases, student performance and achievement have a tendency to decrease. (e) With 13 different types of school district governance structures, elementary and secondary education in Vermont lacks cohesive governance and delivery systems. As a result, many school districts:

(1) are not well-suited to achieve economies of scale; and

(2) lack the flexibility to manage, share, and transfer resources, including personnel, with other school districts and to provide students with a variety of high-quality educational opportunities.

(f) 16 V.S.A. § 4010(f) was enacted in 1999 to protect school districts, particularly small school districts, from large, sudden tax increases due to declining student populations. The steady, continued decline in some districts, together with the compounding effect of the legislation as written, has inflated the equalized pupil count in some districts by as much as 77 percent, resulting in artificially low tax rates in those communities.

(g) National literature suggests that the optimal size for student learning is in elementary schools of 300 to 500 students and in high schools of 600 to 900 students. In Vermont, the smallest elementary school has a total enrollment of 15 students (kindergarten–grade 6) and the smallest high school has a total enrollment of 55 students (grades 9–12). Of the 300 public schools in Vermont, 205 have 300 or fewer enrolled students and 64 have 100 or fewer enrolled students. Of those 64 schools, 16 have 50 or fewer enrolled students.

(h) National literature suggests that the optimal size for a school district in terms of financial efficiencies is between 2,000 and 4,000 students. The smallest Vermont school district has an average daily membership (ADM) of six students, with 79 districts having an ADM of 100 or fewer students. Four Vermont school districts have an ADM that exceeds 2,000 students.

(i) Vermont recognizes the important role that a small school plays in the social and educational fabric of its community. It is not the State's intent to close its small schools, but rather to ensure that those schools have the opportunity to enjoy the expanded educational opportunities and economies of scale that are available to schools within larger, more flexible governance models.

(j) The presence of multiple public schools within a single district not only supports flexibility in the management and sharing of resources, but it promotes innovation. For example, individual schools within a district can more easily develop a specialized focus, which, in turn, increases opportunities for students to choose the school best suited to their needs and interests.

Sec. 2. GOALS

By enacting this legislation, the General Assembly intends to move the State toward sustainable models of education governance. The legislation is designed to encourage and support local decisions and actions that:

(1) provide substantial equity in the quality and variety of educational opportunities statewide;

(2) lead students to achieve or exceed the State's Education Quality Standards, adopted as rules by the State Board of Education at the direction of the General Assembly;

(3) maximize operational efficiencies through increased flexibility to manage, share, and transfer resources, with a goal of increasing the district-level ratio of students to full-time equivalent staff;

(4) promote transparency and accountability; and

(5) are delivered at a cost that parents, voters, and taxpayers value.

Sec. 3. SCHOOL CLOSURE; SMALL SCHOOLS; INTENT

(a) School closure; intent. It is not the State's intent to close schools and nothing in this act shall be construed to require, encourage, or contemplate the closure of schools in Vermont.

(b) Small schools; intent. As stated in subsection 1(i) of this act, it is not the State's intent to close its small schools, but rather to ensure that those schools have the opportunity to enjoy the expanded educational opportunities and economies of scale that are available to schools within larger, more flexible governance models.

Sec. 4. TUITION PAYMENT; SCHOOL OPERATION; PROTECTIONS;

INTENT

(a) Tuition payment; protection. All governance transitions contemplated pursuant to this act shall preserve the ability of a district that, as of the effective date of this section, provides for the education of all resident students in one or more grades by paying tuition on the students' behalf, to continue to provide education by paying tuition on behalf of all students in the grade or grades if it chooses to do so and shall not require the district to limit the options available to students if it ceases to exist as a discrete entity and realigns into a supervisory district or union school district.

(b) School operation; protection. All governance transitions contemplated pursuant to this act shall preserve the ability of a district that, as of the effective date of this section, provides for the education of all resident students in one or more grades by operating a school offering the grade or grades, to continue to provide education by operating a school for all students in the grade or grades if it chooses to do so and shall not require the district to pay tuition for students if it ceases to exist as a discrete entity and realigns into a supervisory district or union school district.

(c) Tuition payment; school operation; intent. Nothing in this act shall be construed to restrict or repeal, or to authorize, encourage, or contemplate the restriction or repeal of, the ability of a school district that, as of the effective date of this section, provides for the education of all resident students in one or more grades:

(1) by paying tuition on the students' behalf, to continue to provide education by paying tuition on behalf of all students in the grade or grades; or

(2) by operating a school offering the grade or grades, to continue to provide education by operating a school for all students in the grade or grades.

* * * Governance Structures to Achieve Education Policy Goals * * *

Sec. 5. PREFERRED EDUCATION GOVERNANCE STRUCTURE;

ALTERNATIVE STRUCTURE

(a) On or before July 1, 2019, the State shall provide educational opportunities through sustainable governance structures designed to meet the goals set forth in Sec. 2 of this act pursuant to one of the models described in this section.

(b) Preferred structure: prekindergarten–grade 12 supervisory district (Education District). The preferred education governance structure in Vermont is a school district that:

(1) is responsible for the education of all resident prekindergarten through grade 12 students;

(2) is its own supervisory district;

(3) has a minimum average daily membership of 900; and

(4) is organized and operates according to one of the four most common governance structures:

(A) a district that operates a school or schools for all resident students in prekindergarten or kindergarten through grade 12;

(B) a district that operates a school or schools for all resident students in prekindergarten or kindergarten through grade 8 and pays tuition for all resident students in grade 9 through grade 12; (C) a district that operates a school or schools for all resident students in prekindergarten or kindergarten through grade 6 and pays tuition for all resident students in grade 7 through grade 12; or

(D) a district that operates no schools and pays tuition for all resident students in prekindergarten through grade 12.

(c) Alternative structure: supervisory union with member districts. An Education District as envisioned in subsection (b) of this section may not be possible or the best model to achieve Vermont's education goals in all regions of the State. In such situations, a supervisory union composed of multiple member districts, each with its separate school board, can meet the State's goals, particularly if:

(1) the member districts consider themselves to be collectively responsible for the education of all prekindergarten through grade 12 students residing in the supervisory union;

(2) the supervisory union operates in a manner that maximizes efficiencies through economies of scale and the flexible management, transfer, and sharing of nonfinancial resources among the member districts;

(3) the supervisory union has the smallest number of member school districts practicable, achieved wherever possible by the merger of districts with similar operating and tuitioning patterns; and

(4) the combined average daily membership of all member districts is not less than 1,100.

Sec. 6. ACCELERATED ACTIVITY; SUPERVISORY UNION

BECOMING A SUPERVISORY DISTRICT; ENHANCED TAX

INCENTIVES; SMALL SCHOOL SUPPORT; DATA AND REPORT

(a) A newly formed school district shall receive the incentives set forth in subsection (b) of this section if it:

(1) is formed by merging the governance structures of all member districts of a supervisory union into one unified union school district pursuant to the processes and requirements of 16 V.S.A. chapter 11, and also could include merger with a neighboring supervisory district;

(2) obtains an affirmative vote of all "necessary" districts on or after July 1, 2015, and prior to July 1, 2016;

(3) is responsible for the education of all resident prekindergarten through grade 12 students;

(4) is its own supervisory district;

(5) has a minimum average daily membership of 900 in its first year of operation; and

(6) is organized and operates according to one of the following common governance structures:

(A) a district that operates a school or schools for all resident students in prekindergarten or kindergarten through grade 12;

(B) a district that operates a school or schools for all resident students in prekindergarten or kindergarten through grade 8 and pays tuition for all resident students in grade 9 through grade 12; or

(C) a district that operates a school or schools for all resident students in prekindergarten or kindergarten through grade 6 and pays tuition for resident students in grade 7 through grade 12;

(7) demonstrates in the study committee report presented to the State Board and district voters pursuant to 16 V.S.A. chapter 11 that the proposed governance changes will meet the goals set forth in Sec. 2 of this act;

(8) becomes operational on or before July 1, 2017; and

(9) provides data as requested by the Agency of Education and otherwise assists the Agency to assess whether and to what extent the consolidation of governance results in an increased ability to meet the goals set forth in Sec. 2 of this act.

(b) A newly formed school district that meets the criteria set forth in subsection (a) of this section shall receive the following:

(1) Decreased equalized homestead property tax rate.

(A) Subject to the provisions of this subdivision (1) and notwithstanding any other provision of law, the new district's equalized homestead property tax rate shall be:

(i) decreased by \$0.10 in the first fiscal year of operation;

(ii) decreased by \$0.08 in the second fiscal year of operation;

(iii) decreased by \$0.06 in the third fiscal year of operation;

(iv) decreased by \$0.04 in the fourth fiscal year of operation; and

(v) decreased by \$0.02 in the fifth fiscal year of operation.

(B) The household income percentage shall be calculated accordingly.

(C) During the years in which a new district's equalized homestead property tax rate is decreased pursuant to this subdivision (1), the rate for each town within the new district shall not increase by more than five percent in a single year. The household income percentage shall be calculated accordingly.

(D) On and after the effective date of merger, the common level of appraisal shall be calculated independently for each town within the new district for purposes of determining the homestead property tax rate for each town.

(2) Merger Support Grant.

(A) Notwithstanding any provision of law to the contrary, if the districts forming the new district include at least one "eligible school district," as defined in 16 V.S.A. § 4015, that received a small school support grant under section 4015 in fiscal year 2016, then the new district shall receive an annual Merger Support Grant in an amount equal to the small school support grant received by the eligible school district in fiscal year 2016. If more than one merging district was an eligible school district, then the merger support grant shall be in an amount equal to the total combined small school support grants they received in fiscal year 2016.

(B) Payment of the grant under this subdivision (2) shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following closure by the merged district of a school located in what had been an "eligible school district" prior to merger; and further provided that if a school building located in a formerly "eligible school district" is closed in order to consolidate with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.

(3) Transition Facilitation Grant.

(A) After voter approval of the plan of merger, the Secretary of Education shall pay the transitional board of the new district a transition facilitation grant from the Education Fund equal to the lesser of:

(i) five percent of the base education amount established in 16 V.S.A. § 4001(13) multiplied by the greater of either the combined enrollment or the average daily membership of the merging districts on October 1 of the year in which the successful vote is taken; or

(ii) \$150,000.00.

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(B) A Transition Facilitation Grant awarded under this subdivision (3) shall be reduced by the total amount of reimbursement paid for consulting services, analysis, and transition costs pursuant to 2012 Acts and Resolves No. 156, Secs. 2, 4, and 9.

(c) If a new district that receives incentives under this section also meets the eligibility criteria to receive incentives as a regional education district, then the new district shall not also receive the comparable incentives available pursuant to 2010 Acts and Resolves No. 153, section 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13.

(d) The Secretary of Education, in collaboration with other entities such as the University of Vermont or the Regional Educational Laboratory–Northeast and Islands, shall collect and analyze data from the new districts created under this section regarding educational opportunities, operational efficiencies, transparency, accountability, and other issues following merger. Beginning on January 15, 2016, and annually through January 2021, the Secretary shall submit a report to the House and Senate Committees on Education and on Appropriations, the House Committee on Ways and Means, and the Senate Committee on Finance regarding the districts merging under this section, conclusions drawn from the data collected, and any recommendations for legislative action.

Sec. 7. SCHOOL DISTRICTS CREATED AFTER DEADLINE FOR

ACCELERATED ACTIVITY; TAX INCENTIVES; SMALL

SCHOOL SUPPORT; JOINT CONTRACT SCHOOLS

(a) A newly formed school district shall receive the incentives set forth in subsection (b) of this section if it:

(1) is formed pursuant to the processes and requirements of 16 V.S.A. chapter 11 (union school district formation);

(2) obtains a favorable vote of all "necessary" districts, which do not need to be contiguous or within the same supervisory union, on or after July 1, 2015;

(3) meets the criteria for an accelerated merger set forth in subdivisions 6(a)(3) through (7) of this act; and

(4) becomes operational after July 1, 2017, and on or before July 1, 2019.

(b) A newly formed school district that meets the criteria set forth in subsection (a) of this section shall receive the following:

(1) Equalized homestead tax rates.

(A) Subject to the provisions of this subdivision (1) and notwithstanding any other provision of law, the new district's equalized homestead property tax rate shall be:

(i) decreased by \$0.08 the first fiscal year of operation;

(ii) decreased by \$0.06 the second fiscal year of operation;

(iii) decreased by \$0.04 the third fiscal year of operation; and

(iv) decreased by \$0.02 the fourth fiscal year of operation.

(B) The household income percentage shall be calculated accordingly.

(C) During the years in which a new district's equalized homestead property tax rate is decreased pursuant to this subdivision (1), the rate for each town within the new district shall not increase or decrease by more than five percent in a single year. The household income percentage shall be calculated accordingly.

(D) On and after the effective date of merger, the common level of appraisal shall be calculated independently for each town within the new district for purposes of determining the homestead property tax rate for each town.

(2) Merger Support Grant.

(A) Notwithstanding any provision of law to the contrary, if the districts forming the new district include at least one "eligible school district," as defined in 16 V.S.A. § 4015, that received a small school support grant under section 4015 in the fiscal year two years prior to the first fiscal year of merger, then the new district shall receive an annual Merger Support Grant in an amount equal to the small school support grant received by the eligible school district in the fiscal year two years prior to the first fiscal year of merger. If more than one merging district was an eligible school district, then the merger support grant shall be in an amount equal to the total combined small school support grants they received in the fiscal year two years prior to the first fiscal year of the first fiscal year of merger.

(B) Payment of the grant under this subdivision (2) shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following closure by the merged district of a school located in what had been an "eligible school district" prior to merger; and further provided that if a school building located in a formerly "eligible school district" is closed in order to consolidate with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.

(c) If a new district that receives incentives under this section also meets the eligibility criteria to receive incentives as a regional education district, then the new district shall not also receive the comparable incentives available pursuant to 2010 Acts and Resolves No. 153, section 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13.

(d) Notwithstanding other provisions of law to the contrary, if two or more districts enter into a contract pursuant to 16 V.S.A. chapter 11, subchapter 1 to operate a school jointly, and if at least one of the districts was an "eligible school district" that received a small school support grant in the fiscal year two years prior to the effective date of the contract, then the contracting school districts, as a single unit, shall receive annual merger support grants pursuant to the provisions of subdivision (b)(2) of this section; provided, however, that this section shall apply only to contracting districts that receive a favorable vote of all affected districts to enter into a finalized contract after the effective date of this section and on or before July 1, 2017.

Sec. 8. EVALUATION BY THE STATE BOARD OF EDUCATION

(a) School districts. When evaluating a proposal to create a union school district pursuant to 16 V.S.A. chapter 11, including a proposal submitted pursuant to the provisions of Secs. 6 or 7 of this act, the State Board of Education shall:

(1) consider whether the proposal is designed to create a sustainable governance structure that can meet the goals set forth in Sec. 2 of this act; and

(2) be mindful of any other district in the region that may become geographically isolated, including the potential isolation of a district with low fiscal capacity or with a high percentage of students from economically deprived backgrounds as identified in 16 V.S.A. § 4010(d).

(A) At the request of the State Board, the Secretary of Education shall work with the potentially isolated district and other districts in the region to move toward a sustainable governance structure that is designed to meet the goals set forth in Sec. 2 of this act.

(B) The State Board is authorized to deny approval to a proposal that would geographically isolate a district that would not be an appropriate member of another sustainable governance structure in the region. (b) Supervisory unions. The State Board shall approve the creation, expansion, or continuation of a supervisory union only if the Board concludes that this alternative structure:

(1) is the best means of meeting the goals set forth in Sec. 2 of this act in a particular region; and

(2) ensures transparency and accountability for the member districts and the public at large, including transparency and accountability in relation to the supervisory union budget, which may include a process by which the electorate votes directly whether to approve the proposed supervisory union budget.

Sec. 9. SELF-EVALUATION, MEETINGS, AND PROPOSAL

(a) On or before November 30, 2017, the board of each school district in the State that has a governance structure different from the preferred structure identified in Sec. 5(b) of this act (Education District), or that does not expect to become or will not become an Education District on or before July 1, 2019, shall perform each of the following actions.

(1) Self-evaluation. The board shall evaluate its current ability to meet or exceed each of the goals set forth in Sec. 2 of this act.

(2) Meetings.

(A) The board shall meet with the boards of one or more other districts, including those representing districts that have similar patterns of school operation and tuition payment, to discuss ways to promote improvement throughout the region in connection with the goals set forth in Sec. 2 of this act.

(B) The districts do not need to be contiguous and do not need to be within the same supervisory union.

(3) Proposal. The board of the district, solely on behalf of its own district or jointly with the boards of other districts, shall submit a proposal to the Secretary of Education and the State Board of Education in which the district:

(A) proposes to retain its current governance structure, to work with other districts to form a different governance structure, or to enter into another model of joint activity;

(B) demonstrates, through reference to enrollment projections, student-to-staff ratios, the comprehensive data collected pursuant to 16 V.S.A. § 165, and otherwise, how the proposal in subdivision (A) of this subdivision (3) supports the district's or districts' ability to meet or exceed each of the goals set forth in Sec. 2 of this act; and

(C) identifies detailed actions it proposes to take to continue to improve its performance in connection with each of the goals set forth in Sec. 2 of this act.

Sec. 10. TRANSITION TO SUSTAINABLE GOVERNANCE

STRUCTURES; PROPOSAL; FINAL PLAN

(a) Secretary of Education's proposal. In order to provide educational opportunities through sustainable governance structures designed to meet the goals set forth in Sec. 2 of this act pursuant to one of the models described in Sec. 5, the Secretary shall:

(1) Review the governance structures of the school districts and supervisory unions of the State as they will exist, or are anticipated to exist, on July 1, 2019. This review shall include consideration of any proposals submitted by districts or groups of districts pursuant to Sec. 9 of this act and conversations with those and other districts.

(2) On or before June 1, 2018, shall develop, publish on the Agency of Education's website, and present to the State Board of Education a proposed plan that, to the extent necessary to promote the purpose stated at the beginning of this subsection (a), would move districts into the more sustainable, preferred model of governance set forth in Sec. 5(b) of this act (Education District). If it is not possible or practicable to develop a proposal that realigns some districts, where necessary, into an Education District in a manner that adheres to the protections of Sec. 4 of this act (protection for tuition-paying and operating districts) or that otherwise meets all aspects of Sec. 5(b), then the proposal may also include alternative governance structures as necessary, such as a supervisory union with member districts or a unified union school district with a smaller average daily membership; provided, however, that any proposed alternative governance structure shall be designed to:

(A) ensure adherence to the protections of Sec. 4 of this act; and

(B) promote the purpose stated at the beginning of this subsection (a).

(b) State Board's plan. On or before November 30, 2018, the State Board shall review and analyze the Secretary's proposal under the provisions in subsection (a) of this section, may take testimony or ask for additional information from districts and supervisory unions, shall approve the proposal either in its original form or in an amended form that adheres to the provisions

of subsection (a) of this section, and shall publish on the Agency's website its order merging and realigning districts and supervisory unions where necessary.

(c) Applicability. This section shall not apply to:

(1) an interstate school district;

(2) a regional career technical center school district formed under 16 V.S.A. chapter 37, subchapter 5A; or

(3) a district that, between June 30, 2013 and July 2, 2019, began to operate as a unified union school district and:

(A) voluntarily merged into the preferred education governance structure, an Education District, as set forth Sec. 5(b) of this act; or

(B) is a regional education district or any other district eligible to receive incentives pursuant to 2010 Acts and Resolves No. 153, as amended by 2012 Acts and Resolves No. 156.

Sec. 11. QUALITY ASSURANCE; ACCOUNTABILITY; DATA

COLLECTION

<u>The Secretary of Education shall regularly review, evaluate, and keep the</u> <u>State Board of Education apprised of the following:</u>

(1) the discussions, studies, and activity among districts to move voluntarily toward creating the preferred education governance structure, an Education District, as set forth Sec. 5(b) of this act;

(2) the data collected from districts that vote prior to July 1, 2016 to merge into a supervisory district pursuant to Sec. 6 (accelerated activity) of this act and from other districts that have merged or do merge into a regional education district or one of its variations or into an Education District as otherwise provided in this act; and

(3) the data and other information collected in connection with the Education Quality Standards, and related on-site education quality reviews, including data and information regarding the equity of educational opportunities, academic outcomes, personalization of learning, a safe school climate, high-quality staffing, and financial efficiency.

Sec. 12. EDUCATION TECHNICAL ASSISTANT

<u>There is established one (1) new limited service exempt position –</u> <u>Education Technical Assistant – in the Agency of Education, authorized for</u> <u>fiscal years 2016 and 2017</u>. The Education Technical Assistant shall work directly with school districts and supervisory unions to provide information and assistance regarding fiscal and demographic projections and the options available to address any necessary systems changes. The Agency's authority to hire an individual for this purpose is contingent on its ability to obtain funding for the position solely through nonstate sources.

* * * Merger Support Grants; Current and Other Incentives * * *

Sec. 13. REFUND UPON SALE OF SCHOOL BUILDINGS

REQUIREMENT; NEW SCHOOL DISTRICTS; JOINT

CONTRACT SCHOOLS

(a) Notwithstanding 16 V.S.A. § 3448(b), the refund upon sale requirement shall not apply to:

(1) a union school district created under 16 V.S.A. chapter 11 that becomes operational on or after July 1, 2015; and

(2) two or more districts that, on or after July 1, 2015, enter into a contract pursuant to 16 V.S.A. chapter 11, subchapter 1 to operate a school jointly.

(b) As used in subsection (a) of this section, a union school district established under 16 V.S.A. chapter 11 includes a school district voluntarily created pursuant to the provisions of this act, or a regional education district or any other district eligible to receive incentives pursuant to 2010 Acts and Resolves No. 153, as amended by 2012 Acts and Resolves No. 156 and 2013 Acts and Resolves No. 56.

(c) This section is repealed on July 1, 2017.

Sec. 14. REVIEW OF THE REFUND UPON SALE REQUIREMENT

(a) The Secretary of Education shall review school districts subject to the provisions of 16 V.S.A. § 3448(b). The review shall include:

(1) each school district that has received State aid for school construction;

(2) the total amount of State aid for school construction that has been refunded to the State;

(3) the percentage of the sale price that each school district would be required to refund to the State upon the sale of a school building; and

(4) a list of all school buildings that are not in use for any purpose.

(b) In addition, the Secretary shall consider:

(1) whether and to what extent the State should exempt school districts from the provisions of 16 V.S.A. § 3448(b), including when a former school building is purchased by a nonprofit entity or is used for a community purpose; and

(2) the potential cost of providing State aid to school districts for the renovation or construction of school buildings conducted in connection with the merger of school district governance structures, and possible funding sources.

(c) On or before December 1, 2015, the Secretary shall report to the House Committees on Education and on Corrections and Institutions and the Senate Committees on Education and on Institutions on the work required by this section.

Sec. 15. 2010 Acts and Resolves No. 153, Sec. 4(d) is amended to read:

(d) Merger support grant.

(1) If the merging districts of a RED included at least one "eligible school district," as defined in 16 V.S.A. § 4015, that had received a small school support grant under section 4015 in the fiscal year two years prior to the first fiscal year of merger, then the RED shall be eligible to receive a merger support grant in each of its first five fiscal years annually in an amount equal to the small school support grant received by the eligible school district in the fiscal year two years prior to the first fiscal year of merger. If more than one merging district was an eligible school district, then the merger support grants they received in the fiscal year two years prior to the first fiscal year of merger.

(2) Payment of the merger support grant under this subsection (d) shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following closure by the merged district of a school located in what had been an "eligible school district" prior to merger; and further provided that if a school building located in a formerly "eligible school district" is closed in order to consolidate with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.

Sec. 16. 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012 Acts and Resolves No. 156, Sec. 1, is further amended to read:

(a) Program created. There is created a school district merger incentive program under which the incentives outlined in Sec. 4 of this act shall be available to each new unified union school district created pursuant to Sec. 3 of this act and to each new district created under Sec. 3 of this act by the merger of districts that provide education by paying tuition; and to the Vermont members of any new interstate school district if the Vermont members jointly satisfy the size criterion of Sec. 3 of this act. Incentives shall be available, however, only if the effective date of merger is on or before merger receives final approval of the electorate prior to July 1, 2017.

Sec. 17. 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13, is further amended to read:

Sec. 4. VOLUNTARY SCHOOL DISTRICT MERGER; INCENTIVES

* * *

(h) This section is repealed on July 1, 2017. [Repealed.]

Sec. 18. CURRENT INCENTIVES FOR JOINT ACTIVITY; LIMITATIONS

ON APPLICABILITY

(a) Notwithstanding the provisions of the following sections of law, the grants and reimbursements authorized by those sections shall be available only as provided in subsection (b) of this section:

(1) 2012 Acts and Resolves No. 156, Sec. 6 (transition facilitation grant of \$150,000.00 for the successful merger of two or more supervisory unions).

(2) 2012 Acts and Resolves No. 156, Sec. 11 (transition facilitation grant of the lesser of \$150,000.00 or five percent of the base education amount multiplied by the combined enrollment for the successful merger of two or more districts other than a RED).

(b) A group of districts or supervisory unions shall receive one or more of the incentives listed in subsection (a) of this section only if it:

(1) meets the specific eligibility criteria for the incentive; and

(2) completes the specific requirements for eligibility on or before December 31, 2015.

Sec. 19. AUTHORIZATION; FINANCIAL INCENTIVES

Prior to any reversions, of the amount appropriated in fiscal year 2015 pursuant to 2014 Acts and Resolves No. 179, Sec. B.505, the sum of \$620,000.00 may be expended by the Agency of Education in fiscal year 2016 for the reimbursement of costs and payment of other financial incentives available pursuant to 2012 Acts and Resolves No. 156 to two or more school districts or two or more supervisory unions that are exploring or implementing joint activity, including merger into a regional education district or one of its variations.

* * * Small School Support; Effective Fiscal Year 2020 * * *

Sec. 20. 16 V.S.A. § 4015 is amended to read:

§ 4015. SMALL SCHOOL SUPPORT

- (a) In this section:
 - (1) "Eligible school district" means a school district that:

-operates at least one school; and

(A) has a two-year average combined enrollment of fewer than 100 students in all the schools operated by the district; or has

(B)(A) operates at least one school with an average grade size of 20 or fewer; and

(B) has been determined by the State Board, on an annual basis, to be eligible due to either:

(i) the lengthy driving times or inhospitable travel routes between the school and the nearest school in which there is excess capacity; or

(ii) the academic excellence and operational efficiency of the school, which shall be based upon consideration of:

(I) the school's measurable success in providing a variety of high-quality educational opportunities that meet or exceed the educational quality standards adopted by the State Board pursuant to section 165 of this title;

(II) the percentage of students from economically deprived backgrounds, as identified pursuant to subsection 4010(d) of this title, and those students' measurable success in achieving positive outcomes;

(III) the school's high student-to-staff ratios; and

(IV) the district's participation in a merger study and submission of a merger report to the State Board pursuant to chapter 11 of this title or otherwise.

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* * *

(6) "School district" means a town, city, incorporated, interstate, or union school district or a joint contract school established under subchapter 1 of chapter 11 of this title.

* * *

(c) Small schools financial stability grant: In addition to a small schools support grant, an eligible school district whose two-year average enrollment decreases by more than 10 percent in any one year shall receive a small schools financial stability grant. However, a decrease due to a reduction in the number of grades offered in a school or to a change in policy regarding paying tuition for students shall not be considered an enrollment decrease. The amount of the grant shall be determined by multiplying 87 percent of the base education amount for the current fiscal year, by the number of enrollment, to the nearest one hundredth of a percent, necessary to make the two year average enrollment decrease only 10 percent. [Repealed.]

(d) Funds for both grants shall be appropriated from the Education Fund and shall be added to payments for the base education amount or deducted from the amount owed to the Education Fund in the case of those districts that must pay into the Fund under section 4027 of this title. [Repealed.]

* * *

Sec. 21. SMALL SCHOOL SUPPORT; METRICS

On or before July 1, 2018, the State Board of Education shall adopt and publish metrics by which it will make determinations whether to award small school support grants pursuant to 16 V.S.A. § 4015 on and after July 1, 2019, as amended by Sec. 20 of this act.

* * * Declining Enrollment; Equalized Pupils; 3.5 Percent Limit * * *

Sec. 22. 16 V.S.A. § 4010(f) is amended to read:

(f) For purposes of the calculation under this section, a district's equalized pupils shall in no case be less than 96 and one-half percent of the district's actual number of equalized pupils in the district in the previous year, prior to making any adjustment under this subsection.

Sec. 23. DECLINING ENROLLMENT; TRANSITION

(a) If a district's equalized pupils in fiscal year 2016 do not reflect any adjustment pursuant to 16 V.S.A. § 4010(f), then Sec. 22 of this act shall apply to the district in fiscal year 2017 and after.

(b) If a district's equalized pupils in fiscal year 2016 reflect adjustment pursuant to 16 V.S.A. 4010(f), then, notwithstanding the provisions of 4010(f) as amended by this act:

(1) in fiscal year 2017, the district's equalized pupils shall in no case be less than 90 percent of the district's equalized pupils in the previous year; and

(2) in fiscal year 2018, the district's equalized pupils shall in no case be less than 80 percent of the district's equalized pupils in the previous year.

(c) Notwithstanding the provisions of subsections (a) and (b) of this section, if a district is actively engaged in merger discussions with one or more other districts regarding the formation of a regional education district (RED) or other form of unified union school district pursuant to 16 V.S.A. chapter 11, then Sec. 22 of this act shall apply to the district in fiscal year 2018 and after, and each of the dates in subsection (b) of this section shall be adjusted accordingly. A district shall be "actively engaged in merger discussions" pursuant to this subsection (c) if on or before July 1, 2016, it has formed a study committee pursuant to 16 V.S.A. chapter 11.

Sec. 24. REPEAL

<u>16 V.S.A. § 4010(f) (declining enrollment; hold-harmless provision) is</u> repealed on July 1, 2020.

Sec. 25. DECLINING ENROLLMENT; 3.5 PERCENT HOLD-HARMLESS;

GRANDFATHERED DISTRICTS

Beginning in fiscal year 2021, for purposes of determining weighted membership under 16 V.S.A. § 4010, a district's equalized pupils shall in no case be less than 96 and one-half percent of the actual number of equalized pupils in the district in the previous year, prior to making any adjustment under this section, if the district, on or before July 1, 2019:

(1) became eligible to receive incentives pursuant to Sec. 6 or 7 of this act or otherwise voluntarily merged into an Education District as defined in Sec. 5(b) of this act; or

(2) became eligible to receive incentives pursuant to 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13, and further amended by this act (regional education districts and eligible variations). * * * Yield; Dollar Equivalent * * *

Sec. 26. 16 V.S.A. § 4001(13) is amended to read:

(13) "Base education amount" means a number used to calculate tax rates. The base education amount is categorical grants awarded under this title that is equal to \$6,800.00 per equalized pupil, adjusted as required under section 4011 of this title.

Sec. 27. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

* * *

(13)(A) "District Education property tax spending adjustment" means the greater of: one or a fraction in which the numerator is the district's education spending plus excess spending, per equalized pupil, for the school year; and the denominator is the base education amount property dollar equivalent yield for the school year, as defined in 16 V.S.A. § 4001 subdivision (15) of this section. For a district that pays tuition to a public school or an approved independent school, or both, for all of its resident students in any year and which has decided by a majority vote of its school board to opt into this provision, the district spending adjustment shall be the average of the district spending adjustment calculated under this subdivision for the previous year and for the current year. Any district opting for a two-year average under this subdivision may not opt out of such treatment, and the averaging shall continue until the district no longer qualifies for such treatment.

(B) "Education income tax spending adjustment" means the greater of: one or a fraction in which the numerator is the district's education spending plus excess spending, per equalized pupil, for the school year; and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section.

* * *

(15) "Property dollar equivalent yield" means the amount of spending per equalized pupil that would result if the homestead tax rate were \$1.00 per \$100.00 of equalized education property value, and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

(16) "Income dollar equivalent yield" means the amount of spending per equalized pupil that would result if the applicable percentage in subdivision 6066(a)(2) of this title were 2.0 percent, and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

Sec. 28. 32 V.S.A. § 5402 is amended to read:

§ 5402. EDUCATION PROPERTY TAX LIABILITY

(a) A <u>Statewide</u> education tax is imposed on all nonresidential and homestead property at the following rates:

(1) The tax rate for nonresidential property shall be \$1.59 per \$100.00.

(2) The tax rate for homestead property shall be \$1.10 \$1.00 multiplied by the district education property tax spending adjustment for the municipality, per \$100.00, of equalized education property value as most recently determined under section 5405 of this title. The homestead property tax rate for each municipality which is a member of a union or unified union school district shall be calculated as required under subsection (e) of this section.

(b) The Statewide statewide education tax shall be calculated as follows:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section, divided by the municipality's most recent common level of appraisal. The legislative body in each municipality shall then bill each property taxpayer at the homestead or nonresidential rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonresidential property and without regard to any other tax classification of the property. Tax bills shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by the municipality's most recent common level of appraisal, multiplied by the current grand list value of the property to be taxed.

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonresidential property.

(3) If a district has not voted a budget by June 30, an interim homestead education tax shall be imposed at the base rate determined under subdivision (a)(2) of this section, divided by the municipality's most recent common level of appraisal, but without regard to any district spending adjustment under subdivision 5401(13) of this title. Within 30 days after a budget is adopted and the deadline for reconsideration has passed, the Commissioner shall determine the municipality's homestead tax rate as required under subdivision (1) of this subsection.

* * *

(d) A municipality which has upon its grand list an operating electric generating plant subject to the tax under chapter 213 of this title shall be

subject to the nonresidential education property tax at three-quarters of the rate provided in subdivision (a)(1) of this section, as adjusted under section 5402b of this chapter; and shall be subject to the homestead education property tax at three-quarters of the base rate provided in subdivision (a)(2) of this section, as adjusted under section 5402b of this chapter, and multiplied by its district spending adjustment <u>under subdivision 5401(13) of this title</u>.

(e) The Commissioner of Taxes shall determine a homestead education tax rate for each municipality which is a member of a union or unified union school district as follows:

(1) For a municipality which is a member of a unified union school district, use the base rate determined under subdivision (a)(2) of this section and a district spending adjustment under subdivision 5401(13) of this title based upon the education spending per equalized pupil of the unified union.

(2) For a municipality which is a member of a union school district:

(A) Determine the municipal district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a district spending adjustment <u>under subdivision 5401(13) of this title</u> based on the education spending per total equalized pupil in the municipality who attends a school other than the union school.

(B) Determine the union district homestead tax rate using the base rate determined under subdivision (a)(2) of this section and a district spending adjustment under subdivision 5401(13) of this title based on the education spending per equalized pupil of the union school district.

* * *

Sec. 29. 32 V.S.A. § 6066(a)(2) is amended to read:

(2) "Applicable percentage" in this section means two percent, multiplied by the district education income tax spending adjustment under subdivision 5401(13)(B) of this title for the property tax year which begins in the claim year for the municipality in which the homestead residence is located; but in no event shall the applicable percentage be less than two percent.

Sec. 30. REVISION AUTHORITY

Notwithstanding 4 V.S.A. § 424, the Office of Legislative Council is authorized to change all instances in statute of the term "applicable percentage" to "income percentage" in 32 V.S.A. chapters 135 and 154.

Sec. 31. 16 V.S.A. § 4031 is amended to read:

§ 4031. UNORGANIZED TOWNS AND GORES

(a) For a municipality that, as of January 1, 2004, is an unorganized town or gore, its district education property tax spending adjustment under 32 V.S.A. § 5401(13) shall be one for purposes of determining the tax rate under 32 V.S.A. § 5402(a)(2).

(b) For purposes of a claim for property tax adjustment under 32 V.S.A. chapter 154 by a taxpayer in a municipality affected under this section, the applicable percentage shall not be multiplied by a spending adjustment <u>under 32 V.S.A. § 5401(13)</u>.

Sec. 32. 32 V.S.A. § 5402b is amended to read:

§ 5402b. STATEWIDE EDUCATION TAX RATE ADJUSTMENTS

YIELDS; RECOMMENDATION OF THE COMMISSIONER

(a) Annually, by December 1, the Commissioner of Taxes shall recommend to the General Assembly, after consultation with the Agency of Education, the Secretary of Administration, and the Joint Fiscal Office, the following adjustments in the statewide education tax rates under subdivisions 5402(a)(1) and (2) of this title:

(1) If there is a projected balance in the Education Fund Budget Stabilization Reserve in excess of the five percent level authorized under 16 V.S.A. § 4026, the Commissioner shall recommend a reduction, for the following fiscal year only, in the statewide education tax rates which will retain the projected Education Fund Budget Stabilization Reserve at the five percent maximum level authorized and raise at least 34 percent of projected education spending from the tax on nonresidential property; and

(2) If there is a projected balance in the Education Fund Budget Stabilization Reserve of less than the three and one-half percent level required under 16 V.S.A. § 4026, the Commissioner shall recommend an increase, for the following fiscal year only, in the statewide education tax rates which will retain the projected Education Fund Budget Stabilization Reserve at no less than the three and one half percent minimum level authorized under 16 V.S.A. § 4026, and raise at least 34 percent of projected education spending from the tax rate on nonresidential property.

(3) In any year following a year in which the nonresidential rate produced an amount of revenues insufficient to support 34 percent of education fund spending in the previous fiscal year, the Commissioner shall determine and recommend an adjustment in the nonresidential rate sufficient to raise at

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least 34 percent of projected education spending from the tax rate on nonresidential property.

(4) If in any year in which the nonresidential rate is less than the statewide average homestead rate, the Commissioner of Taxes shall determine the factors contributing to the deviation in the proportionality of the nonresidential and homestead rates and make a recommendation for adjusting statewide education tax rates accordingly.

(b) If the Commissioner makes a recommendation to the General Assembly to adjust the education tax rates under section 5402 of this title, the Commissioner shall also recommend a proportional adjustment to the applicable percentage base for homestead income based adjustments under section 6066 of this title, but the applicable percentage base shall not be adjusted below 1.94 percent.

(a) Annually, no later than December 1, the Commissioner of Taxes, after consultation with the Secretary of Education, the Secretary of Administration, and the Joint Fiscal Office, shall calculate and recommend a property dollar equivalent yield, an income dollar equivalent yield, and a nonresidential property tax rate for the following fiscal year. In making these calculations, the Commissioner shall assume:

(1) the homestead base tax rate in subdivision 5402(a)(2) of this title is \$1.00 per \$100.00 of equalized education property value;

(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;

(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent; and

(4) the percentage change in the median education tax bill applied to nonresidential property, the percentage change in the median education tax bill of homestead property, and the percentage change in the median education tax bill for taxpayers who claim an adjustment under subsection 6066(a) of this title are equal.

(b) For each fiscal year, the General Assembly shall set a property dollar equivalent yield and an income dollar equivalent yield, consistent with the definitions in this chapter.

* * * Ballot Language; Per Equalized Pupil Spending * * *

Sec. 33. 16 V.S.A. § 563 is amended to read:

§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE IF BUDGET EXCEEDS BENCHMARK AND DISTRICT SPENDING IS ABOVE AVERAGE

The school board of a school district, in addition to other duties and authority specifically assigned by law:

* * *

(11)(A) Shall prepare and distribute annually a proposed budget for the next school year according to such major categories as may from time to time be prescribed by the Secretary.

(B) If the proposed budget contains education spending in excess of the Maximum Inflation Amount, and the district's education spending per equalized pupil in the fiscal year preceding the year for which the budget is proposed was in excess of the statewide average district education spending per equalized pupil in that same fiscal year, as determined by the Secretary, then in lieu of any other statutory or charter form of budget adoption or budget vote, the board shall present the budget to the voters by means of a divided question, in the form of vote provided in subdivision (ii) of this subdivision (11)(B).

(i) "Maximum Inflation Amount" in this section means:

(I) the statewide average district education spending per equalized pupil, as defined in subdivision 4001(6) of this title, in the fiscal year preceding the year for which the budget is proposed, as determined by the Secretary, multiplied by the New England Economic Project Cumulative Price Index percentage change, as of November 15 preceding distribution of the proposed budget, for state and local government purchases of goods and services for the fiscal year for which the budget is proposed, plus one percentage point; plus the district's education spending per equalized pupil in the fiscal year preceding the year for which the budget is proposed, as determined by the Secretary;

(II) multiplied by the higher of the following amounts as determined by the Secretary: (aa) the district's equalized pupil count in the fiscal year preceding the year for which the budget is proposed; or (bb) the district's equalized pupil count in the fiscal year for which the budget is proposed.

(ii) The ballot shall be in the following form:

"The total proposed budget of \$______ is the amount determined by the school board to be necessary to support the school district's educational program. State law requires the vote on this budget to be divided because (i) the school district's spending per pupil last year was more than the statewide average and (ii) this year's proposed budget is greater than last year's budget adjusted for inflation.

"Article #1 (School Budget):

Part A. Shall the voters of the school district authorize the school board to expend \$ _____/t, which is a portion of the amount the school board has determined to be necessary?

Part B. If Part A is approved by the voters, shall the voters of the school district also authorize the school board to expend \$_____/t, which is the remainder of the amount the school board has determined to be necessary?" [Repealed.]

* * *

(D) The board shall present the budget to the voters by means of a ballot in the following form:

"Article #1 (School Budget):

Shall the voters of the school district approve the school board to expend \$______, which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$_____per equalized pupil. This projected spending per equalized pupil is _____% higher/lower than spending for the current year.

Sec. 34. REPEAL

<u>16 V.S.A. § 4001(6)(A) (divided vote; exceptions to education spending) is</u> repealed on July 1, 2015.

* * * Fiscal Year 2016 Education Property Tax Rates, Applicable Percentage, and Base Education Amount * * *

Sec. 35. FISCAL YEAR 2016 EDUCATION PROPERTY TAX RATES

AND APPLICABLE PERCENTAGE

(a) For fiscal year 2016 only, the education property tax imposed under 32 V.S.A. § 5402(a) shall be reduced from the rates of \$1.59 and \$1.10 and shall instead be at the following rates:

(1) the tax rate for nonresidential property shall be 1.535 per 100.00; and

(2) the tax rate for homestead property shall be \$0.99 multiplied by the district spending adjustment for the municipality per \$100.00 of equalized property value as most recently determined under 32 V.S.A. § 5405.

(b) For claims filed in 2015 only, "applicable percentage" in 32 V.S.A. § 6066(a)(2) shall be reduced from 2.0 percent and instead shall be 1.80 percent multiplied by the fiscal year 2015 district spending adjustment for the municipality in which the homestead residence is located; but in no event shall the applicable percentage be less than 1.80 percent.

Sec. 36. FISCAL YEAR 2016 BASE EDUCATION AMOUNT

As provided in 16 V.S.A. § 4011(b), the base education amount for fiscal year 2016 shall be \$9,459.00.

* * * Cost Containment; Allowable Growth in Education Spending for Fiscal Years 2017 and 2018 * * *

Sec. 37. ALLOWABLE GROWTH IN EDUCATION SPENDING FOR

FISCAL YEARS 2017 AND 2018

(a) Notwithstanding any other provision of law, for fiscal years 2017 and 2018 only, "excess spending" under 32 V.S.A. § 5401(12) means the per-equalized-pupil amount of the district's education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a Capital Construction Reserve Fund under 24 V.S.A. § 2804(b), that is in excess of the district's per-equalized-pupil amount of education spending in the prior fiscal year, plus the district's allowable growth.

(b) For fiscal years 2017 and 2018, the "allowable growth" for any individual school district is an amount equal to the actual amount of per-equalized-pupil education spending in the district in the prior fiscal year, multiplied by the district's "allowable growth percentage." A district's "allowable growth percentage" means a percentage that results from the following equation: the highest per-equalized-pupil amount of the education spending in any district in the State in the prior fiscal year, divided by the actual amount of per-equalized-pupil education spending in the district in the prior fiscal year, minus one, multiplied by five and one-half percent. For the purpose of the calculations made under this subsection, the term "education spending" refers to education spending as used to calculate excess spending under 16 V.S.A. § 4001(6), including all the adjustments under 16 V.S.A. § 4001(6)(B). Sec. 38. TRANSITION

For fiscal years 2017 and 2018 only, if a district's equalized pupils in fiscal year 2016 reflect an adjustment pursuant to 16 V.S.A. § 4010(f) that results in an equalized pupil count that is 110 percent or greater than the actual equalized pupil count for that year, then notwithstanding any other provision of law, the district's spending adjustment under 32 V.S.A. § 5401(13) shall be calculated without any addition for excess spending.

* * * Duties of Supervisory Unions; Failure to Comply; Tax Rates * * *

Sec. 39. 16 V.S.A. § 261a(c) is added to read:

(c)(1) After notice to the boards of a supervisory union and its member districts, the opportunity for a period of remediation, and the opportunity for a hearing, if the Secretary determines that a supervisory union or any one of its member districts is failing to comply with the any provision of subsection (a) of this section, then the Secretary shall notify the board of the supervisory union and the board of each of its member districts that the education property tax rates for nonresidential and homestead property shall be increased by five percent in each district within the supervisory union and the household income percentage shall be adjusted accordingly in the next fiscal year for which tax rates will be calculated. The districts' actual tax rates shall be increased by five percent, and the household income percentage adjusted, in each subsequent fiscal year until the fiscal year following the one in which the Secretary determines that the supervisory union and its districts are in compliance. If the Secretary determines that the failure to comply with the provisions of subsection (a) of this section is solely the result of the actions of the board of one member district, then the tax increase in this subsection (c) shall apply only to the tax rates for that district. Subject to Vermont Rule of Civil Procedure 75, the Secretary's determination shall be final.

* * * Quality Assurance; Accountability; Fiscal Year 2020 * * *

Sec. 40. 16 V.S.A. § 165(b)(1)–(4) are amended and subdivision (5) is added to read:

(1) <u>the</u> Agency continue <u>to provide</u> technical assistance <u>for one more</u> <u>cycle of review;</u>

(2) <u>the State Board</u> adjust supervisory union boundaries or responsibilities of the superintendency <u>pursuant to section 261 of this title;</u>

(3) <u>the Secretary</u> assume administrative control <u>of an individual school</u>, <u>school district</u>, or supervisory union, including budgetary control to ensure

sound financial practices, only to the extent necessary to correct deficiencies; or

(4) <u>the State Board</u> close <u>the an individual</u> school <u>or schools</u> and require that the school district pay tuition to another public school or an approved independent school pursuant to chapter 21 of this title; <u>or</u>

(5) the State Board require two or more school districts to consolidate their governance structures.

* * * Facilitating Voluntary Governance Transitions; Supervisory Union Boundaries * * *

Sec. 41. 16 V.S.A. § 261 is amended to read:

§ 261. ORGANIZATION AND ADJUSTMENT OF SUPERVISORY

UNIONS

(a) The State Board shall review on its own initiative or when requested as per subsection (b) of this section and may regroup the supervisory unions of the State or create new supervisory unions in such manner as to afford increased efficiency or greater convenience and economy and to facilitate $\frac{K-12}{F}$ prekindergarten through grade 12 curriculum planning and coordination as changed conditions may seem to require.

(b)(1) Any school district that has so voted at its annual school district meeting, if said meeting has been properly warned regarding such a vote, may apply to request that the State Board of education for adjustment of adjust the existing boundaries of the supervisory union of which it is a component member district.

(2) Any group of school districts that have so voted at their respective annual school district meeting, regardless of whether the districts are members of the same supervisory union, may request that the State Board adjust existing supervisory union boundaries and move one or more nonrequesting districts to a different supervisory union if such adjustment would assist the requesting districts to realign their governance structures into a unified union school district pursuant to chapter 11 of this title.

(3) The State Board shall give timely consideration to such requests <u>made pursuant to this subsection</u> and may regroup the school districts of the area so as to ensure reasonable supervision of all public schools therein.

(c) The State Board may designate any school district, including a unified union district, as a supervisory district if it will offer schools in grades K-12 provide for the education of all resident students in prekindergarten through

<u>grade 12</u> and is large enough to support the planning and administrative functions of a supervisory union.

(d) Upon application by a supervisory union board, the State Board may waive any requirements of chapter 5 or 7 of this title with respect to the supervisory union board structure, board composition, or board meetings, or the staffing pattern of the supervisory union, if it can be demonstrated that such a waiver will result in efficient and effective operations of the supervisory union; will not result in any disproportionate representation; and is otherwise in the public interest.

* * * Supervisory Unions; Local Education Agency * * *

Sec. 42. 16 V.S.A. § 43(c) is amended to read:

(c) For purposes of determining pupil performance and application of consequences for failure to meet standards and for provision of compensatory and remedial services pursuant to 20 U.S.C. §§ 6311-6318, a school district supervisory union shall be a local education agency.

* * * Transition of Employees * * *

Sec. 43. 16 V.S.A. chapter 53, subchapter 3 is added to read:

Subchapter 3. Transition of Employees

§ 1801. DEFINITIONS

As used in this subchapter:

(1) "New District" means a district created by the realignment or merger of two or more current districts into a new supervisory district, union school district, or any other form of merged or realigned district authorized by law, including by chapter 11, subchapter 1, of this title, regardless of whether one or more of the districts creating the New District (a Realigning District) is a town school district, a city school district, an incorporated school district, a union school district, a unified union school district, or a supervisory district.

(2) "New SU" means a supervisory union created from the merger or realignment of two or more current supervisory unions or of all or some of the districts in one or more current supervisory unions (a Realigning SU). "New SU" also means a supervisory union created by the State Board's adjustment of the borders of one or more current supervisory unions or parts of supervisory unions pursuant to section 261 of this title or otherwise, regardless of whether the New SU is known by the name of one of the current supervisory unions or the adjustment is otherwise structured or considered to be one in which one current supervisory union (the Absorbing SU) is absorbing one or more other supervisory unions or parts of supervisory unions into the Absorbing SU.

(3) "Employees of a Realigning Entity" means the licensed and nonlicensed employees of a Realigning District or Realigning SU, or both, that create the New District or New SU, and includes employees of an Absorbing SU and employees of a Realigning SU whose functions will be performed by employees of a New District that is a supervisory district.

(4) "System" shall mean the Vermont Municipal Employees' Retirement System created pursuant to 24 V.S.A. chapter 125.

(5) "Transitional Board" means the board created prior to the first day of a New District's or a New SU's existence in order to transition to the new structure by negotiating and entering into contracts, preparing an initial proposed budget, adopting policies, and otherwise planning for implementation of the New District or New SU, and includes the board of an Absorbing District to which members from the other Realigning SU or SUs have been added in order to perform transitional responsibilities.

§ 1802. TRANSITION OF EMPLOYEES TO NEWLY CREATED

EMPLOYER

(a) Prior to the first day of a New District's or a new SU's existence, upon creation of the Transitional Board, the Board shall:

(1) appoint a negotiations council for the New District or New SU for the purpose of negotiating with future employees' representatives; and

(2) recognize the representatives of the Employees of the Realigning Districts or Realigning SUs as the recognized representatives of the employees of the New District or New SU.

(b) Negotiations shall commence within 90 days after formation of the Transitional Board and shall be conducted pursuant to the provisions of chapter 57 of this title for teachers and administrators and pursuant to 21 V.S.A. chapter 22 for other employees.

(c) An Employee of a Realigning District or Realigning SU who was not a probationary employee shall not be considered a probationary employee of the New District or New SU.

(d) If a new agreement is not ratified by both parties prior to the first day of the New District's or New SU's existence, then:

(1) the parties shall comply with the existing agreements in place for Employees of the Realigning Districts or the Realigning SUs until a new agreement is reached;

(2) the parties shall adhere to the provisions of an agreement among the Employees of the Realigning Districts or the Realigning SUs, as represented by their respective recognized representatives, regarding how provisions under the existing contracts regarding issues of seniority, reduction in force, layoff, and recall will be reconciled during the period prior to ratification of a new agreement; and

(3) a new employee beginning employment after the first day of the New District's or New SU's existence shall be covered by the agreement in effect that applies to the largest bargaining unit for Employees of the Realigning Districts in the New District or for Employees of the Realigning SU in the New SU.

(e) On the first day of its existence, the New District or New SU shall assume the obligations of existing individual employment contracts, including accrued leaves and associated benefits, with the Employees of the Realigning Districts.

§ 1803. VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

(a) A New District or New SU, on the first day of its existence, shall assume the responsibilities of any one or more of the Realigning Districts or Realigning SUs that have been participants in the system; provided, however, that this subsection shall not be construed to extend benefits to an employee who would not otherwise be a member of the system under any other provision of law.

(b) The existing membership and benefits of an Employee of a Realigning District or a Realigning SU shall not be impaired or reduced either by negotiations with the New District or New SU under 21 V.S.A. chapter 22 or otherwise.

(c) In addition to general responsibility for the operation of the System pursuant to 24 V.S.A. § 5062(a), the responsibility for implementation of all sections of this subchapter relating to the System is vested in the Retirement Board.

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* * * Unified Union School District; Definition * * *

Sec. 44. 16 V.S.A. § 722 is amended to read:

§ 722. UNIFIED UNION DISTRICTS

If a union school district is organized to operate grades kindergarten through 12, it (a) A union school district shall be known as a unified union district <u>if it provides for the education of resident prekindergarten-grade 12</u> <u>students, whether by:</u>

(1) operating a school or schools for all grades;

(2) operating a school or schools for all students in one or more grades and paying tuition for all students in the remaining grade or grades; or

(3) paying tuition for all grades.

(b) On the date the unified union district becomes operative, unless another date is specified in the study committee report, it shall supplant all other school districts within its borders, and they shall cease to exist.

(c) If provided for in the committee report, the unified union <u>school</u> district school board may be elected and may conduct business for the limited purpose of preparing for the transition to unified union district administration while the proposed member school districts continue to operate schools.

(d) The functions of the legislative branch of each preexisting school district in warning meetings and conducting elections of unified union school district board members shall be performed by the corresponding board of alderpersons of a city or city council, the selectboard of a town, or the trustees of an incorporated school district as appropriate.

* * * Designation of Secondary Schools * * *

Sec. 45. 16 V.S.A. § 827 is amended to read:

§ 827. DESIGNATION OF A PUBLIC HIGH SCHOOL OR AN APPROVED INDEPENDENT HIGH SCHOOL AS THE SOLE PUBLIC HIGH SCHOOL OF A SCHOOL DISTRICT

(a) A school district not maintaining an approved public high school may vote on such terms or conditions as it deems appropriate, to designate an <u>three</u> or fewer approved independent school or a <u>or</u> public school <u>high schools</u> as the public high school <u>or schools</u> of the district.

(b) Except as otherwise provided in this section, if the board of trustees or the school board of the <u>a</u> designated school votes to accept this designation, the school shall be regarded as a public school for tuition purposes under

subsection 824(b) of this title, and the sending school district shall pay tuition only to that school only, and to any other school designated under this section, until such time as the sending school district or the designated school votes to rescind the designation.

(c) A parent or legal guardian who is dissatisfied with the instruction provided at the <u>a</u> designated school or who cannot obtain for his or her child the kind of course or instruction desired there, or whose child can be better accommodated in an approved independent or public high school nearer his or her home during the next academic year, may request on or before April 15 that the school board pay tuition to another approved independent or public high school selected by the parent or guardian.

(d) The school board may pay tuition to another approved high school as requested by the parent or legal guardian if in its judgment that will best serve the interests of the student. Its decision shall be final in regard to the institution the student may attend. If the board approves the parent's request, the board shall pay tuition for the student in an amount not to exceed the least of:

(1) The statewide average announced tuition of Vermont union high schools.

(2) The per-pupil tuition the district pays to the designated school in the year in which the student is enrolled in the nondesignated school. If the district has designated more than one school pursuant to this section, then it shall be the lowest per-pupil tuition paid to a designated school.

(3) The tuition charged by the approved nondesignated school in the year in which the student is enrolled.

* * *

* * * Reports * * *

Sec. 46. SPECIAL EDUCATION; FUNDING; AVERAGE DAILY

MEMBERSHIP; STUDY AND PROPOSAL

On or before January 15, 2016, the Secretary of Education shall develop and present to the House and Senate Committees on Education a proposal for an alternative funding model for the provision of special education services in Vermont. In developing the proposal, the Secretary shall

(1) consult with experts in the provision or funding of special education services;

(2) consider the report regarding the use of paraprofessionals to provide special education services required by the General Assembly pursuant to 2014 Acts and Resolves No. 95, Sec. 79a;

(3) consider ways in which some portion of State funds for special education services could be provided to school districts or supervisory unions based on average daily membership; and

(4) consider ways in which the proposal could also help to reduce administrative responsibilities at the local level and increase flexibility in the provision of services.

Sec. 47. PRINCIPALS AND SUPERINTENDENTS; STUDY AND

PROPOSAL

On or before January 15, 2016, the Secretary of Education, in consultation with the Vermont Superintendents Association, the Vermont School Boards Association, and the Vermont Principals' Association, shall develop and present to the House and Senate Committees on Education a proposal to clarify the roles of superintendents as systems managers and principals as instructional leaders. The proposal shall also address superintendents' and principals' relative responsibilities of supervision and evaluation.

Sec. 48. YEAR USED TO CALCULATE PROPERTY TAX

ADJUSTMENTS

On or before January 15, 2016, the Commissioner of Taxes shall report to the General Assembly on the steps that would be required to transition to calculation of the property tax adjustments under 32 V.S.A. chapter 154 on a current year basis. As used in this section, "a current year basis" means using the current year's homestead adjusted tax rates, the current year's assessed property values, and the taxable income from the prior calendar year to calculate a property tax adjustment filed in the current claim year. In preparing the report, the Commissioner shall consult with the Vermont Association of Listers and Assessors, the Vermont League of Cities and Towns, and any other interested stakeholders identified by the Commissioner.

Sec. 49. COORDINATION OF EDUCATIONAL AND SOCIAL

SERVICES; REPORT

(a) The Secretaries of Education and of Human Services, in consultation with school districts, supervisory unions, social service providers, and other interested parties, shall develop a plan for maximizing collaboration and coordination between the Agencies in delivering social services to Vermont public school students and their families. The plan shall:

(1) propose ways to improve access to and quality of social services provided to Vermont public school students and their families through systems-level planning and integration;

(2) propose sustainable ways to increase efficiencies in delivering social services to Vermont public school students and their families while maintaining access and quality, including ways to promote effective communication between the Agencies at the State and local levels;

(3) consider ways in which schools and social service providers can share services, personnel, and other resources, including the use of available space in school buildings by Agency of Human Services personnel;

(4) identify the amounts and sources of spending by the Agency of Human Services and the education system to provide social services to families with school-age children; and

(5) identify any barriers to increased efficiency, statutory or otherwise and including federal and State privacy protections, and propose ways to address these barriers, including any recommendations for legislative action.

(b) On or before January 15, 2016, the Secretaries shall present their plan and recommendations to the Senate Committees on Education and on Health and Welfare and the House Committees on Education and on Human Services.

Sec. 50. ADEQUACY FUNDING; STUDY

(a) Adequacy funding study. On or before July 15, 2015, the Joint Fiscal Office, in consultation with the President Pro Tempore of the Senate, the Speaker of the House, and the Chairs of the House and Senate Committees on Education, shall develop a request for proposals to conduct a study of the implementation of an adequacy-based education funding system in the State, including a recommendation on the determination of adequacy. The Joint Fiscal Office shall select and enter into a contract with a consultant from among those submitting proposals.

(1) The recommendation for the adequacy determination shall be based on the educational standards adopted under Vermont law, including adherence to Brigham v. Vermont, 166 Vt. 246 (1997), and the promotion of substantial equality of educational opportunity for all Vermont students. The determination shall consider all sources of spending related to education, including spending that is currently characterized as categorical grants, but not including capital expenditures. The determination shall be reached using one of the following four methods: the evidence-based model, the professional judgment model, the successful schools model, or the cost function model.

(2) The consultant shall incorporate the following into the study:

(A) a review of the existing studies of Vermont's education finance system since the enactment of 1998 Acts and Resolves No. 60 and 2004 Acts and Resolves No. 68;

(B) a review of the existing data collected by the Agency of Education and the Department of Taxes related to the Vermont education finance system under Act 60 and Act 68; and

(C) a review of adequacy funding systems in comparable states with an emphasis on states in New England and states committed to equity.

(b) Interested stakeholders. The consultant selected shall carry out public participation activities with interested stakeholders as part of its study.

(c) Report. On or before January 15, 2016, the consultant shall submit a report to the General Assembly on the study required by this section.

(d) Technical assistance. The Agency of Education, the Department of Taxes, the Joint Fiscal Office, and the Office of Legislative Council shall assist the consultant with gathering data required for the study.

(e) Funding. Notwithstanding any provision of 16 V.S.A. § 4025(d) to the contrary and prior to any reversions, of the amount appropriated in fiscal year 2015 pursuant to 2014 Acts and Resolves No. 179, Sec. B.505, the sum of up to \$300,000.00 shall be transferred to the Joint Fiscal Office for use in fiscal year 2016 for the purposes of this section.

Sec. 51. EDUCATION SPENDING: HEALTH CARE COSTS

(a) The General Assembly finds:

(1) Health care expenses are a major cause of increases in school budgets and education property taxes.

(2) Until the State solves the problems associated with the cost of health care, it will be increasingly difficult for school districts to contain education spending and education property taxes.

(b) On or before November 1, 2015, as part of the study to identify options and considerations for providing health care coverage to all public employees, the Director of Health Care Reform in the Agency of Administration shall report to the Health Reform Oversight Committee, the House and Senate Committees on Education, the House Committee on Health Care, and the Senate Committee on Health and Welfare with options for: (1) the design of health benefits for school employees that will not trigger the excise tax on high-cost, employer-sponsored insurance plans pursuant to 26 U.S.C. § 4980I; and

(2) ways to administer the school employees' health benefits, including possibly through the Vermont Education Health Initiative (VEHI), Vermont Health Connect (VHC), or through another applicable mechanism.

(c) When identifying and analyzing the options required by subsection (b) of this section, the Director shall consult with representatives of the Vermont – National Education Association, the Vermont School Boards' Association, VEHI, VHC, the Office of the Treasurer, and the Joint Fiscal Office.

* * * Effective Dates * * *

Sec. 52. EFFECTIVE DATES

(a) This section (effective dates) and Secs. 1 through 11 shall take effect on passage.

(b) Sec. 12 (limited service exempt position) shall take effect on July 1, 2015.

(c) Secs. 13 through 19 shall take effect on passage.

(d) Sec 20 (small school support) shall take effect on July 1, 2019, and shall apply to grants made in fiscal year 2020 and after.

(e) Sec. 21 (small school support; metrics) shall take effect on July 1, 2015.

(f) Secs. 22 and 23 (declining enrollment; hold-harmless provision; transition) shall take effect on July 1, 2016.

(g) Secs. 24 and 25 (declining enrollment; hold-harmless provision; repeal; exception) shall take effect on July 1, 2020.

(h) Secs. 26 through 32 (yield; dollar equivalent) shall take effect on July 1, 2015, and shall apply to fiscal year 2017 and after.

(i) Secs. 33 and 34 (ballot language; per equalized pupil spending) shall take effect on July 1, 2015.

(j) Secs. 35 and 36 (fiscal year 2016; tax rates; base education amount) shall take effect on July 1, 2015, and shall apply to fiscal year 2016.

(k) Secs. 37 and 38 (cost containment; education spending; allowable growth) shall take effect on July 1, 2015, and shall apply to fiscal years 2017 and 2018.

(1) Sec. 39 (supervisory union duties; failure to comply; tax rates) shall take effect on July 1, 2016; provided, however, that tax rates shall not be increased pursuant to this section prior to fiscal year 2018.

(m) Sec. 40 (authorities of State Board of Education) shall take effect on July 1, 2020.

(n) Sec. 41 (supervisory union boundaries) shall take effect on passage.

(o) Sec. 42 (supervisory unions; local education agency) shall take effect on July 1, 2016.

(p) Sec. 43 (transition of employees) shall take effect on passage and shall apply to a New District or New SU that has its first day of operation on or after that date; provided, however, that this section shall not apply to the transition of employees to the new joint contract school scheduled to be operated by the Pomfret and Bridgewater school districts beginning in the 2015–2016 academic year.

(q) Sec. 44 (unified union school district; definition) shall take effect on passage.

(r) Sec. 45 (designation) shall take effect on July 1, 2015.

(s) Secs. 46 through 51 (reports) shall take effect on passage.

COMMITTEE ON THE PART OF	COMMITTEE ON THE PART OF
THE SENATE	THE HOUSE
SEN. ANN CUMMINGS	REP. DAVID SHARPE
CENT DITTED DA DITETT	DED DEDNADD HUGVIEWICZ

SEN. ANN COMMINGS R SEN. PHILIP BARUTH R SEN. DUSTIN DEGREE R

REP. DAVID SHARPE REP. BERNARD JUSKIEWICZ REP. JOHANNAH DONOVAN

Pending the question, Shall the House adopt the report of the Committee of Conference? **Rep. Davis of Washington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the report of the Committee of Conference? was decided in the affirmative. Yeas, 83. Nays, 50.

Those who voted in the affirmative are:

Baser of Bristol	

Berry of Manchester Bissonnette of Winooski Botzow of Pownal Buxton of Tunbridge Carr of Brandon Christie of Hartford Clarkson of Woodstock Cole of Burlington

2150

Condon of Colchester Conquest of Newbury Copeland-Hanzas of Bradford Corcoran of Bennington Cupoli of Rutland City Dakin of Colchester Dame of Essex Deen of Westminster Donahue of Northfield Ellis of Waterbury Emmons of Springfield Evans of Essex Fagan of Rutland City Feltus of Lyndon Forguites of Springfield Gage of Rutland City Grad of Moretown Greshin of Warren Head of South Burlington Huntley of Cavendish Jerman of Essex Jewett of Ripton Johnson of South Hero Juskiewicz of Cambridge

Keenan of St. Albans City Kitzmiller of Montpelier Klein of East Montpelier Krowinski of Burlington LaClair of Barre Town Lalonde of South Burlington Lanpher of Vergennes Lawrence of Lyndon Lenes of Shelburne Lewis of Berlin Lippert of Hinesburg Long of Newfane Lucke of Hartford Macaig of Williston Manwaring of Wilmington Martin of Wolcott McCullough of Williston McFaun of Barre Town Miller of Shaftsbury Myers of Essex Nuovo of Middlebury O'Brien of Richmond Olsen of Londonderry O'Sullivan of Burlington Partridge of Windham

Those who voted in the negative are:

Batchelor of Derby Beyor of Highgate Branagan of Georgia Briglin of Thetford Browning of Arlington Burditt of West Rutland Burke of Brattleboro Canfield of Fair Haven Chesnut-Tangerman of Middletown Springs Connor of Fairfield Dakin of Chester Davis of Washington Devereux of Mount Holly Dickinson of St. Albans Town Eastman of Orwell Fields of Bennington

Fiske of Enosburgh French of Randolph Gamache of Swanton Gonzalez of Winooski Graham of Williamstown Haas of Rochester Hebert of Vernon Higley of Lowell Hooper of Montpelier Komline of Dorset Krebs of South Hero Lefebvre of Newark Marcotte of Coventry Martel of Waterford Masland of Thetford McCormack of Burlington Morrissey of Bennington Mrowicki of Putney

Poirier of Barre City Pugh of South Burlington Purvis of Colchester Rachelson of Burlington Ram of Burlington Sharpe of Bristol Shaw of Pittsford Sheldon of Middlebury Sibilia of Dover Stevens of Waterbury Sullivan of Burlington Sweaney of Windsor Terenzini of Rutland Town Till of Jericho Townsend of South Burlington Trieber of Rockingham Turner of Milton Webb of Shelburne Willhoit of St. Johnsbury Wright of Burlington Yantachka of Charlotte

Patt of Worcester

Murphy of Fairfax Parent of St. Albans City Pearce of Richford Pearson of Burlington Potter of Clarendon Ouimby of Concord Savage of Swanton Scheuermann of Stowe Smith of New Haven Tate of Mendon Toll of Danville Troiano of Stannard Viens of Newport City Woodward of Johnson Young of Glover Zagar of Barnard

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

Bartholomew of Hartland Brennan of Colchester Donovan of Burlington Frank of Underhill Helm of Fair Haven Hubert of Milton McCoy of Poultney Morris of Bennington Russell of Rutland City Ryerson of Randolph Shaw of Derby Strong of Albany Stuart of Brattleboro Toleno of Brattleboro Van Wyck of Ferrisburgh Walz of Barre City

Rules Suspended; Report of Committee of Conference Adopted H. 117

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

Respectfully reported that it has met and considered the same and recommended

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon the bill respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposal of amendment when further amended as follows:

<u>First</u>: By striking out Sec. 9a in its entirety and by inserting in lieu thereof a new Sec. 9a to read:

Sec. 9a. FUNDING FOR CONNECTIVITY PERSONNEL; GROSS RECEIPTS TAX

On or before January 15, 2016, the Commissioner shall determine whether the revenues raised from the existing gross receipts tax on public service companies, 30 V.S.A. § 22, is sufficient to finance the personnel and administrative costs associated with the Connectivity Initiative, beginning in fiscal year 2017. If the Commissioner determines the revenues are not sufficient for this purpose, he or she shall recommend to the General Assembly a new rate of tax applicable to one or more categories of public service companies, as he or she deems necessary and appropriate.

<u>Second</u>: In Sec. 16 (concerning E-911 operations and savings), by striking out subsection (b) in its entirety and by inserting a new subsection (b) to read:

(b) In fiscal year 2016, the E-911 Board shall transfer \$300,000.00 from the Enhanced 911 Fund for distribution to the Department of Public Safety PSAPs (public safety answering points); and, in addition, the Board shall eliminate not less than one, full-time employee position in the E-911 system. On or before September 1, 2015, the E-911 Board shall report to the Joint Fiscal Committee how the \$300,000.00 in E-911 savings was achieved and provide a description of the eliminated position.

<u>Third</u>: By striking out Secs. 17, 18, and 19 (concerning transferring administration of the E-911 Board to the Department of Public Safety) and by inserting in lieu thereof new Secs. 17, 18, and 19 to read:

Sec. 17. [Deleted.]

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

Fourth: In Sec. 20, 30 V.S.A. chapter 82 (communications union district), by striking out section 3081 and by inserting in lieu thereof a new section 3081 to read:

§ 3081. WITHDRAWAL OF A MEMBER MUNICIPALITY

<u>A district member may withdraw from the district upon the terms and conditions herein specified:</u>

(1) Prior to the district pledging communications plant net revenues, or entering into a long-term contract, or contract subject to annual appropriation, a district member may vote to withdraw in the same manner as the vote for admission to the district. If a majority of the voters of a district member present and voting at a meeting duly warned for such purpose votes to withdraw from the district, the vote shall be certified by the clerk of that municipality and presented to the board. Thereafter, the board shall give notice to the remaining district members of the vote to withdraw and shall hold a meeting to determine if it is in the best interest of the district to continue to exist. Representatives of the district members shall be given an opportunity to be heard at such meeting together with any other interested persons. After such a meeting, the board may declare the district dissolved or it may declare that the district shall continue to exist despite the withdrawal of such member. The membership of the withdrawing municipality shall terminate after the vote to withdraw.

(2) After the district has pledged communications plant net revenues, or entered into a long-term contract or contract subject to annual appropriations, a

district member may vote to withdraw in the same manner as the vote for admission to the district.

<u>Fifth</u>: In Sec. 27, by striking out subsection (b) in its entirety in by inserting in lieu thereof a new subsection (b) to read:

(b) [Deleted.]

and that after passage the title of the bill be amended to read: "An act relating to telecommunications"

COMMITTEE ON THE PART OF	COMMITTEE ON THE PART OF
THE SENATE	THE HOUSE
SEN. MARK A. MACDONALD SEN. KEVIN J. MULLIN	REP. MICHAEL J. MARCOTTE REP. STEPHEN A. CARR
SEN. MICHAEL SIROTKIN	REP. SAMUEL R. YOUNG

Which was considered and adopted on the part of the House.

Adjournment

At nine o'clock and thirteen minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at eleven o'clock in the forenoon.

Concurrent Resolutions Adopted

The following concurrent resolutions, having been placed on the Consent Calendar on the preceding legislative day, and no member having requested floor consideration as provided by Joint Rules of the Senate and House of Representatives, are herby adopted in concurrence.

H.C.R. 158

House concurrent resolution commemorating Vermont's role in the Civil War during 1865;

H.C.R. 159

House concurrent resolution congratulating ECFiber on establishing its 1,000th customer connection;

H.C.R. 160

House concurrent resolution congratulating Richard Albert Moore of Springfield on his induction into the Vermont Agricultural Hall of Fame;

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H.C.R. 161

House concurrent resolution in memory of former Representative Alvin W. Warner;

H.C.R. 162

House concurrent resolution recognizing May 17–May 23, 2015, as National Public Works Week in Vermont;

H.C.R. 163

House concurrent resolution honoring Montpelier's unique music man, Fred Wilber;

H.C.R. 164

House concurrent resolution honoring Mary Riley for her dedicated civic and community service in Woodstock;

H.C.R. 165

House concurrent resolution in memory of University of Vermont Professor Emeritus Alan Philip Wertheimer;

H.C.R. 166

House concurrent resolution honoring L.D. Sutherland Jr. for his civic service on behalf of the State of Vermont and the town and village of Woodstock;

H.C.R. 167

House concurrent resolution in memory of Eleanor G. Haskin;

H.C.R. 168

House concurrent resolution commemorating the centennial anniversary of Powers Park in Lyndonville;

H.C.R. 169

House concurrent resolution honoring Eric Thomas Buckley for his exemplary service as the Detachment of Vermont Commander of the Sons of the American Legion;

H.C.R. 170

House concurrent resolution congratulating BROC-Community Action in Southwestern Vermont on its 50th anniversary;

H.C.R. 171

House concurrent resolution honoring outgoing Rutland City Fire Chief Robert L. Schlachter;

H.C.R. 172

House concurrent resolution honoring Vermont Law School as it celebrates its 40th commencement;

H.C.R. 173

House concurrent resolution in memory of Leslie Ann Bingham Williams of Calais;

H.C.R. 174

House concurrent honoring University of Vermont Dean of Education and Social Services Fayneese S. Miller;

H.C.R. 175

House concurrent resolution honoring the American Rail Dispatching Center in St. Albans;

H.C.R. 176

House concurrent resolution congratulating the 2015 Champlain Valley Union High School Redhawks Division I championship girls' basketball team;

H.C.R. 177

House concurrent resolution congratulating the Castleton State College Spartans 2015 North Atlantic Conference championship men's lacrosse team;

H.C.R. 178

House concurrent resolution congratulating the Castleton State College Spartans 2015 North Atlantic Conference championship women's lacrosse team;

H.C.R. 179

House concurrent resolution in memory of former Speaker, Vermont Supreme Court Chief Justice, and U.S. Federal District Judge Franklin Swift Billings Jr.;

H.C.R. 180

House concurrent resolution congratulating the Youth Safety Council of Vermont on its tenth anniversary and designating June 2015 as Teen Highway Safety Month in Vermont;

H.C.R. 181

House concurrent resolution congratulating the Castleton State College Spartans 2015 North Atlantic Conference championship baseball team;

H.C.R. 182

House concurrent resolution commemorating the opening of the eighth Brookfield Floating Bridge;

S.C.R. 17

Senate concurrent resolution congratulating Michael Stone on his selection as the National Football Foundation Vermont Chapter's 2015 Contribution to Amateur Athletics Award winner;

S.C.R. 18

Senate concurrent resolution congratulating the Union Elementary School in Montpelier on its 75th birthday.;

S.C.R. 19

Senate concurrent resolution congratulating Beth Downing on her selection as a Teacher Appreciation Week recipient of a courage telephone call from U.S. Secretary of Education Arne Duncan.;

S.C.R. 20

Senate concurrent resolution honoring Giovanna Peebles on her career as Vermont's first State Archaeologist;

S.C.R. 21

Senate concurrent resolution congratulating the Adamant Cooperative on its 80th anniversary;

S.C.R. 22

Senate concurrent resolution congratulating Emily Packard on her race car driving accomplishments;

S.C.R. 23

Senate concurrent resolution honoring Karen Lane on her exemplary librarianship as Director of the Aldrich Public Library in Barre;

S.C.R. 24

Senate concurrent resolution honoring Colonel Thomas L'Esperance on his exemplary career with the Vermont State Police;

[The full text of the concurrent resolutions appeared in the House Calendar

Addendum on the preceding legislative day and will appear in the Public Acts and Resolves of the 2015, seventy-third Biennial session.]

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