

Journal of the House

Wednesday, May 4, 2016

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

Devotional Exercises

Devotional exercises were conducted by Rep. Sarah Copeland-Hanzas of Bradford, Vt.

Joint Resolution Adopted

J.R.H. 28

Joint resolution supporting the posthumous awarding of the Congressional Medal of Honor to Civil War Brigadier General George Jerrison Stannard

Offered by: Representatives Turner of Milton, Hubert of Milton, Johnson of South Hero, Krebs of South Hero, Devereux of Mount Holly, Branagan of Georgia, Jerman of Essex, and Troiano of Stannard

Whereas, Civil War Brigadier General George Jerrison Stannard, a native of Georgia, Vermont, commanded the Second Vermont Brigade, and

Whereas, the Second Vermont Brigade (Stannard's Brigade), untested in battle, reached Gettysburg on July 1, 1863 at the end of the first day's fighting, and

Whereas, Stannard's Brigade fought ably late on the battle's second day, helping to stabilize the threatened Union line, and earning it a place at the front of the Union line on Cemetery Ridge, and

Whereas, on the battle's final day, in perhaps the most memorable Confederate maneuver of the Civil War that became known as Pickett's Charge, the Confederate troops approached the Union line, but they suddenly shifted their direction northward, leaving no enemy troops in front of the Vermonters, and

Whereas, General Stannard recognized this unexpected opportunity and ordered the Brigade's 13th and 16th regiments to "change front forward on first company," sending 900 Vermonters in a great wheeling motion to the front of the Union lines, and

Whereas, Stannard's men hit the exposed right flank of Pickett's Charge in an attack the Confederates did not expect, inflicting hundreds of casualties, and

Whereas, Major Abner Doubleday, commanding the Army of the Potomac's I Corps, in which the Vermonters served, commented that General Stannard's strategy helped to ensure, if not guarantee, the Union's victory at Gettysburg, and

Whereas, Confederate General Robert E. Lee's Army of Northern Virginia was dealt a blow from which it never fully recovered, and

Whereas, General George Stannard was severely wounded three times during the Civil War: while commanding Vermont regiments at Gettysburg, at Cold Harbor in the Union attack on June 10, 1864, and at Fort Harrison on September 30, 1864 where he lost an arm during hostilities, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly supports, based on his illustrious record of military leadership, the posthumous awarding of the Congressional Medal of Honor to Civil War Brigadier General George Jerrison Stannard, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Vermont Congressional Delegation and the George Stannard House Committee in Milton.

Was taken up and adopted on the part of the House.

Committee of Conference Appointed

S. 10

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to the State DNA database

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

Rep. Burditt of West Rutland

Rep. Grad of Moretown

Rep. Jewett of Ripton

Committee of Conference Appointed

S. 154

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to enhanced penalties for assaulting an employee of the Family Services Division of the Department for Children and Families and to criminal threatening

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

Rep. Grad of Moretown
Rep. Rachelson of Burlington
Rep. Conquest of Newbury

Senate Proposal of Amendment Concurred in

H. 620

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

An act relating to health insurance and Medicaid coverage for contraceptives

First: By adding a new section to be Sec. 4 to read as follows:

Sec. 4. 33 V.S.A. § 1811(l) is added to read:

(l) A registered carrier shall allow for the enrollment of a pregnant individual, and of any individual who is eligible for coverage under the terms of the health benefit plan because of a relationship to the pregnant individual, at any time after the commencement of the pregnancy. Coverage shall be effective as of the first of the month following the individual's selection of a health benefit plan.

And by renumbering the existing Sec. 4, effective dates, to be Sec. 5

Second: In the newly renumbered Sec. 5, effective dates, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Secs. 3 (appropriation), 4 (Exchange special enrollment period for pregnancy), and this section shall take effect on July 1, 2016.

Which proposal of amendment was considered and concurred in.

Recess

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

At eleven o'clock and thirty-five minutes in the forenoon, the Speaker called the House to order.

Committee of Conference Appointed**S. 215**

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to the regulation of vision insurance plans

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

Rep. Poirier of Barre City

Rep. Buxton of Tunbridge

Rep. Gage of Rutland City

Rules Suspended; Senate Proposal of Amendment Concurred in**H. 812**

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to implementing an all-payer model and oversight of accountable care organizations

Appearing on the Calendar for notice, was taken up for immediate consideration.

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

* * * All-Payer Model * * *

Sec. 1. ALL-PAYER MODEL; MEDICARE AGREEMENT

The Green Mountain Care Board and the Agency of Administration shall only enter into an agreement with the Centers for Medicare and Medicaid Services to waive provisions under Title XVIII (Medicare) of the Social Security Act if the agreement:

(1) is consistent with the principles of health care reform expressed in 18 V.S.A. § 9371, to the extent permitted under Section 1115A of the Social Security Act and approved by the federal government;

(2) preserves the consumer protections set forth in Title XVIII of the Social Security Act, including not reducing Medicare covered services, not increasing Medicare patient cost sharing, and not altering Medicare appeals processes;

(3) allows providers to choose whether to participate in accountable care organizations, to the extent permitted under federal law;

(4) allows Medicare patients to choose any Medicare-participating provider;

(5) includes outcome measures for population health; and

(6) continues to provide payments from Medicare directly to health care providers or accountable care organizations without conversion, appropriation, or aggregation by the State of Vermont.

Sec. 2. 18 V.S.A. chapter 227 is added to read:

CHAPTER 227. ALL-PAYER MODEL

§ 9551. ALL-PAYER MODEL

In order to implement a value-based payment model allowing participating health care providers to be paid by Medicaid, Medicare, and commercial insurance using a common methodology that may include population-based payments and increased financial predictability for providers, the Green Mountain Care Board and Agency of Administration shall ensure that the model:

(1) maintains consistency with the principles established in section 9371 of this title;

(2) continues to provide payments from Medicare directly to health care providers or accountable care organizations without conversion, appropriation, or aggregation by the State of Vermont;

(3) maximizes alignment between Medicare, Medicaid, and commercial payers to the extent permitted under federal law and waivers from federal law, including:

(A) what is included in the calculation of the total cost of care;

(B) attribution and payment mechanisms;

(C) patient protections;

(D) care management mechanisms; and

(E) provider reimbursement processes;

(4) strengthens and invests in primary care;

(5) incorporates social determinants of health;

(6) adheres to federal and State laws on parity of mental health and substance abuse treatment, integrates mental health and substance abuse treatment systems into the overall health care system, and does not manage mental health or substance abuse care through a separate entity; provided, however, that nothing in this subdivision (6) shall be construed to alter the statutory responsibilities of the Departments of Health and of Mental Health;

(7) includes a process for integration of community-based providers, including home health agencies, mental health agencies, developmental disability service providers, emergency medical service providers, adult day service providers, and area agencies on aging, and their funding streams to the extent permitted under federal law, into a transformed, fully integrated health care system that may include transportation and housing;

(8) continues to prioritize the use, where appropriate, of existing local and regional collaboratives of community health providers that develop integrated health care initiatives to address regional needs and evaluate best practices for replication and return on investment;

(9) pursues an integrated approach to data collection, analysis, exchange, and reporting to simplify communication across providers and drive quality improvement and access to care;

(10) allows providers to choose whether to participate in accountable care organizations, to the extent permitted under federal law;

(11) evaluates access to care, quality of care, patient outcomes, and social determinants of health;

(12) requires processes and protocols for shared decision making between the patient and his or her health care providers that take into account a patient's unique needs, preferences, values, and priorities, including use of decision support tools and shared decision-making methods with which the patient may assess the merits of various treatment options in the context of his or her values and convictions, and by providing patients access to their medical records and to clinical knowledge so that they may make informed choices about their care;

(13) supports coordination of patients' care and care transitions through the use of technology, with patient consent, such as sharing electronic summary records across providers and using telemedicine, home telemonitoring, and other enabling technologies; and

(14) ensures, in consultation with the Office of the Health Care Advocate, that robust patient grievance and appeal protections are available.

* * * Oversight of Accountable Care Organizations * * *

Sec. 3. 18 V.S.A. § 9373 is amended to read:

§ 9373. DEFINITIONS

As used in this chapter:

* * *

(16) “Accountable care organization” and “ACO” means an organization of health care providers that has a formal legal structure, is identified by a federal Taxpayer Identification Number, and agrees to be accountable for the quality, cost, and overall care of the patients assigned to it.

Sec. 4. 18 V.S.A. § 9375(b) is amended to read:

(b) The Board shall have the following duties:

(1) Oversee the development and implementation, and evaluate the effectiveness, of health care payment and delivery system reforms designed to control the rate of growth in health care costs; promote seamless care, administration, and service delivery; and maintain health care quality in Vermont, including ensuring that the payment reform pilot projects set forth in this chapter are consistent with such reforms.

* * *

(13) Adopt by rule pursuant to 3 V.S.A. chapter 25 such standards ~~for~~ as the Board deems necessary and appropriate to the operation and evaluation of accountable care organizations pursuant to this chapter, including reporting requirements, patient protections, and solvency and ability to assume financial risk.

Sec. 5. 18 V.S.A. § 9382 is added to read:

§ 9382. OVERSIGHT OF ACCOUNTABLE CARE ORGANIZATIONS

(a) In order to be eligible to receive payments from Medicaid or commercial insurance through any payment reform program or initiative, including an all-payer model, each accountable care organization shall obtain and maintain certification from the Green Mountain Care Board. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish standards and processes for certifying accountable care organizations. To the extent permitted under federal law, the Board shall ensure these rules anticipate and accommodate a range of ACO models and sizes, balancing oversight with support for innovation. In order to certify an ACO to operate in this State, the Board shall ensure that the following criteria are met:

(1) the ACO's governance, leadership, and management structure is transparent, reasonably and equitably represents the ACO's participating providers and its patients, and includes a consumer advisory board and other processes for inviting and considering consumer input;

(2) the ACO has established appropriate mechanisms and care models to provide, manage, and coordinate high-quality health care services for its patients, including incorporating the Blueprint for Health, coordinating services for complex high-need patients, and providing access to health care providers who are not participants in the ACO;

(3) the ACO has established appropriate mechanisms to receive and distribute payments to its participating health care providers;

(4) the ACO has established appropriate mechanisms and criteria for accepting health care providers to participate in the ACO that prevent unreasonable discrimination and are related to the needs of the ACO and the patient population served;

(5) the ACO has established mechanisms and care models to promote evidence-based health care, patient engagement, coordination of care, use of electronic health records, and other enabling technologies to promote integrated, efficient, seamless, and effective health care services across the continuum of care, where feasible;

(6) the ACO's participating providers have the capacity for meaningful participation in health information exchanges;

(7) the ACO has performance standards and measures to evaluate the quality and utilization of care delivered by its participating health care providers;

(8) the ACO does not place any restrictions on the information its participating health care providers may provide to patients about their health or decisions regarding their health;

(9) the ACO's participating health care providers engage their patients in shared decision making to inform them of their treatment options and the related risks and benefits of each;

(10) the ACO offers assistance to health care consumers, including:

(A) maintaining a consumer telephone line for complaints and grievances from attributed patients;

(B) responding and making best efforts to resolve complaints and grievances from attributed patients, including providing assistance in identifying appropriate rights under a patient's health plan;

(C) providing an accessible mechanism for explaining how ACOs work;

(D) providing contact information for the Office of the Health Care Advocate; and

(E) sharing deidentified complaint and grievance information with the Office of the Health Care Advocate at least twice annually;

(11) the ACO collaborates with providers not included in its financial model, including home- and community-based providers and dental health providers;

(12) the ACO does not interfere with patients' choice of their own health care providers under their health plan, regardless of whether a provider is participating in the ACO; does not reduce covered services; and does not increase patient cost sharing;

(13) meetings of the ACO's governing body include a public session at which all business that is not confidential or proprietary is conducted and members of the public are provided an opportunity to comment;

(14) the impact of the ACO's establishment and operation does not diminish access to any health care or community-based service or increase delays in access to care for the population and area it serves;

(15) the ACO has in place appropriate mechanisms to conduct ongoing assessments of its legal and financial vulnerabilities; and

(16) the ACO has in place a financial guarantee sufficient to cover its potential losses.

(b)(1) The Green Mountain Care Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish standards and processes for reviewing, modifying, and approving the budgets of ACOs with 10,000 or more attributed lives in Vermont. To the extent permitted under federal law, the Board shall ensure the rules anticipate and accommodate a range of ACO models and sizes, balancing oversight with support for innovation. In its review, the Board shall review and consider:

(A) information regarding utilization of the health care services delivered by health care providers participating in the ACO and the effects of

care models on appropriate utilization, including the provision of innovative services;

(B) the goals and recommendations of the health resource allocation plan created in chapter 221 of this title;

(C) the expenditure analysis for the previous year and the proposed expenditure analysis for the year under review by payer;

(D) the character, competence, fiscal responsibility, and soundness of the ACO and its principals;

(E) any reports from professional review organizations;

(F) the ACO's efforts to prevent duplication of high-quality services being provided efficiently and effectively by existing community-based providers in the same geographic area, as well as its integration of efforts with the Blueprint for Health and its regional care collaboratives;

(G) the extent to which the ACO provides incentives for systemic health care investments to strengthen primary care, including strategies for recruiting additional primary care providers, providing resources to expand capacity in existing primary care practices, and reducing the administrative burden of reporting requirements for providers while balancing the need to have sufficient measures to evaluate adequately the quality of and access to care;

(H) the extent to which the ACO provides incentives for systemic integration of community-based providers in its care model or investments to expand capacity in existing community-based providers, in order to promote seamless coordination of care across the care continuum;

(I) the extent to which the ACO provides incentives for systemic health care investments in social determinants of health, such as developing support capacities that prevent hospital admissions and readmissions, reduce length of hospital stays, improve population health outcomes, reward healthy lifestyle choices, and improve the solvency of and address the financial risk to community-based providers that are participating providers of an accountable care organization;

(J) the extent to which the ACO provides incentives for preventing and addressing the impacts of adverse childhood experiences (ACEs) and other traumas, such as developing quality outcome measures for use by primary care providers working with children and families, developing partnerships between nurses and families, providing opportunities for home visits, and including

parent-child centers and designated agencies as participating providers in the ACO;

(K) public comment on all aspects of the ACO's costs and use and on the ACO's proposed budget;

(L) information gathered from meetings with the ACO to review and discuss its proposed budget for the forthcoming fiscal year;

(M) information on the ACO's administrative costs, as defined by the Board;

(N) the effect, if any, of Medicaid reimbursement rates on the rates for other payers; and

(O) the extent to which the ACO makes its costs transparent and easy to understand so that patients are aware of the costs of the health care services they receive.

(2) The Green Mountain Care Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish standards and processes for reviewing, modifying, and approving the budgets of ACOs with fewer than 10,000 attributed lives in Vermont. In its review, the Board may consider as many of the factors described in subdivision (1) of this subsection as the Board deems appropriate to a specific ACO's size and scope.

(3)(A) The Office of the Health Care Advocate shall have the right to receive copies of all materials related to any ACO budget review and may:

(i) ask questions of employees of the Green Mountain Care Board related to the Board's ACO budget review;

(ii) submit written questions to the Board that the Board will ask of the ACO in advance of any hearing held in conjunction with the Board's ACO review;

(iii) submit written comments for the Board's consideration; and

(iv) ask questions and provide testimony in any hearing held in conjunction with the Board's ACO budget review.

(B) The Office of the Health Care Advocate shall not disclose further any confidential or proprietary information provided to the Office pursuant to this subdivision (3).

(c) The Board's rules shall include requirements for submission of information and data by ACOs and their participating providers as needed to evaluate an ACO's success. They may also establish standards as appropriate

to promote an ACO's ability to participate in applicable federal programs for ACOs.

(d) All information required to be filed by an ACO pursuant to this section or to rules adopted pursuant to this section shall be made available to the public upon request, provided that individual patients or health care providers shall not be directly or indirectly identifiable.

(e) To the extent required to avoid federal antitrust violations, the Board shall supervise the participation of health care professionals, health care facilities, and other persons operating or participating in an accountable care organization. The Board shall ensure that its certification and oversight processes constitute sufficient State supervision over these entities to comply with federal antitrust provisions and shall refer to the Attorney General for appropriate action the activities of any individual or entity that the Board determines, after notice and an opportunity to be heard, may be in violation of State or federal antitrust laws without a countervailing benefit of improving patient care, improving access to health care, increasing efficiency, or reducing costs by modifying payment methods.

* * * Rulemaking * * *

Sec. 6. GREEN MOUNTAIN CARE BOARD; RULEMAKING

On or before January 1, 2018, the Green Mountain Care Board shall adopt rules governing the oversight of accountable care organizations pursuant to 18 V.S.A. § 9382. On or before January 15, 2017, the Board shall provide an update on its rulemaking process and its vision for implementing the rules to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance.

Sec. 7. DENIAL OF SERVICE; RULEMAKING

The Department of Financial Regulation and the Department of Vermont Health Access shall ensure that their rules protect against wrongful denial of services under an insured's or Medicaid beneficiary's health benefit plan for an insured or Medicaid beneficiary attributed to an accountable care organization. The Departments may amend their rules as necessary to ensure that the grievance and appeals processes in Medicaid and commercial health benefit plans are appropriate to an accountable care organization structure.

* * * Implementation Provisions * * *

Sec. 8. TRANSITION; IMPLEMENTATION

(a) Prior to January 1, 2018, if the Green Mountain Care Board and the Agency of Administration pursue development and implementation of an

all-payer model, they shall develop and implement the model in a manner that works toward meeting the criteria established in 18 V.S.A. § 9551. Through its authority over payment reform pilot projects under 18 V.S.A. § 9377, the Board shall also oversee the development and operation of accountable care organizations in order to encourage them to achieve compliance with the criteria established in 18 V.S.A. § 9382(a) and to establish budgets that reflect the criteria set forth in 18 V.S.A. § 9382(b).

(b) On or before January 1, 2018, the Board shall begin certifying accountable care organizations that meet the criteria established in 18 V.S.A. § 9382(a) and shall only approve accountable care organization budgets after review and consideration of the criteria set forth in 18 V.S.A. § 9382(b). If the Green Mountain Care Board and the Agency of Administration pursue development and implementation of an all-payer model, then on and after January 1, 2018 they shall implement the all-payer model in accordance with 18 V.S.A. § 9551.

* * * Reducing Administrative Burden on Health Care Professionals * * *

Sec. 9. 18 V.S.A. § 9374(e) is amended to read:

(e)(1) The Board shall establish a consumer, patient, business, and health care professional advisory group to provide input and recommendations to the Board. Members of such advisory group who are not State employees or whose participation is not supported through their employment or association shall receive per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010, provided that the total amount expended for such compensation shall not exceed \$5,000.00 per year.

(2) The Board may establish additional advisory groups and subcommittees as needed to carry out its duties. The Board shall appoint diverse health care professionals to the additional advisory groups and subcommittees as appropriate.

(3) To the extent funds are available, the Board may examine, on its own or through collaboration or contracts with third parties, the effectiveness of existing requirements for health care professionals, such as quality measures and prior authorization, and evaluate alternatives that improve quality, reduce costs, and reduce administrative burden.

Sec. 10. PRIMARY CARE PROFESSIONAL ADVISORY GROUP

(a) The Green Mountain Care Board shall establish a primary care professional advisory group to provide input and recommendations to the Board. The Board shall seek input from the primary care professional advisory

group to address issues related to the administrative burden facing primary care professionals, including:

(1) identifying circumstances in which existing reporting requirements for primary care professionals may be replaced with more meaningful measures that require minimal data entry;

(2) creating opportunities to reduce requirements for primary care professionals to provide prior authorization for their patients to receive radiology, medication, and specialty services; and

(3) developing a uniform hospital discharge summary for use across the State.

(b) The Green Mountain Care Board shall provide an update on the advisory group's work in the annual report the Board submits to the General Assembly in accordance with 18 V.S.A. § 9375(d).

(c) The Board may seek assistance from organizations representing primary care professionals. Members of the advisory group who are not State employees or whose participation is not supported through their employment or association shall receive per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010, provided that the total amount expended for such compensation shall not exceed \$5,000.00 per year. The advisory group shall cease to exist on July 1, 2018.

* * * Additional Reports * * *

Sec. 11. AGENCY OF HUMAN SERVICES' CONTRACTS; REPORT

(a) On or before January 1, 2017, the Agency of Human Services, in consultation with Vermont Care Partners, the Green Mountain Care Board, and representatives from preferred providers, shall submit a report to the Senate Committee on Health and Welfare and to the House Committees on Health Care and on Human Services. The report shall address the following:

(1) the amount and type of performance measures and other evaluations used in fiscal year 2016 and 2017 Agency contracts with designated agencies, specialized service agencies, and preferred providers;

(2) how the Agency's funding levels of designated agencies, specialized service agencies, and preferred providers affect access to and quality of care; and

(3) how the Agency's funding levels for designated agencies, specialized service agencies, and preferred providers affect compensation levels for staff relative to private and public sector pay for the same services.

(b) The report shall contain a plan developed in conjunction with the Vermont Health Care Innovation Project and in consultation with the Vermont Care Network and the Vermont Council of Developmental and Mental Health Services to implement a value-based payment methodology for designated agencies, specialized service agencies, and preferred providers that shall improve access to and quality of care, including long-term financial sustainability. The plan shall describe the interaction of the value-based payment methodology for Medicaid payments made to designated agencies, specialized service agencies, and preferred providers by the Agency with any Medicaid payments made to designated agencies, specialized service agencies, and preferred providers by the accountable care organizations.

(c) As used in this section:

(1) “Designated agency” means the same as in 18 V.S.A. § 7252.

(2) “Preferred provider” means any substance abuse organization that has attained a certificate of operation from the Department of Health’s Division of Alcohol and Drug Abuse Programs and has an existing contract or grant from the Division to provide substance abuse treatment.

(3) “Specialized service agency” means any community mental health and developmental disability agency or any public or private agency providing specialized services to persons with a mental condition or psychiatric disability or with developmental disabilities or children and adolescents with a severe emotional disturbance pursuant to 18 V.S.A. § 8912.

Sec. 12. MEDICAID PATHWAY; REPORT

(a) The Secretary of Human Services, in consultation with the Director of Health Care Reform, the Green Mountain Care Board, and affected providers, shall create a process for payment and delivery system reform for Medicaid providers and services. This process shall address all Medicaid payments to affected providers and integrate the providers to the extent practicable into the all-payer model and other existing payment and delivery system reform initiatives.

(b) On or before January 15, 2017 and annually for five years thereafter, the Secretary of Human Services shall report on the results of this process to the Senate Committee on Health and Welfare and the House Committees on Health Care and on Human Services. The Secretary’s report shall address:

(1) all Medicaid payments to affected providers;

(2) changes to reimbursement methodology and the services impacted;

(3) efforts to integrate affected providers into the all-payer model and with other payment and delivery system reform initiatives;

(4) changes to quality measure collection and identifying alignment efforts and analyses, if any; and

(5) the interrelationship of results-based accountability initiatives with the quality measures in subdivision (4) of this subsection.

Sec. 13. MEDICAID ADVISORY RATE CASE FOR ACO SERVICES

On or before December 31, 2016, the Green Mountain Care Board shall review any all-inclusive population-based payment arrangement between the Department of Vermont Health Access and an accountable care organization for calendar year 2017. The Board's review shall include the number of attributed lives, eligibility groups, covered services, elements of the per-member, per-month payment, and any other nonclaims payments. The review shall be nonbinding on the Agency of Human Services, and nothing in this section shall be construed to abrogate the designation of the Agency of Human Services as the single State agency as required by 42 C.F.R. § 431.10.

Sec. 14. MULTI-YEAR BUDGETS; ACOS; REPORT

The Green Mountain Care Board shall consider the appropriate role, if any, of using multi-year budgets for ACOs to reduce administrative burden, improve care quality, and ensure sustainable access to care. On or before January 15, 2017, the Green Mountain Care Board and the Department of Vermont Health Access shall provide their findings and recommendations to the House Committees on Health Care and on Human Services and the Senate Committees on Health and Welfare and on Finance.

Sec. 15. MULTI-YEAR BUDGETS; MEDICAID; REPORT

The Joint Fiscal Office and the Department of Finance and Management, in collaboration with the Agency of Human Services Central Office and the Department of Vermont Health Access, shall consider the appropriate role, if any, of using multi-year budgets for Medicaid and other State-funded health care programs to reduce administrative burden, improve care quality, and ensure sustainable access to care. On or before March 1, 2017, the Joint Fiscal Office and the Department of Finance and Management shall provide their findings and any recommendations for statutory change to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations, on Health and Welfare, and on Finance.

Sec. 16. ALL-PAYER MODEL; ALIGNMENT; REPORT

On or before January 15, 2017, the Green Mountain Care Board shall present information to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance on the status of its efforts to achieve alignment between Medicare, Medicaid, and commercial payers in the all-payer model as required by 18 V.S.A. § 9551(a)(3).

* * * Nutrition Procurement Standards for State Government * * *

Sec. 17. FINDINGS

(a) Approximately 13,000 Vermont residents are employed by the State or employed by a person contracting with the State. Reducing the impact of diet-related diseases will support a more productive and healthy workforce that will pay dividends to Vermont's economy and cultivate national competitiveness for State residents and employees.

(b) Improving the nutritional quality of food sold or provided by the State on public property will support people in making healthy eating choices.

(c) State properties are visited by Vermont residents and out-of-state visitors, and also provide care to dependent adults and children.

(d) Approximately 25 percent of Vermont residents are overweight or obese.

(e) Obesity costs Vermont \$291 million each year in health care costs, contributing to debilitating yet preventable diseases, such as heart disease, cancer, stroke, and diabetes.

(f) Improving the types of foods and beverages served and sold in workplaces positively affects employees' eating behaviors and can result in weight loss.

(g) Maintaining a healthy workforce can positively affect indirect costs by reducing absenteeism and increasing worker productivity.

Sec. 18. 29 V.S.A. § 160c is added to read:

§ 160c. NUTRITION PROCUREMENT STANDARDS

(a)(1) The Commissioner of Health shall establish and post on the Department's website nutrition procurement standards that:

(A) consider relevant guidance documents, including those published by the U.S. General Services Administration, the American Heart Association, and the National Alliance for Nutrition and Activity and, upon request, the Department shall provide a rationale for any divergence from these guidance documents;

(B) consider both positive and negative contributions of nutrients, ingredients, and food groups to diets, including calories, portion size, saturated fat, trans fat, sodium, sugar, and the presence of fruits, vegetables, whole grains, and other nutrients of concern in Americans' diets; and

(C) contain exceptions for circumstances in which State-procured foods or beverages are intended for individuals with specific dietary needs.

(2) The Commissioner shall review and, if necessary, amend the nutrition procurement standards at least every five years to reflect advances in nutrition science, dietary data, new product availability, and updates to federal Dietary Guidelines for Americans.

(b)(1) All foods and beverages purchased, sold, served, or otherwise provided by the State or any entity, subdivision, or employee on behalf of the State shall meet the minimum nutrition procurement standards established by the Commissioner of Health.

(2) All bids and contracts between the State and food and beverage vendors shall comply with the nutrition procurement standards. The Commissioner, in conjunction with the Commissioner of Buildings and General Services, may periodically review or audit a contracting food or beverage vendor's financial reports to ensure compliance with this section.

(c) The Governor's Health in All Policies Task Force may disseminate information to State employees on the Commissioner's nutrition procurement standards.

(d) All State-owned or -operated vending machines, food or beverage vendors contracting with the State, or cafeterias located on property owned or operated by the State shall display nutritional labeling to the extent permitted under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. ch. 9 § 301 et seq.

(e) The Commissioner of Buildings and General Services shall incorporate the nutrition procurement standards established by the Commissioner into the appropriate procurement document.

Sec. 19. EXISTING PROCUREMENT CONTRACTS

To the extent possible, the State's existing contracts and agreements with food and beverage vendors shall be modified to comply with the nutrition procurement standards established by the Commissioner of Health.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) Secs. 2 (all-payer model) and 3–5 (ACOs) shall take effect on January 1, 2018.

(b) Secs. 17–19 (nutrition procurement standards), shall take effect on July 1, 2016.

(c) This section and the remaining sections shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Rules Suspended; Senate Proposal of Amendment Concurred in

H. 355

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to licensing and regulating foresters

Appearing on the Calendar for notice, was taken up for immediate consideration.

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

Sec. 1. 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:

* * *

(35) ~~[Repealed.]~~ Foresters

* * *

Sec. 2. 26 V.S.A. chapter 95 is added to read:

CHAPTER 95. FORESTERS

Subchapter 1. General Provisions

§ 4901. PURPOSE AND EFFECT

In order to implement State policy and safeguard the public welfare, a person shall not engage in the practice of forestry unless currently licensed under this chapter.

§ 4902. DEFINITIONS

As used in this chapter:

(1) “Director” means the Director of the Office of Professional Regulation.

(2) “Disciplinary action” means any action taken against a licensee for unprofessional conduct.

(3) “Forester” means a person who is licensed to practice forestry under this chapter.

(4)(A) “Forestry” means the science, art, and practice of creating, managing, using, and conserving forests and associated resources to meet desired goals, needs, and values, including timber management, wildlife management, biodiversity management, and watershed management. Forestry science consists of those biological, physical, quantitative, managerial, and social sciences that are applied to forest management. Forestry services include investigations, consultations, timber inventory, and appraisal, development of forest management plans, and responsible supervision of forest management or other forestry activities on public or private lands.

(B) “Forestry” does not include services for the physical implementation of cutting, hauling, handling, or processing of forest products or for the physical implementation of silvicultural treatments and practices.

(5) “License” means a current authorization granted by the Director permitting the practice of forestry pursuant to this chapter.

(6) “SAF” means the Society of American Foresters.

§ 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 forestry degree, diploma, certificate of registration, license, or any other related document or record or to aid or abet in so doing;

(2) practice forestry 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 forestry unless licensed to do so under the provisions of this chapter;

(4) represent himself or herself as being licensed in this State to practice forestry or use in connection with a name any words, letters, signs, or figures that imply that a person is a forester when not licensed under this chapter; or

(5) practice forestry during the time a license issued under this chapter is suspended or revoked.

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

(c) When considering a violation of this chapter, the Director shall recognize that, in appropriate circumstances, loggers and log buyers may make investigations, consultations, timber inventories, and appraisals and may responsibly conduct harvesting activities on private land.

§ 4904. EXEMPTIONS

The following shall not require a license under this chapter:

(1) An individual, college or university, family, family trust, or business from practicing forestry on his, her, or its own lands, provided that a business may only practice forestry on an aggregate of not more than 400 acres of its own lands.

(2) The practice of any other occupation or profession by a person duly licensed or otherwise authorized under the laws of this State.

(3)(A) An individual from carrying out forest practices when acting under the general supervision of a forester or acting as an expert consultant on work related to forestry, such as forest certification audits or the study of hydrology or wildlife biology.

(B) As used in subdivision (A) of this subdivision (3), “general supervision” means the forester need not be on-site when the individual performs the work described in subdivision (A), but shall maintain continued involvement in and accept professional responsibility for that work.

(4) Unlicensed professional activities within or relating to forests, if such activities do not involve the application of forestry principles or judgment and do not require forestry education, training, and experience to ensure competent performance.

Subchapter 2. Administration

§ 4911. DUTIES OF THE DIRECTOR

(a) The Director shall:

(1) provide general information to applicants for licensure as foresters;

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

(3) provide standards and approve education programs for applicants and for the benefit of foresters who are reentering practice following a lapse of five or more years;

(4) administer fees as established by law;

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

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

(7) explain appeal procedures to licensed foresters 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.

§ 4912. ADVISOR APPOINTEES

(a)(1) The Secretary of State shall appoint three foresters for five-year staggered terms to serve at the Secretary's pleasure as advisors in matters relating to forestry. One of the initial appointments shall be for less than a five-year term.

(2) An appointee shall have not less than ten years' experience as a forester immediately preceding appointment; shall be licensed as a forester in Vermont; and shall be actively engaged in the practice of forestry in this State during incumbency.

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

Subchapter 3. Licenses

§ 4921. QUALIFICATIONS FOR LICENSURE

Applicants for licensure shall qualify under one of the following paths to licensure:

(1) Possession of a bachelor's degree, or higher, in forestry from a program approved by the Director, satisfactory completion of two years of the SAF Certified Forester experience requirements, and passage of the SAF Certified Forester examination, which may include a State portion if required by the Director by rule.

(2) Possession of a bachelor's degree, or higher, in a forestry-related field from a program approved by the Director, satisfactory completion of

three years of the SAF Certified Forester experience requirements, and passage of the SAF Certified Forester examination, which may include a State portion if required by the Director by rule.

(3) Possession of an associate degree in forestry from a program approved by the Director, satisfactory completion of four years of the SAF Certified Forester experience requirements, and passage of the SAF Certified Forester examination, which may include a State portion if required by the Director by rule.

(4) Possession of a valid registration or license to engage in the practice of forestry 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. Such an applicant may be examined on forestry matters peculiar to Vermont and may be granted a license at the discretion of the Director.

§ 4922. APPLICATIONS FOR LICENSURE

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

§ 4923. ISSUANCE OF LICENSES

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.

§ 4924. RENEWALS

(a) Licenses shall be renewed every two years 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 shall require that a licensee establish that he or she has completed continuing education, as approved by the Director, of 24 hours for each two-year renewal period.

(d) 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.

§ 4925. LICENSE AND RENEWAL FEES

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

§ 4926. UNPROFESSIONAL CONDUCT

(a) The Director may deny an application for licensure or relicensure; revoke or suspend any license to practice forestry issued under this chapter; or discipline or in other ways condition the practice of a licensee upon due notice and opportunity for hearing in compliance with the provisions of 3 V.S.A. chapter 25 if the person engages in the following conduct or the conduct set forth in 3 V.S.A. § 129a:

(1) has made or caused to be made a false, fraudulent, or forged statement or representation in procuring or attempting to procure registration or renew a license to practice forestry;

(2) whether or not committed in this State, has been convicted of a crime related to the practice of forestry or a felony that evinces an unfitness to practice forestry;

(3) is unable to practice forestry competently by reason of any cause;

(4) has willfully or repeatedly violated any of the provisions of this chapter;

(5) is habitually intemperate or is addicted to the use of habit-forming drugs capable of impairing the exercise of professional judgment;

(6) engages in conduct of a character likely to deceive, defraud, or harm the public; or

(7) aiding, abetting, encouraging, or negligently causing a substantial violation of the statutes or rules of the Vermont Department of Forests, Parks and Recreation.

(b) Any person or institution aggrieved by any action of the Director under this section may appeal as provided in 3 V.S.A. § 130a.

(c) A person shall not be liable in a civil action for damages resulting from the good faith reporting of information to the Director about incompetent, unprofessional, or unlawful conduct of a forester.

**Sec. 3. TRANSITIONAL PROVISIONS; ADVISOR APPOINTEES;
LICENSING OF CURRENT FORESTERS**

(a) Advisor appointees. Notwithstanding the provision of 26 V.S.A. § 4912 in Sec. 2 of this act that requires an advisor appointee to be a licensed forester in Vermont, an initial advisor appointee may be in the process of applying for licensure as a forester in this State if he or she otherwise is eligible for licensure as a forester under this act.

(b) Licensing of current foresters.

(1) The Director of the Office of Professional Regulation shall establish a procedure whereby:

(A) an individual who can demonstrate a record of full-time forestry practice for at least eight of the ten years immediately preceding the effective date of Sec. 2 of this act may become licensed as a forester:

(i) without examination, if he or she possesses one of the degrees described in 26 V.S.A. § 4921(1)–(3) (qualifications for licensure) in Sec. 2 of this act; or

(ii) without possessing a degree described in 26 V.S.A. § 4921(1)–(3) in Sec. 2 of this act, if he or she passes the Society of American Foresters (SAF) Certified Forester Examination, which may include a State portion if required by the Director by rule; or

(B) an individual may become licensed as a forester without examination or possession of one of the degrees described in 26 V.S.A. § 4921(1)–(3) in Sec. 2 of this act, if he or she is determined by the Director, after due consultation with the advisor appointees, to have demonstrated through a peer-review process and production of such documentation as the Director may require, that he or she possesses both significant experience and forestry competencies commensurate to those of an individual eligible for licensure pursuant to Sec. 2 of this act.

(2) In addition to the ability of an individual to become licensed as a forester under the provisions of subdivision (1) of this subsection, an individual shall be eligible for expedited licensure if he or she is an SAF Certified Forester, active and in good standing.

(3) Any person licensed under this section shall thereafter be eligible for license renewal pursuant to 26 V.S.A. § 4924.

(4) The ability of a person to become licensed under the provisions of this section shall expire on January 1, 2019.

Sec. 4. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 1 (amending 3 V.S.A. § 122) and 2 (adding 26 V.S.A. chapter 95) shall take effect on July 1, 2016.

Which proposal of amendment was considered and concurred in.

**Rules Suspended; Senate Proposal of Amendment Not Concurred in;
Committee of Conference Requested and Appointed; Rules Suspended
and the Bill was Ordered Messaged to the Senate Forthwith**

H. 278

On motion of **Rep. Turner of Milton**, the rules were suspended and House bill, entitled

An act relating to selection of the Adjutant and Inspector General

Appearing on the Calendar for notice, was taken up for immediate consideration.

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

Sec. 1. 2 V.S.A. § 12 is amended to read:

§ 12. LEGISLATIVE ELECTIONS; UNIFORM BALLOTS

(a) Whenever there is a known contested election for Speaker of the House of Representatives, or for President Pro Tempore of the Senate, and in elections by the joint assembly of the ~~Legislature~~ General Assembly, the Secretary of State shall prepare a ballot for each office, listing the names of the known candidates for the office in the alphabetical order of their surnames and leaving thereon sufficient blank spaces to take care of any nominations from the floor.

(b) A candidate for office shall, not later than one week preceding the election, notify the Secretary of State in writing of his or her candidacy, naming the particular office. If he or she fails so to notify the Secretary of State, his or her name shall not be printed on the ballot. No ballot may be used other than the official ballot provided by the Secretary of State.

(c)(1) A candidate for Adjutant and Inspector General shall:

(A) be a resident of Vermont;

(B) have attained the rank of lieutenant colonel (O-5) or above;

(C) be a current member of the U.S. Army, the U.S. Air Force, the U.S. Army Reserve, the U.S. Air Force Reserve, the Army National Guard, or

the Air National Guard, or be eligible to return to active service in the Army National Guard or the Air National Guard; and

(D) be a graduate of a Senior Service College, currently be enrolled in a Senior Service College, or be eligible to be enrolled in a Senior Service College during the biennium in which the candidate would first be appointed.

(2) A candidate for Adjutant and Inspector General shall, at the time he or she notifies the Secretary of State of his or her candidacy pursuant to subsection (b) of this section, certify under oath to the Secretary that he or she meets the qualifications set forth in subdivision (1) of this subsection.

Pending the question, Will the House concur in the Senate proposal of amendment? **Rep. Gonzalez of Winooski** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Head of South Burlington

Rep. Gonzalez of Winooski

Rep. Tate of Mendon

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

Recess

At eleven o'clock and fifty-seven minutes in the forenoon, the Speaker declared a recess until two o'clock and thirty minutes in the afternoon.

At two o'clock and thirty in the afternoon, the Speaker called the House to order.

**Rules Suspended; Senate Proposal of Amendment Concurred in
With a Further Amendment Thereto; Rules Suspended
And the Bill was Ordered Messaged to the Senate Forthwith**

H. 130

On motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to the Agency of Public Safety

Appearing on the Calendar for notice, was taken up for immediate consideration.

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

* * * Law Enforcement Officer Regulation Study Committee * * *

Sec. 1. LAW ENFORCEMENT OFFICER REGULATION; STUDY COMMITTEE; REPORT

(a) Creation. There is created a Law Enforcement Officer Regulation Study Committee to make recommendations to the General Assembly regarding law enforcement officer regulation.

(b) Membership. The Committee shall be composed of the following eight members:

(1) the Commissioner of Public Safety or designee;

(2) the Executive Director of the Vermont Criminal Justice Training Council or designee;

(3) one sheriff appointed by the Executive Committee of the Vermont Sheriffs' Association;

(4) the President of the Vermont Troopers' Association or designee;

(5) one member of the law enforcement officers represented by the Vermont State Employees' Association, appointed by the President of the Association;

(6) one chief of a municipal police department, appointed by the Chiefs of Police Association of Vermont;

(7) one law enforcement officer appointed by the Vermont Police Association; and

(8) a representative of the Vermont League of Cities and Towns, appointed by the Executive Director of the League.

(c) Issue to study. The Committee shall study the current regulation of law enforcement officers' certification and how that regulation should change, including:

(1) the number of hours that should be required for Level II basic training and the physical fitness that should be required for Level II basic training and annual in-service training;

(2) whether each law enforcement agency should be required to have an effective internal affairs program and, if so, what should be included in that program;

(3) when and under what circumstances a law enforcement agency should report alleged unprofessional conduct to the Vermont Criminal Justice Training Council;

(4) when the Council should be able to investigate and take further action on reports of alleged law enforcement officer unprofessional conduct, including the Council's ability to summarily suspend an officer; and

(5) what types of discipline the Council should be able to impose on a law enforcement officer's certification.

(d) Report. On or before December 1, 2016, the Committee shall report to the House and Senate Committees on Government Operations with its findings and recommendations for legislative action. The report may be in the form of proposed legislation.

(e) Meetings.

(1) The Commissioner of Public Safety shall call the first meeting of the Committee, to occur on or before August 1, 2016.

(2) At its first meeting, the Committee shall elect a chair from among its members.

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

(B) Notwithstanding 1 V.S.A. § 172, an action may be taken by the Committee with the assent of a majority of the members attending, assuming a quorum.

(4) The Committee shall cease to exist on December 2, 2016.

(f) Reimbursement. Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for no more than five meetings.

* * * E-911, Dispatch, and Call-taking Services * * *

Sec. 2. E-911; DISPATCH; WORKING GROUP

(a) Creation and duties of working group.

(1) A working group shall be formed to study and make recommendations regarding:

(A) the most efficient, reliable, and cost-effective means for providing statewide call-taking operations for Vermont's 911 system; and

(B) the manner in which dispatch services are currently provided and funded, including funding disparity, and whether there should be any changes to this structure.

(2) Among other things, the group shall make findings related to the financing, operations, and geographical location of 911 call-taking services. In addition, the group's findings shall include a description of the number and nature of calls received, and an evaluation of current and potential State and local partnerships with respect to the provision of such services.

(3) The group shall take into consideration the "Enhanced 9-1-1 Board Operational and Organizational Report," dated September 4, 2015.

(4) The group's recommendations shall strive to achieve the best possible outcome in terms of ensuring the health and safety of Vermonters and Vermont communities.

(b) Membership. Members of the working group shall include a representative from each of the following entities: the Enhanced 911 Board; the Department of Public Safety; the Vermont State Employees' Association; the Vermont League of Cities and Towns; the Vermont State Firefighters' Association; the Vermont Ambulance Association; the Vermont Association of Chiefs of Police; the Vermont Police Association; and the Vermont Sheriffs' Association.

(c) Meetings. The representative from the E-911 Board shall convene the first meeting of the working group, at which the group shall elect a chair and vice chair from among its members. The group shall meet as needed, and shall receive administrative and staffing support from the Department of Public Safety, and may request relevant financial information from the Joint Fiscal Office.

(d) Report. On or before January 15, 2017, the group shall report its findings and recommendations to the House Committees on Commerce and Economic Development, on Government Operations, on Appropriations, and on Ways and Means and to the Senate Committees on Finance, on Government Operations, on Appropriations, and on Economic Development, Housing and General Affairs, and to the Governor.

(e) Reimbursement. Members of the working group who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for no more than five meetings.

Sec. 3. DEPARTMENT OF PUBLIC SAFETY; 911 CALL-TAKING

The Department of Public Safety shall continue to provide 911 call-taking services unless otherwise directed by legislative enactment.

* * * Law Enforcement Officers; Training and Scope of Practice * * *

Sec. 4. 20 V.S.A. § 2358 is amended to read:

§ 2358. MINIMUM TRAINING STANDARDS; DEFINITIONS

* * *

(b) The Council shall offer or approve basic training and annual in-service training for each of the following three levels of law enforcement officer certification in accordance with the scope of practice for each level, and shall determine by rule the scope of practice for each level in accordance with the provisions of this section:

(1) Level I certification.

* * *

(B)(i) The scope of practice of a Level I law enforcement officer shall be limited to security, transport, vehicle escorts, and traffic control, as those terms are defined by the Council ~~by rule~~, except that a Level I officer may react in the following circumstances if the officer determines that it is necessary to do any of the following:

* * *

(2) Level II certification.

* * *

(B)(i) Except as provided in subdivisions (ii) and (iii) of this subdivision (B), the scope of practice of a Level II law enforcement officer shall be limited to investigating the following matters:

(I) 7 V.S.A. § 657 (person under 21 years of age misrepresenting age procuring, possessing, or consuming alcoholic beverages; third or subsequent offense);

(II) 7 V.S.A. § 658 (sale or furnishing to minors; enabling consumption by minors);

~~(H)(III)~~ 13 V.S.A. chapter 7 (advertisements);

~~(H)(IV)~~ 13 V.S.A. chapter 8 (humane and proper treatment of animals);

~~(IV)(V)~~ 13 V.S.A. §§ 505 (fourth degree arson), 508 (setting fires), and 509 (attempts);

~~(V)(VI)~~ 13 V.S.A. chapter 19, subchapter 1 (riots);

~~(VI)~~(VII) 13 V.S.A. §§ 1022 (noise in the nighttime), 1023 (simple assault), 1025 (recklessly endangering another person), 1026 (disorderly conduct), 1026a (aggravated disorderly conduct), 1027 (disturbing peace by use of telephone or other electronic communications), 1030 (violation of an abuse prevention order, an order against stalking or sexual assault, or a protective order concerning contact with a child), 1031 (interference with access to emergency services), 1042 (domestic assault), and 1062 (stalking);

~~(VII)~~(VIII) 13 V.S.A. chapter 35 (escape);

~~(VIII)~~(IX) 13 V.S.A. chapter 41 (false alarms and reports);

~~(IX)~~(X) 13 V.S.A. chapter 45 (flags and ensigns);

~~(X)~~(XI) 13 V.S.A. chapter 47 (frauds);

~~(XI)~~(XII) 13 V.S.A. chapter 49 (fraud in commercial transactions);

~~(XII)~~(XIII) 13 V.S.A. chapter 51 (gambling and lotteries);

~~(XIII)~~(XIV) 13 V.S.A. chapter 57 (larceny and embezzlement), except for subchapter 2 (embezzlement);

~~(XIV)~~(XV) 13 V.S.A. chapter 67 (public justice and public officers);

~~(XV)~~(XVI) 13 V.S.A. chapter 69 (railroads);

~~(XVI)~~(XVII) 13 V.S.A. chapter 77 (trees and plants);

~~(XVII)~~(XVIII) 13 V.S.A. chapter 81 (trespass and malicious injuries to property);

~~(XVIII)~~(XIX) 13 V.S.A. chapter 83 (vagrants);

~~(XIX)~~(XX) 13 V.S.A. chapter 85 (weapons);

(XXI) 13 V.S.A. § 7559(d), (e), and (f) (violating condition of release);

~~(XX)~~(XXII) 18 V.S.A. §§ 4230(a), 4230c, and 4230d (marijuana possession);

~~(XXI)~~(XXIII) 18 V.S.A. § 4231(a) (cocaine possession);

~~(XXII)~~(XXIV) 18 V.S.A. § 4232(a) (LSD possession);

~~(XXIII)~~(XXV) 18 V.S.A. § 4233(a) (heroin possession);

~~(XXIV)~~(XXVI) 18 V.S.A. § 4234(a) (depressant, stimulant, or narcotic drug possession);

~~(XXV)~~(XXVII) 18 V.S.A. § 4234a(a) (methamphetamine possession);

~~(XXVI)~~(XXVIII) 18 V.S.A. § 4235(b) (hallucinogenic drug possession);

~~(XXVII)~~(XXIX) 18 V.S.A. § 4235a(a) (ecstasy possession);

~~(XXVIII)~~(XXX) 18 V.S.A. § 4476 (drug paraphernalia offenses);

(XXXI) 20 V.S.A. § 3132 (firework prohibitions);

~~(XXXI)~~(XXXII) 21 V.S.A. § 692(c)(2) (criminal violation of stop-work order);

~~(XXX)~~(XXXIII) any misdemeanor set forth in Title 23 of the Vermont Statutes Annotated, except for 23 V.S.A. chapter 13, subchapter 13 (drunken driving), 23 V.S.A. § 3207a (snowmobiling under the influence), 23 V.S.A. § 3323 (boating under the influence), or 23 V.S.A. § 3506(b)(8) (operating an all-terrain vehicle under the influence);

~~(XXXI)~~(XXXIV) any motor vehicle accident that includes property damage and injuries, as permitted by the Council by rule;

~~(XXXII)~~(XXXV) any matter within the jurisdiction of the Judicial Bureau as set forth in 4 V.S.A. § 1102;

~~(XXXIII)~~(XXXVI) municipal ordinance violations;

~~(XXXIV)~~(XXXVII) any matter within the jurisdiction of a game warden or deputy game warden as set forth in 10 V.S.A. chapter 103, subchapter 4 (game wardens); and

~~(XXXV)~~(XXXVIII) any matter within the scope of practice of a Level I law enforcement officer.

* * *

* * * Electronic Control Devices; Policy Requirement * * *

Sec. 5. 20 V.S.A. § 2367 is amended to read:

§ 2367. STATEWIDE POLICY; ELECTRONIC CONTROL DEVICES;
REPORTING

* * *

(b) On or before January 1, 2015, the Law Enforcement Advisory Board shall establish a statewide policy on the use of and training requirements for the use of electronic control devices. ~~On or before January 1, 2016~~ Prior to

any use of or intent to use an electronic control device, every State, ~~local~~, county, ~~and~~ municipal, or other law enforcement agency and every constable who is not employed by a law enforcement agency shall adopt this policy. If a law enforcement agency or officer ~~that is~~ was required to adopt a policy pursuant to this subsection ~~fails~~ but failed to do so on or before January 1, 2016, that agency or officer shall be deemed to have adopted, and shall follow and enforce, the model policy established by the Law Enforcement Advisory Board. The policy shall include the following provisions:

* * *

(c) The Criminal Justice Training Council shall adopt rules and develop training to ensure that the policies and standards of this section are met. The Criminal Justice Training Council shall ensure that a law enforcement officer receives appropriate and sufficient training before becoming authorized to carry or use an electronic control device.

(d) On or before June 30, 2017, every State, ~~local~~, county, ~~and~~ municipal, or other law enforcement agency that employs one or more certified law enforcement officers shall ensure that all officers have completed the training established in 2004 Acts and Resolves No. 80, Sec. 13(a), and every constable who is not employed by a law enforcement agency shall have completed this training.

* * *

(f) Every State, ~~local~~, county, ~~and~~ municipal, or other law enforcement agency and every constable who is not employed by a law enforcement agency shall report all incidents involving the use of an electronic control device to the Criminal Justice Training Council in a form to be determined by the Council.

(g) The Law Enforcement Advisory Board shall:

(1) study and make recommendations as to whether officers authorized to carry electronic control devices should be required to wear body cameras; and

(2) establish a policy on the calibration and testing of electronic control devices;

~~(3) on or before January 15, 2015, report to the House and Senate Committees on Government Operations and on Judiciary concerning the recommendations and policy developed pursuant to subdivisions (1) and (2) of this subsection; and~~

~~(4) on or before April 15, 2015, ensure that all electronic control devices carried or used by law enforcement officers are in compliance with the policy established pursuant to subdivision (2) of this subsection.~~

* * * Intentionally Injuring or Killing Law Enforcement Animals * * *

Sec. 6. 13 V.S.A. § 352a is amended to read:

§ 352a. AGGRAVATED CRUELTY TO ANIMALS

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

(1) kills an animal by intentionally causing the animal undue pain or suffering; ~~or~~

(2) intentionally, maliciously, and without just cause tortures, mutilates, or cruelly beats an animal; or

(3) intentionally injures or kills an animal that is in the performance of official duties while under the supervision of a law enforcement officer.

* * * Animal Cruelty * * *

Sec. 7. 24 V.S.A. § 1943 is added to read:

§ 1943. ANIMAL CRUELTY INVESTIGATION ADVISORY BOARD

(a) An Animal Cruelty Investigation Advisory Board is created within the Department of Public Safety to advise the Governor, the General Assembly, and the Commissioner of Public Safety on issues involving the cooperation and coordination of all agencies that exercise animal welfare responsibilities. The Governor shall appoint the following to serve on the Board:

(1) the Commissioner of Public Safety or designee;

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

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

(4) the Commissioner of Fish and Wildlife or designee;

(5) two members to represent the interests of organizations dedicated to promoting the welfare of animals;

(6) three members to represent the interests of law enforcement;

(7) a member to represent the interests of humane officers working with companion animals;

(8) a member to represent the interests of humane officers working with large animals (livestock);

(9) a member to represent the interests of dog breeders and associated groups;

(10) a member to represent the interests of veterinarians;

(11) a member to represent the interests of the Criminal Justice Training Council;

(12) a member to represent the interests of sportsmen and women; and

(13) a member to represent the interests of town health officers.

(b) The Board shall elect a chair and a vice chair which shall rotate among the various member representatives. Each member shall serve a term of two years. The Board shall meet at the call of the Chair. A quorum shall consist of eight members, and decisions of the Board shall require the approval of a majority of those members present and voting.

(c) The Board shall have the following duties:

(1) undertake an ongoing formal review process of animal cruelty investigations and practices with a goal of developing a systematic, collaborative approach to providing the best services to Vermont's animals, given monies available;

(2) work with the Department of Public Safety to study the feasibility of designating one law enforcement agency to receive, dispatch, and document the outcome of animal cruelty complaints, and with the assistance of the Vermont Sheriffs' Association, develop a uniform response protocol for assigning complaints to the appropriate local law enforcement agencies;

(3) ensure that investigations of serious animal cruelty complaints are systematic and documented, develop written standard operating procedures and checklists to support the objective investigation of cruelty complaints that include objective measures of both environmental and clinical evidence of cruelty;

(4) ensure that requests for voluntary compliance are made in writing, with clear requests and timelines, and include a timeline for the investigator to perform a follow-up visit to confirm actions taken;

(5) develop a guide for animal cruelty prosecution, including a review of current sentencing recommendations for State's Attorneys;

(6) research the feasibility of developing and implementing an animal cruelty prevention and education program for offenders to be used as a part of offenders' sentencing;

(7) explore potential private and public sources of funding for animal cruelty investigations, including animal care expenses;

(8) develop trainings, protocols, procedures, and guidance documents for agencies engaging in animal welfare responsibilities;

(9) develop an animal cruelty investigation certification program for humane officers in accordance with 13 V.S.A. § 356, and provide a means by which a person who has been actively engaged in this State as a humane officer conducting animal cruelty investigations for at least five years preceding July 1, 2016 shall be eligible for certification without completion of the certification program requirements;

(10) develop recommendations for providing liability protection and reducing uncompensated costs to animal shelters and animal welfare groups that assist law enforcement authorities in animal cruelty investigations;

(11) explore changing the annual deadline for dog licensure under 20 V.S.A. § 3582 to align better with the time of year dogs require annual veterinary care; and

(12) determine what should appropriately constitute an enforcement action triggering the obligation of the Agency of Agriculture, Food and Markets to assist law enforcement pursuant to 13 V.S.A. § 354(a).

(d) The Board shall meet no fewer than six times a year to undertake its duties as outlined in subsection (a) of this section. The Board shall present its findings and recommendations in brief summary to the House and Senate Committees on Judiciary annually on or before January 15.

Sec. 8. 20 V.S.A. § 2365b is added to read:

§ 2365b. ANIMAL CRUELTY RESPONSE TRAINING

As part of basic training in order to become certified as a Level Two and Level Three law enforcement officer, a person shall receive a two-hour training module on animal cruelty investigations as approved by the Vermont Criminal Justice Training Council and the Animal Cruelty Investigation Advisory Board.

Sec. 9. 13 V.S.A. § 356 is added to read:

§ 356. HUMANE OFFICER REQUIRED TRAINING

All humane officers, as defined in subdivision 351(4) of this title, shall complete a certification program on animal cruelty investigation training as developed and approved by the Animal Cruelty Investigation Advisory Board.

Sec. 10. 13 V.S.A. § 354 is amended to read:

§ 354. ENFORCEMENT; POSSESSION OF ABUSED ANIMAL;
SEARCHES AND SEIZURES; FORFEITURE

(a) The Secretary of Agriculture, Food and Markets shall be consulted prior to any enforcement action brought pursuant to this chapter which involves livestock and poultry. Law enforcement may consult with the Secretary in person or by electronic means, and the Secretary shall assist law enforcement in determining whether the practice or animal condition, or both represent acceptable livestock or poultry husbandry practices.

* * *

Sec. 11. DEPARTMENT OF CORRECTIONS; ANIMAL CARE PILOT PROGRAM

The Commissioner of Corrections shall implement a pilot program in at least one correctional facility that would permit qualified inmates to provide temporary care, on-site, for animals on a weekly or more frequent basis. The program shall be established on or before January 1, 2017, and the Commissioner shall report on this program, with recommendations as to whether it could be expanded to care for animals that have been seized or relinquished in cruelty or neglect investigations, to the Joint Committee on Justice Oversight on or before November 1, 2017.

* * * Training Safety Subcommittee * * *

Sec. 12. 29 V.S.A. § 842 is added to read:

§ 842. TRAINING SAFETY SUBCOMMITTEE; RECOMMENDATIONS;
GOVERNANCE COMMITTEE REPORT

(a) Subcommittee creation. There is created as a subcommittee of the Training Center Governance Committee the Training Safety Subcommittee to make recommendations regarding training safety at the Robert H. Wood, Jr. Criminal Justice and Fire Service Training Center of Vermont (Training Center).

(b) Subcommittee membership. The Subcommittee shall be composed of seven members.

(1) Four of these members shall be members of the Training Center Governance Committee, appointed by the Committee as follows:

(A) two shall represent the Vermont Police Academy; and

(B) two shall represent the Vermont Fire Academy.

(2) The remaining three members shall be as follows:

(A) the Commissioner of Labor or designee;

(B) the Risk Management Manager of the Office of Risk Management within the Agency of Administration; and

(C) one employee of the Vermont League of Cities and Towns who specializes in risk management, appointed by the Executive Director of the League.

(c) Subcommittee recommendations. The Subcommittee shall annually:

(1) on or before February 1, review the safety records of the Training Center; and

(2) on or before July 1, submit to the Training Center Governance Committee its recommendations regarding how training safety at the Training Center could be improved.

(d) Governance Committee review and report.

(1) The Training Center Governance Committee shall review and consider the recommendations made by the Subcommittee under subsection (c) of this section.

(2) Annually, on or before January 15, the Governance Committee shall report to the General Assembly regarding:

(A) any training safety issues it has discovered at the Training Center and any steps it has taken to remedy those issues; and

(B) whether the Governance Committee has instituted any of the Subcommittee's recommendations for training safety and if not, the reasons therefor.

(3) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report required to be made under this subsection.

Sec. 13. INITIAL TRAINING SAFETY SUBCOMMITTEE MEETING AND INITIAL TRAINING CENTER GOVERNANCE COMMITTEE REPORT

(a) The Chair of the Training Center Governance Committee shall call the initial meeting of the Training Safety Subcommittee set forth in 29 V.S.A. § 842 in Sec. 12 of this act to be held on or before February 1, 2017.

(b) The Training Center Governance Committee shall make its initial report to the General Assembly described in 29 V.S.A. § 842(d) in Sec. 12 of this act on or before January 15, 2018.

* * * Effective Dates * * *

Sec. 14. EFFECTIVE DATES

This act shall take effect on passage, except Secs. 6 (13 V.S.A. § 352a) through 11 (Department of Corrections; animal care pilot program) shall take effect on July 1, 2016.

And that after passage the title of the bill be amended to read:

An act relating to law enforcement, 911 call taking, dispatch, animal cruelty, and training safety

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

First: By striking out in their entirety Secs. 7 (24 V.S.A. § 1943) through 11 (Department of Corrections; animal care pilot program) and their accompanying reader assistance heading and inserting in lieu thereof the following:

Secs. 7–11. [Deleted.]

Second: By striking out Sec. 14 (effective dates) in its entirety and inserting in lieu thereof the following:

Sec. 14. EFFECTIVE DATES

This act shall take effect on passage, except Sec. 6 (13 V.S.A. § 352a) shall take effect on July 1, 2016.

and that after passage the title of the bill be amended to read: “An act relating to law enforcement, 911 call taking, dispatch, and training safety

Which was agreed to.

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

Recess

At two o'clock and forty-five minutes in the afternoon, the Speaker declared a recess until five o'clock and thirty minutes in the afternoon.

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

Message from the Senate No. 58

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. 857. An act relating to timber harvesting.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

Rules Suspended; Report of Committee of Conference Adopted

S. 224

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

An act relating to warranty obligations of equipment dealers and suppliers;

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. FINDINGS AND INTENT

(a) The General Assembly finds:

(1) Vermont has long relied on economic activity relating to working farms and forestland in the State. These working lands, and the people who work the land, are part of the State's cultural and ecological heritage, and Vermont has made major policy and budget commitments in recent years in support of working lands enterprises. Farm and forest enterprises need a robust system of infrastructure to support their economic and ecological activities, and that infrastructure requires a strong economic base consisting of dealers, manufacturers, and repair facilities. Initiatives to help strengthen farm and forest working lands infrastructure are in the best interest of the State.

(2) Snowmobiles and all-terrain vehicles have a significant economic impact in the State, including the distribution and sale of these vehicles, use by residents, ski areas, and emergency responders, as well as tourists that come to enjoy riding snowmobiles and all-terrain vehicles in Vermont. It is in the best interest of the State to ensure that Vermont consumers who want to purchase snowmobiles and all-terrain vehicles have access to a competitive marketplace and a strong network of dealers, suppliers, and repair facilities in the State.

(3) The distribution and sale of equipment, snowmobiles, and all-terrain vehicles within this State vitally affects the general economy of the State and the public interest and the public welfare, and in order to promote the public interest and the public welfare, and in the exercise of its police power, it is necessary to regulate equipment, snowmobile, and all-terrain vehicle suppliers and their representatives, and to regulate dealer agreements issued by suppliers who are doing business in this State, in order to protect and preserve the investments and properties of the citizens of this State.

(4) There continues to exist a disparity in bargaining power between equipment, snowmobile, and all-terrain vehicle suppliers and the independent dealer network. This disparity in bargaining power enables equipment, snowmobile, and all-terrain vehicle suppliers to compel dealers to execute dealer agreements, related contracts, and addenda that contain terms and conditions that would not routinely be agreed to by the equipment, snowmobile, and all-terrain vehicle dealer if this disparity did not exist. It therefore is in the public interest to enact legislation to prevent unfair or arbitrary treatment of equipment, snowmobile, and all-terrain vehicle dealers by equipment, snowmobile, and all-terrain vehicle suppliers. It is also in the public interest that Vermont consumers, municipalities, businesses, and others that purchase equipment, snowmobiles, and all-terrain vehicles in Vermont have access to a robust independent dealer network to obtain competitive prices when purchasing these items and to obtain warranty, recall, or other repair work.

(b) It is the intent of the General Assembly that this act be liberally construed in order to achieve its purposes.

Sec. 2. 9 V.S.A. chapter 107 is amended to read:

CHAPTER 107. EQUIPMENT AND MACHINERY DEALERSHIPS

§ 4071. DEFINITIONS

As used in this chapter:

(1) “Current net price” means the price listed in the supplier’s price list or ~~catalog~~ catalogue in effect at the time the dealer agreement is terminated, less any applicable discounts allowed.

(2)(A) “Dealer” means a person, ~~corporation, or partnership~~ primarily engaged in the business of retail sales of ~~farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, yard and garden equipment, attachments, accessories, and repair parts~~ inventory. ~~Provided however, “dealer” shall~~

(B) “Dealer” does not include a “single line dealer,” a person primarily engaged in the retail sale and service of industrial, forestry, and construction equipment. ~~“Single line dealer” means a person, partnership or corporation who:~~

~~(A)(i) has purchased 75 percent or more of the dealer’s total new product~~ his or her new inventory from a single supplier; and

~~(B)(ii) has a total annual average sales volume for the previous three years in excess of \$15~~ \$100 million for the entire territory for which the dealer is responsible.

(3) “Dealer agreement” means a written or oral ~~contract or~~ agreement between a dealer and a ~~wholesaler, manufacturer, or distributor~~ supplier by which the supplier gives the dealer ~~is granted~~ the right to sell or distribute goods or services or to use a trade name, trademark, service mark, logotype, or advertising or other commercial symbol.

(4) ~~“Inventory” means farm, utility, forestry, or industrial equipment, implements, machinery, yard and garden equipment, attachments, or repair parts. These terms do not include heavy construction equipment.~~

(A) “Inventory” means:

(i) farm, utility, forestry, yard and garden, or industrial:

(I) tractors;

(II) equipment;

(III) implements;

(IV) machinery;

(V) attachments;

(VI) accessories; and

(VII) repair parts;

(ii) snowmobiles, as defined in 23 V.S.A. § 3201(5), and snowmobile implements, attachments, garments, accessories, and repair parts; and

(iii) all-terrain vehicles, as defined in 23 V.S.A. § 3801(1), and all-terrain vehicle implements, attachments, garments, accessories, and repair parts.

(B) “Inventory” does not include heavy construction equipment.

(5) “Net cost” means the price the dealer paid the supplier for the inventory, less all applicable discounts allowed, plus the amount the dealer paid for freight costs from the supplier’s location to the dealer’s location. In the event of termination of a dealer agreement by the supplier, “net cost” shall include the reasonable cost of assembly or disassembly performed by a dealer.

(6) “Supplier” means a wholesaler, manufacturer, or distributor of inventory ~~as defined in this chapter~~ who enters into a dealer agreement with a dealer.

(7) “Termination” of a dealer agreement means the cancellation, nonrenewal, or noncontinuance of the agreement.

~~§ 4072. NOTICE OF TERMINATION OF DEALER AGREEMENTS~~

~~(a) Notwithstanding any agreement to the contrary, prior to the termination of a dealer agreement, a supplier shall notify the dealer of the termination not less than 120 days prior to the effective date of the termination. No supplier may terminate, cancel, or fail to renew a dealership agreement without cause. “Cause” means failure by an equipment dealer to comply with the requirements imposed upon the equipment dealer by the dealer agreement, provided the requirements are not substantially different from those requirements imposed upon other similarly situated equipment dealers in this State.~~

~~(b) The supplier may immediately terminate the agreement at any time upon the occurrence of any of the following events which in addition to the above definition of cause, are also cause for termination, cancellation, or failure to renew a dealership agreement:~~

~~(1) the filing of a petition for bankruptcy or for receivership either by or against the dealer;~~

~~(2) the making by the dealer of an intentional and material misrepresentation as to the dealer’s financial status;~~

~~(3) any default by the dealer under a chattel mortgage or other security agreement between the dealer and the supplier;~~

~~(4) the commencement of voluntary or involuntary dissolution or liquidation of the dealer if the dealer is a partnership or corporation;~~

~~(5) a change or additions in location of the dealer's place of business as provided in the agreement without the prior written approval of the supplier; or~~

~~(6) withdrawal of an individual proprietor, partner, major shareholder, the involuntary termination of the manager of the dealership, or a substantial reduction in the interest of a partner or major shareholder without the prior written consent of the supplier.~~

~~(c) Unless there is an agreement to the contrary, a dealer who intends to terminate a dealer agreement with a supplier shall notify the supplier of that intent not less than 120 days prior to the effective date of termination.~~

~~(d) Notification required by this section shall be in writing and shall be made by certified mail or by personal delivery and shall contain:~~

~~(1) a statement of intention to terminate the dealer agreement;~~

~~(2) a statement of the reasons for the termination; and~~

~~(3) the date on which the termination shall be effective.~~

TERMINATION OF DEALER AGREEMENT

(a) Requirements for notice.

(1) A person shall provide a notice required in this section by certified mail or by personal delivery.

(2) A notice shall be in writing and shall include:

(A) a statement of intent to terminate the dealer agreement;

(B) a statement of the reasons for the termination, including specific reference to one or more requirements of the dealer agreement that serve as the basis for termination, if applicable; and

(C) the effective date of termination.

(b) Termination by a supplier for cause.

(1) In this subsection, "cause" means the failure of a dealer to meet one or more requirements of a dealer agreement, provided that the requirement is reasonable, justifiable, and substantially the same as requirements imposed on similarly situated dealers in this State.

(2) A supplier shall not terminate a dealer agreement except for cause.

(3) To terminate a dealer agreement for cause, a supplier shall deliver a notice of termination to the dealer at least 120 days before the effective date of termination.

(4) A dealer has 60 days from the date it receives a notice of termination to meet the requirements of the dealer agreement specified in the notice.

(5) If a dealer meets the requirements of the dealer agreement specified in the notice within the 60-day period, the dealer agreement does not terminate pursuant to the notice of termination.

(c) Termination by a supplier for failure to meet reasonable marketing or market penetration requirements.

(1) Notwithstanding subsection (b) of this section, a supplier shall not terminate a dealer agreement for failure to meet reasonable marketing or market penetration requirements except as provided in this subsection.

(2) A supplier shall deliver an initial notice of termination to the dealer at least 24 months before the effective date of termination.

(3) After providing an initial notice, the supplier shall work with the dealer in good faith to meet the reasonable marketing or market penetration requirements specified in the notice, including reasonable efforts to provide the dealer with adequate inventory and marketing programs that are substantially the same as those provided to dealers in this State or region, whichever is more appropriate under the circumstances.

(4) If the dealer fails to meet reasonable marketing or market penetration requirements specified in the notice by the end of the 24-month period, the supplier may terminate the dealer agreement by providing a final notice of termination not less than 90 days prior to the effective date of the termination.

(5) If a dealer meets the reasonable marketing or market penetration requirements within the 24-month period, the dealer agreement shall not terminate.

(d) Termination by a supplier upon a specified event. Notwithstanding subsection (b) of this section, a supplier may terminate immediately a dealer agreement if one of the following events occurs:

(1) A person files a petition for bankruptcy or for receivership on behalf of or against the dealer.

(2) The dealer makes an intentional and material misrepresentation regarding his or her financial status.

(3) The dealer defaults on a chattel mortgage or other security agreement between the dealer and the supplier.

(4) A person commences the voluntary or involuntary dissolution or liquidation of a dealer organized as a business entity.

(5) Without the prior written consent of the supplier:

(A) The dealer changes the business location specified in the dealer agreement or adds an additional dealership of the supplier's same brand.

(B) An individual proprietor, partner, or major shareholder withdraws from, or substantially reduces his or her interest in, the dealer.

(6) The dealer fails to operate in the normal course of business for eight consecutive business days, unless the failure to operate is caused by an emergency or other circumstances beyond the dealer's control.

(7) The dealer abandons the business.

(8) The dealer pleads guilty to or is convicted of a felony that is substantially related to the qualifications, function, or duties of the dealer.

(e) Termination by a dealer. Unless a provision of a dealer agreement provides otherwise, a dealer may terminate the dealer agreement by providing a notice of termination to the supplier at least 120 days before the effective date of termination.

* * *

§ 4074. REPURCHASE TERMS

(a)(1) Within 90 days from receipt of the written request of the dealer, a supplier under the duty to repurchase inventory pursuant to section 4073 of this title may examine any books or records of the dealer to verify the eligibility of any item for repurchase.

(2) Except as otherwise provided in this chapter, the supplier shall repurchase from the dealer the following items that the dealer previously purchased from the supplier, or other qualified vendor approved by the supplier, that are in the possession of the dealer on the date of termination of the dealer agreement:

(A) all inventory previously purchased from the supplier in possession of the dealer on the date of termination of the dealer agreement; and

(B) required signage, special tools, books, manuals, supplies, data processing equipment, and software previously purchased from the supplier or

~~other qualified vendor approved by the supplier in the possession of the dealer on the date of termination of the dealer agreement.~~

(b) The supplier shall pay the dealer:

(1) 100 percent of the net cost of all new, ~~and undamaged,~~ and complete ~~farm and utility tractors, utility equipment, forestry equipment, industrial equipment, farm implements, farm machinery, yard and garden equipment, attachments, and accessories~~ inventory, other than repair parts, purchased from the supplier within the 30-month period preceding the date of termination, less a reasonable allowance for deterioration attributable to weather ~~conditions~~ exposure at the dealer's location.

(2) ~~90~~ 100 percent of the current net prices of all new and undamaged repair parts.

(3) ~~85~~ 95 percent of the current net prices of all new and undamaged superseded repair parts.

(4) ~~85~~ 95 percent of the latest available published net price of all new and undamaged noncurrent repair parts.

(5) Either the fair market value, or the supplier shall assume the lease responsibilities of, any specific data processing hardware that the supplier required the dealer to purchase to satisfy the reasonable requirements of the dealer agreement, including computer systems equipment and software required and approved by the supplier to communicate with the supplier.

(6) ~~Repurchase at 75 percent of the net cost of specialized repair tools, signage, books, and supplies previously purchased, pursuant to requirements of the supplier and held by the dealer on the date of termination. Specialized repair tools must be unique to the supplier's product line and must be complete and in usable condition.~~

(7) ~~Repurchase at average~~ Average as-is value shown in current industry guides; for dealer-owned rental fleet financed by the supplier or its finance subsidiary, provided the equipment was purchased from the supplier within 30 months of the date of termination.

(c) The party that initiates the termination of the dealer agreement shall pay the cost of the return, handling, packing, and loading of the inventory. If the termination is initiated by the supplier, the supplier shall reimburse the dealer five percent of the net parts return credited to the dealer as compensation for picking, handling, packing, and shipping the parts returned to the supplier.

(d) Payment to the dealer required under this section shall be made by the supplier not later than 45 days after receipt of the inventory by the supplier. A

penalty shall be assessed in the amount of daily interest at the current New York prime rate plus three percent of any outstanding balance over the required 45 days. The supplier shall be entitled to apply any payment required under this section to be made to the dealer as a setoff against any amount owed by the dealer to the supplier.

§ 4075. EXCEPTIONS TO REPURCHASE REQUIREMENT

The provisions of this chapter shall not require a supplier to repurchase from a dealer:

(1) a repair part with a limited storage life or otherwise subject to physical or structural deterioration, including gaskets or batteries;

(2) a single repair part normally priced and sold in a set of two or more items;

(3) a repair part that, because of its condition, cannot be marketed as a new part without repackaging or reconditioning by the supplier or manufacturer;

(4) any inventory that the dealer elects to retain;

(5) any inventory ordered by the dealer after receipt of notice of termination of the dealer agreement by either the dealer or supplier; ~~or~~

(6) any inventory that was acquired by the dealer from a source other than the supplier unless the source was approved by the supplier;

(7) a specialized repair tool that is not unique to the supplier's product line, or that is over 10 years old, incomplete, or in unusable condition;

(8) a part identified by the supplier as nonreturnable at the time of the dealer's order; or

(9) supplies that are not unique to the supplier's product line, or that are over three years old, incomplete, or in unusable condition.

* * *

§ 4077a. ~~PROHIBITED ACTS~~

~~No supplier shall:~~

~~(1) coerce any dealer to accept delivery of any equipment, parts, or accessories therefor, which such dealer has not voluntarily ordered, except that a supplier may require a dealer to accept delivery of equipment, parts or accessories that are necessary to maintain equipment generally sold in the dealer's area of responsibility, and a supplier may require a dealer to accept~~

~~delivery of safety-related equipment, parts, or accessories pertinent to equipment generally sold in the dealer's area of responsibility;~~

~~(2) condition the sale of any equipment on a requirement that the dealer also purchase any other goods or services, but nothing contained in this chapter shall prevent the supplier from requiring the dealer to purchase all parts reasonably necessary to maintain the quality of operation in the field of any equipment used in the trade area;~~

~~(3) coerce any dealer into a refusal to purchase the equipment manufactured by another supplier; or~~

~~(4) discriminate in the prices charged for equipment of like grade and quality sold by the supplier to similarly situated dealers, but nothing contained in this chapter shall prevent differentials which make only due allowance for a difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such equipment is sold or delivered by the supplier.~~

PROHIBITED ACTS

(a)(1) A supplier shall not coerce or attempt to coerce a dealer to accept delivery of inventory that the dealer has not voluntarily ordered.

(2) A supplier may require a dealer to accept delivery of inventory that is:

(A) necessary to maintain inventory in a quantity, and of the model range, generally sold in the dealer's geographic area of responsibility; or

(B) safety-related and pertinent to inventory generally sold in the dealer's geographic area of responsibility.

(b) A supplier shall not condition the sale of inventory on a requirement that the dealer also purchase any other goods or services, provided that a supplier may require a dealer to purchase parts reasonably necessary to maintain inventory used in the dealer's geographic area of responsibility.

(c)(1) A supplier shall not prevent, coerce, or attempt to coerce a dealer from investing in, or entering into an agreement for the sale of, a competing product line or make of inventory.

(2) A supplier shall not require, coerce, or attempt to coerce a dealer to provide a separate facility or personnel for a competing product line or make of inventory.

(3) Subdivisions (1)–(2) of this subsection do not apply unless a dealer:

(A) maintains a reasonable line of credit for each product line or make of inventory;

(B) maintains the principal management of the dealer; and

(C) remains in substantial compliance with the supplier's reasonable facility requirements, which shall not include a requirement to provide a separate facility or personnel for a competing product line or make of inventory.

(d) A supplier shall not discriminate in the prices it charges for inventory of like grade and quality it sells to similarly situated dealers, provided that a supplier may use differentials that allow for a difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which the supplier sells or delivers the inventory.

(e) A supplier shall not change the geographic area of responsibility specified in a dealer agreement without good cause, which for purposes of this subsection includes the dealer's market penetration within the assigned geographic area of responsibility and changes in the inventory warranty registration pattern in the area surrounding the dealer's geographic area of responsibility.

§ 4078. WARRANTY OBLIGATIONS

(a) A supplier shall:

(1) specify in writing a dealer's reasonable obligation to perform warranty service on the supplier's inventory;

(2) provide the dealer a schedule of reasonable compensation for warranty service, including amounts for diagnostic work, parts, labor, and the time allowance for the performance of warranty service; and

(3) compensate the dealer pursuant to the schedule of compensation for the warranty service the supplier requires it to perform.

(b) Time allowances for the diagnosis and performance of warranty service shall be reasonable and adequate for the service to be performed by a dealer that is equipped to complete the requirements of the warranty service.

(c) The hourly rate paid to a dealer shall not be less than the rate the dealer charges to customers for nonwarranty service.

(d) A supplier shall compensate a dealer for parts used to fulfill warranty and recall obligations at a rate not less than the price the dealer actually paid the supplier for the parts plus 20 percent, plus freight and handling if charged by the supplier.

(e) The wholesale price on which a dealer's markup reimbursement is based for any parts used in a recall or campaign shall not be less than the highest wholesale price listed in the supplier's wholesale price catalogue within six months prior to the start of the recall or campaign.

(f)(1) Whenever a supplier and a dealer enter into an agreement providing consumer warranties, the supplier shall pay any warranty claim made for warranty parts and service within 30 days after its receipt and approval.

(2) The supplier shall approve or disapprove a warranty claim within 30 days after its receipt.

(3) If a claim is not specifically disapproved in writing within 30 days after its receipt, it shall be deemed to be approved and payment shall be made by the supplier within 30 days after its receipt.

(g) A supplier violates this section if it:

(1) fails to perform its warranty obligations;

(2) fails to include in written notices of factory recalls to machinery owners and dealers the expected date by which necessary parts and equipment will be available to dealers for the correction of such defects; or

(3) fails to compensate a dealer for repairs required by a recall.

(h) A supplier shall not:

(1) impose an unreasonable requirement in the process a dealer must follow to file a warranty claim; or

(2) impose a surcharge or fee to recover the additional costs the supplier incurs from complying with the provisions of this section.

§ 4079. REMEDIES

(a) A person damaged as a result of a violation of this chapter may bring an action against the violator in a Vermont court of competent jurisdiction for damages, together with the actual costs of the action, including reasonable attorney's fees, injunctive relief against unlawful termination, ~~cancellation,~~ ~~nonrenewal,~~ or substantial change of competitive circumstances, and such other relief as the ~~Court~~ court deems appropriate.

(b) A provision in a dealer agreement that purports to deny access to the procedures, forums, or remedies provided by the laws of this State is void and unenforceable.

(c) Nothing contained in this chapter may prohibit Notwithstanding subsection (b) of this section, a dealer agreement may include a provision for

binding arbitration of disputes ~~in an agreement~~. Any arbitration shall be consistent with the provisions of this chapter and 12 V.S.A. chapter 192, and the place of any arbitration shall be in the county in which the dealer's principal place of business is maintained in this State.

* * *

Sec. 3. APPLICABILITY TO EXISTING DEALER AGREEMENTS

Notwithstanding 1 V.S.A. § 214, for a dealer agreement, as defined in 9 V.S.A. § 4071, that is in effect on or before July 1, 2016, the provisions of this act shall apply on July 1, 2016.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

COMMITTEE ON THE PART OF
THE SENATE

SEN. ANN E. CUMMINGS
SEN. PHILIP E. BARUTH
SEN. WILLIAM T. DOYLE

COMMITTEE ON THE PART OF
THE HOUSE

REP. WARREN F. KITZMILLER
REP. FRED K. BASER
REP. STEPHEN A. CARR

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

**Senate Proposal of Amendment Concurred in
With a Further Amendment Thereto**

H. 878

The Senate proposed to the House to amend House bill, entitled
An act relating to capital construction and State bonding budget adjustment
By striking all after the enacting clause and inserting in lieu thereof the following:

* * * Capital Appropriations * * *

Sec. 1. 2015 Acts and Resolves No. 26, Sec. 2 is amended to read:

Sec. 2. STATE BUILDINGS

* * *

(c) The following sums are appropriated in FY 2017:

* * *

- (5) Statewide, major maintenance: \$8,000,000.00 \$8,300,000.00
- (6) Statewide, BGS engineering and architectural project costs:
 \$3,677,448.00 \$3,553,061.00

(7) Statewide, physical security enhancements:

~~\$200,000.00~~ \$1,000,000.00

(8) ~~Montpelier, 115 State Street, State House lawn, access improvements and water intrusion:~~

~~\$300,000.00~~ [Repealed.]

(9) Montpelier, 120 State Street, life safety and infrastructure improvements:

~~\$1,000,000.00~~ \$1,500,000.00

* * *

(13) Statewide, strategic building realignments:

~~\$300,000.00~~ \$250,000.00

(14) Burlington, 108 Cherry Street, parking garage, repair:

\$300,000.00

(15) Southern State Correctional Facility, steam line replacement:

\$200,000.00

(16) Statewide, ADA projects, State-owned buildings and courthouses:

\$74,000.00

(17) Montpelier, 115 State Street and One Baldwin Street, data wiring:

\$40,000.00

(18) Montpelier, 11 and 13 Green Mountain Drive, planning and siting options for Department of Liquor Control and warehouse:

\$75,000.00

(19) Waterbury State Office Complex projects, true up:

\$2,000,000.00

* * *

(e) The Commissioner of Buildings and General Services is authorized to use funds from the amount appropriated in subdivision (c)(5) of this section to:

(1) conduct engineering and design for either a single generator for the State House or a shared generator for the State House and the Capitol Complex, and the related upgrades for the electrical switch gear; and

(2) pay for or reimburse, up to \$150,000.00, for costs associated with repairing damage related to the removal of Vermont Interactive Technologies' equipment and wiring; provided, however, that the Commissioner of Buildings and General Services shall not pay for or reimburse labor costs associated with the repair.

(f) The Commissioner of Buildings and General Services is authorized to begin the design of the parking garage at 108 Cherry Street in Burlington, as described in subdivision (c)(14) of this section, prior to the start of the 2017

legislative session if the Commissioner determines it is in the best interest of the State.

Appropriation – FY 2016		\$41,313,990.00
Appropriation – FY 2017	\$29,450,622.00	<u>\$33,265,235.00</u>
Total Appropriation – Section 2	\$70,764,612.00	<u>\$74,579,225.00</u>

Sec. 2. 2015 Acts and Resolves No. 26, Sec. 3 is amended to read:

Sec. 3. ADMINISTRATION

(a) ~~The following sums are~~ sum of \$125,000.000 is appropriated in FY 2016 to the Department of Taxes for the Vermont Center for Geographic Information for an ongoing project to update statewide quadrangle maps through digital orthophotographic quadrangle mapping:

- (1) ~~\$125,000.00 is appropriated in FY 2016.~~
- (2) ~~\$125,000.00 is appropriated in FY 2017.~~

(b) The following sums are appropriated to the Department of Finance and Management for the ERP expansion project (Phase II):

- (1) \$5,000,000.00 is appropriated in FY 2016.
- (2) ~~\$9,267,470.00~~ \$6,313,881.00 is appropriated in FY 2017.

(c) The sum of \$5,463,211.00 is appropriated in FY 2017 to the Agency of Human Services for the Health and Human Services Enterprise IT System.

Appropriation – FY 2016		\$5,125,000.00
Appropriation – FY 2017	\$14,855,681.00	<u>\$11,777,092.00</u>
Total Appropriation – Section 3	\$19,980,681.00	<u>\$16,902,092.00</u>

Sec. 3. 2015 Acts and Resolves No. 26, Sec. 5 is amended to read:

Sec. 5. JUDICIARY

* * *

(c) The following sums are appropriated in FY 2017 to the Judiciary:

- (1) Statewide court security systems and improvements: ~~\$125,000.00~~
\$740,000.00
- (2) Judicial case management system: \$4,000,000.00

(d) The following sums are appropriated in FY 2017 to the Department of Buildings and General Services for the Judiciary:

(1) Orleans State Courthouse, building assessment and feasibility study:
\$50,000.00

(2) Barre State Courthouse and Office Building, infrastructure evaluation and design for the Courthouse:
\$40,000.00

Appropriation – FY 2016 \$5,880,000.00

Appropriation – FY 2017 ~~\$4,125,000.00~~ \$4,830,000.00

Total Appropriation – Section 5 ~~\$10,005,000.00~~ \$10,710,000.00

Sec. 4. 2015 Acts and Resolves No. 26, Sec. 6 is amended to read:

Sec. 6. COMMERCE AND COMMUNITY DEVELOPMENT

* * *

(d) The following sums are appropriated in FY 2017 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Underwater preserves: \$30,000.00

(2) Placement and replacement of roadside historic markers:
 \$15,000.00

(3) Update statewide quadrangle maps through digital orthophotographic quadrangle mapping:
\$125,000.00

Appropriation – FY 2016 \$393,000.00

Appropriation – FY 2017 ~~\$295,000.00~~ \$420,000.00

Total Appropriation – Section 6 ~~\$688,000.00~~ \$813,000.00

Sec. 5. 2015 Acts and Resolves No. 26, Sec. 7 is amended to read:

Sec. 7. GRANT PROGRAMS

* * *

(h) The sum of \$200,000.00 is appropriated in FY 2017 to the Enhanced 911 Board for the Enhanced 911 Compliance Grant Program.

Appropriation – FY 2016 \$1,400,000.00

Appropriation – FY 2017 ~~\$1,400,000.00~~ \$1,600,000.00

Total Appropriation – Section 7 ~~\$2,800,000.00~~ \$3,000,000.00

Sec. 6. 2015 Acts and Resolves No. 26, Sec. 8 is amended to read:

Sec. 8. EDUCATION

(a) The following sums are appropriated in FY 2016 to the Agency of Education for funding the State share of completed school construction projects pursuant to 16 V.S.A. § 3448 and emergency projects:

(1) Emergency projects: \$82,188.00 \$62,175.00

(2) School construction projects: \$3,975,500.00 \$3,995,513.00

(b) The sum of \$60,000.00 is appropriated in FY 2017 to the Agency of Education for State aid for emergency projects.

Appropriation – FY 2016 \$4,057,688.00

Appropriation – FY 2017 \$60,000.00

Total Appropriation – Section 8 \$4,117,688.00

Sec. 7. 2015 Acts and Resolves No. 26, Sec. 9 is amended to read:

Sec. 9. UNIVERSITY OF VERMONT

* * *

(b) The sum of \$1,400,000.00 is appropriated in FY 2017 to the University of Vermont for construction, renovation, and major maintenance:

\$1,400,000.00

(c) The General Assembly acknowledges that, pursuant to the terms of the deed, the property located at 195 Colchester Avenue in Burlington shall be transferred from the State to the University of Vermont at no cost to the University, and that the University of Vermont shall retain any proceeds from the sale of the property.

Appropriation – FY 2016 \$1,400,000.00

Appropriation – FY 2017 \$1,400,000.00

Total Appropriation – Section 9 \$2,800,000.00

Sec. 8. 2015 Acts and Resolves No. 26, Sec. 10 is amended to read:

Sec. 10. VERMONT STATE COLLEGES

(a) The following sums are appropriated in FY 2016 to the Vermont State Colleges:

(1) Construction, renovation, and major maintenance: \$1,400,000.00

(2) ~~Engineering~~ Engineering Randolph, Vermont Technical College, engineering technology laboratories, plan, design, and upgrade:

\$1,000,000.00

(b) The following sums are appropriated in FY 2017 to the Vermont State Colleges:

(1) Construction, renovation, and major maintenance: \$1,400,000.00

(2) Engineering Randolph, Vermont Technical College, engineering technology laboratories, plan, design, and upgrade: \$500,000.00

(3) Castleton, Castleton University, science laboratories, plan, design, and upgrade: \$1,000,000.00

(4) Lyndon, Lyndon State College, installation of solar thermal system, sound monitoring equipment: \$150,000.00

(c) It is the intent of the General Assembly that the amount appropriated in subdivision (b)(2) of this section shall be used as a challenge grant to raise funds to upgrade engineering technology laboratories at the Vermont Technical College. The funds shall only become available after the Vermont Technical College has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that \$500,000.00 in committed funds has been raised to match the appropriation in subdivision (b)(2) of this section and finance additional costs of comprehensive laboratory improvements.

(d) It is the intent of the General Assembly that the amount appropriated in subdivision (b)(3) of this section shall be used as a challenge grant to raise funds to upgrade science laboratories at Castleton University. Of the amount appropriated, \$500,000.00 shall become available upon passage of this act, and the remaining funds shall only become available after Castleton University has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that \$500,000.00 in committed funds has been raised as a match to finance costs associated with comprehensive laboratory improvements.

(e) It is the intent of the General Assembly that of the amount appropriated in subdivision (b)(4) of this section, \$100,000.00 shall become available upon passage of this act for the installation of the solar thermal system, and the remaining funds shall only become available after Lyndon State College has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that \$50,000.00 in committed funds has been raised as a match to finance costs associated with the purchase of sound monitoring equipment.

Appropriation – FY 2016	\$2,400,000.00
Appropriation – FY 2017	\$1,900,000.00 <u>\$3,050,000.00</u>
Total Appropriation – Section 10	\$4,300,000.00 <u>\$5,450,000.00</u>

Sec. 9. 2015 Acts and Resolves No. 26, Sec. 11 is amended to read:

Sec. 11. NATURAL RESOURCES

* * *

(d) The following sums are appropriated in FY 2017 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) the Water Pollution Control Fund for the Clean Water State/EPA Revolving Loan Fund (CWSRF) match: \$1,300,000.00

* * *

(3) the Drinking Water Supply, Drinking Water State Revolving Fund: ~~\$2,538,000.00~~ \$2,738,000.00

* * *

(7) Municipal Pollution Control Grants, pollution control projects and planning advances for feasibility studies: \$2,276,494.00

(8) Bristol, closure of town landfill: \$145,000.00

* * *

(f) The following sums are appropriated in FY 2017 to the Agency of Natural Resources for the Department of Fish and Wildlife:

(1) General infrastructure projects: \$875,000.00

(2) Lake Champlain Walleye Association, Inc. to upgrade and repair the walleye rearing, restoration, and stocking infrastructure: \$25,000.00

(g) The sum of \$2,300,000.00 is appropriated in FY 2017 to the Department of Buildings and General Services for the Department of Fish and Wildlife for the Roxbury fish hatchery reconstruction project.

(h) Notwithstanding any other provision of law, the Commissioner of Environmental Conservation may transfer any funds appropriated in a capital construction act to the Department of Environmental Conservation to support the response to PFOA contamination. If a responsible party reimburses the Department for the cost of any such response, the Department shall use those funds to support the original capital appropriation and shall notify the House

Committee on Corrections and Institutions and the Senate Committee on Institutions of the reimbursement.

Appropriation – FY 2016		\$13,481,601.00
Appropriation – FY 2017	\$13,243,000.00	<u>\$18,164,494.00</u>
Total Appropriation – Section 11	\$26,724,601.00	<u>\$31,646,095.00</u>

Sec. 10. 2015 Acts and Resolves No. 26, Sec. 12 is amended to read:

Sec. 12. MILITARY

* * *

(b) The sum of \$750,000.00 is appropriated in FY 2017 to the Department of Military for maintenance, renovations, roof replacements, ADA renovations, and energy upgrades at State armories. To the extent feasible, these funds shall be used to match federal funds. The following sums are appropriated in FY 2017 to the Department of Military for the projects described in this subsection:

(1) Construction, maintenance, renovations, roof replacements, and energy upgrades at State armories. To the extent feasible, these funds shall be used to match federal funds:

	<u>\$750,000.00</u>
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(2) Randolph, Vermont Veterans Memorial Cemetery, project costs not covered by federal grant funds:

	<u>\$188,000.00</u>
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(3) ADA projects, State armories. To the extent feasible, these funds shall be used to match federal funds:

	<u>\$120,000.00</u>
--	---------------------

Appropriation – FY 2016		\$809,759.00
Appropriation – FY 2017	\$750,000.00	<u>\$1,058,000.00</u>
Total Appropriation – Section 12	\$1,559,759.00	<u>\$1,867,759.00</u>

Sec. 11. 2015 Acts and Resolves No. 26, Sec. 13 is amended to read:

Sec. 13. PUBLIC SAFETY

* * *

(c) The following sums are appropriated in FY 2017 to the Department of Buildings and General Services for the Department of Public Safety as described in this subsection:

(1) Williston, State Police Barracks, site location and proposal, feasibility studies, and program analysis:

	<u>\$250,000.00</u>
--	---------------------

(2) Westminster, DPS Facility, project cost adjustment for unanticipated site conditions and code modifications: \$400,000.00

(3) Waterbury State Office Complex, blood analysis laboratory, renovations: \$460,000.00

(d) The Commissioner of Buildings and General Services is authorized to use up to \$50,000.00 of the amount appropriated in subdivision (c)(1) of this section for acoustical enhancements at the Williston Public Safety Answer Point Center (PSAP), if deemed necessary after consultation with the Department of Public Safety. Any funds remaining at the end of the fiscal year may be used to evaluate options to replace the Middlesex State Police Barracks.

Appropriation – FY 2016 \$300,000.00

Appropriation – FY 2017 \$1,110,000.00

Total Appropriation – § 13 Total Appropriation – Section 13 \$1,410,000.00

Sec. 12. 2015 Acts and Resolves No. 26, Sec. 14 is amended to read:

Sec. 14. AGRICULTURE, FOOD AND MARKETS

* * *

(b) The following sums are appropriated in FY 2017 to the Agency of Agriculture, Food and Markets for the projects described in this subsection:

(1) Best Management Practices and Conservation Reserve Enhancement Program: \$1,800,000.00

(2) Vermont Exposition Center Building, upgrades: \$115,000.00

(3) Vermont Environment and Agricultural Laboratory, equipment: \$455,000.00

Appropriation – FY 2016 \$2,202,412.00

Appropriation – FY 2017 ~~\$1,915,000.00~~ \$2,370,000.00

Total Appropriation – Section 14 ~~\$4,117,412.00~~ \$4,572,412.00

Sec. 13. 2015 Acts and Resolves No. 26, Sec. 18 is amended to read:

Sec. 18. VERMONT HOUSING AND CONSERVATION BOARD

* * *

(b) The following amounts are appropriated in FY 2017 to the Vermont Housing and Conservation Board.

(1) Statewide, water quality improvement projects:	\$1,000,000.00
(2) Housing:	\$1,800,000.00
(3) <u>Downtown development projects:</u>	<u>\$1,200,000.00</u>

(c) The Vermont Housing and Conservation Board shall use the funds appropriated in subdivision (b)(3) of this section to leverage other resources to assist economically distressed downtowns in the Northeast Kingdom. The funds shall be held in reserve until appropriate affordable housing, historic preservation, community parks, public facilities, or public access to water projects can be developed. The Vermont Housing and Conservation Board may allocate up to ten percent of the funds to assist communities or community-based nonprofit organizations to support predevelopment or planning activities necessary for project implementation. It is the intent of the General Assembly that priority is given to communities acting on recommendations from a Vermont Council on Rural Development community visit, and that priority projects shall include distressed historic buildings where investment can help stabilize and improve the surrounding neighborhood.

(d) Notwithstanding the amounts allocated in subsection (b) of this section, the Vermont Housing and Conservation Board may use the amounts appropriated in subdivisions (b)(2) and (b)(3) of this section to increase the amount it allocates to conservation grant awards; provided, however, that the Vermont Housing and Conservation Board increases any affordable housing investments by the same amount from funds appropriated to the Vermont Housing and Conservation Board in the FY 2017 Appropriations Act.

Appropriation – FY 2016	\$4,550,000.00
Appropriation – FY 2017	\$2,800,000.00 \$4,000,000.00
Total Appropriation – Section 18	\$7,350,000.00 <u>\$8,550,000.00</u>

Sec. 14. 2015 Acts and Resolves No. 26, Sec. 19 is amended to read:

Sec. 19. VERMONT INTERACTIVE TECHNOLOGIES

~~\$220,000.00~~ The sum of \$110,810.64 is appropriated in FY 2016 to the Vermont State Colleges on behalf of Vermont Interactive Technologies (VIT) for all costs associated with the dissolution of VIT's operations.

Total Appropriation – Section 19	\$220,000.00 <u>\$110,810.64</u>
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Sec. 15. 2015 Acts and Resolves No. 26, Sec. 20 is amended to read:

Sec. 20. GENERAL ASSEMBLY

* * *

(15) of the amount appropriated in 2012 Acts and Resolves No. 104, Sec. 2(c)(7) (Vermont Veterans Memorial Cemetery Master Plan): \$1,622.94

(16) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 2(b)(16) (Barre Courthouse and State Office Building, pellet boiler):
\$96,389.57

(17) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 11(a)(water pollution control):
\$16,464.86

(18) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 13(c) (land purchase and feasibility studies):
\$150,000.00

(19) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 13(d) (Public Safety land purchases):
\$299,022.00

(20) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (Department of Labor parking lot expansion):
\$71,309.26

(21) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2(c) (BGS engineering, project management, and architectural cost):
\$113,411.93

(22) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2(c)(17)(State House, security enhancements):
\$142,732.59

(23) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2(c)(18) (State House maintenance and upgrades and renovations):
\$100,000.00

(24) of the amount appropriated to the Historic Property Stabilization and Rehabilitation Special Fund established in 29 V.S.A. § 155: \$50,000.00

(25) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 12(a) to the Vermont Veterans Memorial Cemetery: \$38,135.00

(b) The following unexpended funds appropriated to the Agency of Natural Resources for capital construction projects are reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

* * *

(6) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 6 (water pollution control projects):
\$3,253.00

(7) of the amount appropriated to the Vermont Pollution Control Revolving Fund established in 24 V.S.A. § 4753:
\$496,147.71

(8) of the amount appropriated to the Vermont Water Source Protection Fund established in 24 V.S.A. § 4753: \$200,000.00

(c) The following sums are reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

* * *

(6) of the proceeds from the sale of property authorized in 2009 Acts and Resolves No. 43, Sec. 25 (1193 North Ave., Thayer School): \$60,991.12

(d) The amount appropriated in subdivision (b)(8) of this section shall be directed to the amount appropriated to the Vermont Environmental Protection Agency (EPA) Drinking Water State Revolving Fund in Sec. 11(d)(3) of this act.

Reallocations and Transfers – FY 2016 \$1,648,656.08

Reallocations and Transfers – FY 2017 \$1,847,575.25

Total Reallocations and Transfers – Section 21 ~~\$1,648,656.08~~ \$3,496,231.33

Sec. 18. 2015 Acts and Resolves No. 26, Sec. 22 is amended to read:

Sec. 22. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

* * *

(c) The State Treasurer is authorized to issue additional general obligation bonds in the amount of \$9,398,753.35 that were previously authorized but unissued under 2015 Acts and Resolves No. 26 for the purpose of funding the appropriations in this act.

Total Revenues – Section 22 ~~\$155,559,096.05~~ \$164,957,849.40

* * * Policy * * *

* * * Buildings and General Services * * *

Sec. 19. WATERBURY STATE OFFICE COMPLEX; PROPERTY TRANSACTIONS

(a) The Commissioner of Buildings and General Services is authorized to transfer the parcel of land designated as Lot 6A on the map prepared by Engineering Ventures PC entitled “Waterbury State Office Complex Restoration” and dated June 24, 2013, as revised by the Department of Buildings and General Services on March 24, 2016, to the owners of the property located at 28 Park Row in Waterbury; provided, however, that the owners of the property shall be required to pay any costs associated with the transfer.

(b) The Commissioner of Buildings and General Services shall survey the parcel of land designated as Lot 8 on the map prepared by Engineering Ventures PC entitled "Waterbury State Office Complex Restoration" and dated June 24, 2013, as revised by the Department of Buildings and General Services on March 24, 2016.

Sec. 20. HOSKISON PROPERTY; PLYMOUTH; TRANSACTION

Notwithstanding 29 V.S.A. § 166(b), the Department of Buildings and General Services is authorized to transfer, sell, demolish, or gift the house located on the Hoskison property deeded to the State of Vermont in 2006 that abuts the Calvin Coolidge State Historic Site in Plymouth Notch.

Sec. 21. MONTPELIER; 144 STATE STREET; PROPERTY TRANSACTION

Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell, subdivide, lease, lease purchase, or enter into a common interest community agreement for the property located at 144 State Street in Montpelier, if the Commissioner determines that it is in the best interest of the State. Any agreement shall ensure that the State receives fair market value for the property, and costs associated with the sale, including relocation costs.

Sec. 22. VERMONT AGRICULTURE AND ENVIRONMENTAL LABORATORY; BIOMASS FACILITY

(a) The Commissioner of Buildings and General Services shall evaluate opportunities for the future development of biomass facilities to support the Vermont Agriculture and Environmental laboratory in Randolph if the Commissioner determines that it is in the best interest of the State. The Commissioner shall ensure that all opportunities are consistent with the State Agency Energy Plan.

(b) On or before December 1, 2016, the Commissioner shall report back to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the findings of the evaluation described in subsection (a) of this section.

Sec. 23. VERMONT AGRICULTURE AND ENVIRONMENTAL LABORATORY; ROXBURY HATCHERY; CONSTRUCTION

The Department of Buildings and General Services is authorized to enter into contractual obligations for construction for the following projects:

(1) the Vermont Agriculture and Environmental Laboratory, located at the Vermont Technical College site in Randolph, Vermont; and

(2) Roxbury Fish Hatchery, located in Roxbury, Vermont.

Sec. 24. 2011 Acts and Resolves No. 40, Sec. 26(b) is amended to read:

(b) ~~The commissioner of buildings and general services~~ Commissioner of Buildings and General Services on behalf of the ~~division for historic preservation~~ Division for Historic Preservation is authorized to enter into the agreements specified for the following properties, the proceeds of which shall be dedicated to the fund created by Sec. 30 of this act:

(1) Fuller farmhouse at the Hubbardton Battlefield ~~state~~ State historic site, authority to ~~sell or enter into a long term lease with covenants~~ demolish the farmhouse if the Town of Hubbardton and the Hubbardton Historical Society are not able to find adequate funding to use the farmhouse by July 1, 2016; provided, however, that if the farmhouse is demolished, the foundation shall be capped to preserve any potential archaeological sites.

* * *

(3) Bishop Cabin at Mount Independence State Historic Site in Orwell, authority to ~~sell or enter into a long term lease with covenants on the land~~ demolish the Cabin and remove all materials.

* * *

Sec. 25. 2011 Acts and Resolves No. 40, Sec. 29, amending 2010 Acts and Resolves No. 161, Sec. 25(f), is amended to read:

(f) Following consultation with the ~~state advisory council on historic preservation~~ State Advisory Council on Historic Preservation as required by 22 V.S.A. § 742(7) and pursuant to 29 V.S.A. § 166, the ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services is authorized to subdivide and sell the house, barn, and up to 10 acres of land at 3469 Lower Newton Road in St. Albans. ~~Net proceeds of the sale shall be deposited in the historic property stabilization and rehabilitation fund established in Sec. 30 of this act.~~

Sec. 26. 29 V.S.A. § 155 is amended to read:

~~§ 155. HISTORIC PROPERTY STABILIZATION AND REHABILITATION SPECIAL FUND~~

~~(a) There is established a special fund managed by and under the authority and control of the Commissioner, comprising net revenue from the sale or lease of underutilized State owned historic property to be used for the purposes set forth in this section. Any remaining balance at the end of the fiscal year shall be carried forward in the Fund; provided, however, that if the Fund~~

~~balance exceeds \$250,000.00 as of November 15 in any year, then the General Assembly shall reallocate funds not subject to encumbrances for other purposes in the next enacted capital appropriations bill.~~

~~(b) Monies in the Fund shall be available to the Department for the rehabilitation or stabilization of State-owned historic properties that are authorized by the General Assembly to be in the Fund program, for payment of costs of historic resource evaluations and archeological investigations, for building assessments related to a potential sale or lease, for one time fees for easement stewardship and monitoring, and for related one time expenses.~~

~~(c) On or before January 15 of each year, the Department shall report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions concerning deposits into and disbursements from the Fund occurring in the previous calendar year, the properties sold, leased, stabilized, or rehabilitated during that period, and the Department's plans for future stabilization or rehabilitation of State-owned historic properties.~~

~~(d) Annually, the list presented to the General Assembly of State-owned property the Commissioner seeks approval to sell pursuant to section 166 of this title shall identify those properties the Commissioner has identified as underutilized State-owned historic property pursuant to subsection (b) of this section.~~

~~(e) For purposes of this section, "historic property" has the same meaning as defined in 22 V.S.A. § 701. [Repealed.]~~

Sec. 27. 29 V.S.A. § 1556 is amended to read:

§ 1556. STATE SURPLUS PROPERTY

(a) All material, equipment, and supplies found to be surplus by any state State agency or department shall be transferred to the commissioner of buildings and general services Commissioner of Buildings and General Services. The commissioner of buildings and general services Commissioner of Buildings and General Services shall be responsible for the disposal of surplus state State property. The commissioner of buildings and general services Commissioner of Buildings and General Services may:

(1) transfer the property to any other state State agency or department having a justifiable need for the property, or transfer to any municipality, school, or nonprofit organization having a justifiable need as determined by a State agency or department, and assess an administrative fee if deemed appropriate;

(2) store or warehouse the property for future needs of the state State;

(3) transfer the property to municipalities for town highways and bridges;

(4) after giving priority to the provisions of subdivisions (1), (2), and (3) of this ~~section~~ subsection, transfer used bridge beams and other surplus material, equipment, and supplies to VAST, the local affiliates of VAST, or to municipalities cooperating with VAST or municipalities developing and maintaining their own trail system;

(5) recondition and repair any property for use or sale when economically feasible;

(6) sell surplus property by any suitable means, including ~~but not limited to~~ bids or auctions;

(7) donate, at no charge, surplus motor vehicles and related equipment, to any nonprofit entity engaged in rehabilitating and redistributing motor vehicles to ~~low income~~ Vermont residents with low income, provided that the ~~commissioner~~ Commissioner has first attempted to sell or satisfy the needs of the ~~state~~ State for the vehicles or equipment concerned.

(b) Any municipality, school, or nonprofit organization that receives a transfer of property pursuant to this section shall assume ownership of the property from the State.

Sec. 28. 29 V.S.A. § 821(b) is amended to read:

(b) State correctional facilities. The names of State correctional facilities shall be as follows:

* * *

~~(10) In Waterbury, "Dale Correctional Facility."~~

Sec. 29. SOUTHEAST STATE CORRECTIONAL FACILITY; WINDSOR;
LAND TRANSFER

(a) On or before August 1, 2016, the Department of Buildings and General Services shall conduct a survey of the 160-acre portion of the State-owned parcel in the Town of Windsor known as the "Windsor Prison Farm" that is under the jurisdiction of the Department of Buildings and General Services and described in Executive Order 08-15. The survey shall identify the boundaries for all of the land used by the Departments of Corrections and of Buildings and General Services for the operation and security of the Southeast State Correctional Facility.

(b) Within 30 days of receipt of the survey described in subsection (a) of this section, the Commissioner of Buildings and General Services shall transfer

to the jurisdiction of the Department of Fish and Wildlife the portion of the land identified in the survey that is not used by the Departments of Buildings and General Services and of Corrections for the operation and security of the Southeast State Correctional Facility.

* * * Corrections * * *

Sec. 30. STATE CORRECTIONAL FACILITIES; COMMITTEE;
ASSESSMENT; REPORT

(a) Creation. There is created a Correctional Facility Planning Committee to develop a 20-year capital plan for, and assess the population needs at, State correctional facilities.

(b) Membership. The Committee shall be composed of the following:

(1) the Commissioner of Corrections or designee, who shall serve as chair;

(2) the Commissioner of Finance and Management or designee;

(3) the Commissioner of Buildings and General Services or designee;

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

(5) the Commissioner of Mental Health or designee;

(6) the Commissioner of Disabilities, Aging, and Independent Living or designee; and

(7) the Executive Director of the Crime Research Group or designee.

(c) Powers and duties. The Committee shall assess the capital and programming needs of State correctional facilities, which shall include the following:

(1) An evaluation of the use, condition, and maintenance needs of each State correctional facility, including whether any facility should be closed renovated, relocated, or repurposed. This evaluation shall include an update of the most recent facilities assessment as of June 30, 2016:

(A) each facility's replacement value;

(B) each facility's deferred maintenance schedule; and

(C) the cost of each facility's five-, ten-, and 15-year scheduled maintenance.

(2) An analysis of the historic population trends of State correctional facilities, and anticipated future population trends, including age, gender, and medical, mental health, and substance abuse conditions.

(3) An evaluation of whether the design and use of existing facilities adequately serve the current population and anticipated future populations, including whether the Out-of-State inmate program may be eliminated and the feasibility of constructing new infrastructure more suitable for current and future populations.

(4) An investigation into the options for cost savings, including public-private partnerships.

(5) An evaluation on potential site locations for a replacement State correctional facility.

(d) Report and recommendations. On or before February 1, 2017, the Committee shall submit a report based on the assessment described in subsection (c) of this section, and any recommendations for legislative action, to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

* * * Judiciary * * *

Sec. 31. 4 V.S.A. § 38 is added to read:

§ 38. CAPITAL BUDGET REQUESTS; COUNTY COURTHOUSES

(a) On or before October 1 each year, any county requesting capital funds for its courthouse, or court operations, shall submit a request to the Court Administrator.

(b) The Court Administrator shall evaluate requests based on the following criteria:

(1) whether the funding request relates to an emergency that will affect the court operations and the administration of justice;

(2) whether there is a State-owned courthouse in the county that could absorb court activities in lieu of this capital investment;

(3) whether the county consistently has invested in major maintenance in the courthouse;

(4) whether the request relates to a State-mandated function;

(5) whether the request diverts resources of other current Judiciary capital priorities;

(6) whether the request is consistent with the long-term capital needs of the Judiciary, including providing court services adapted to modern needs and requirements; and

(7) any other criteria as deemed appropriate by the Court Administrator.

(c) Based on the criteria described in subsection (b) of this section, the Court Administrator shall make a recommendation to the Commissioner of Buildings and General Services regarding whether the county's request should be included as part of the Judiciary's request for capital funding in the Governor's annual proposed capital budget request.

(d) On or before January 15 of each year, the Court Administrator shall advise the House Committee on Corrections and Institutions and the Senate Committee on Institutions of all county requests received and the Court Administrator's recommendations for the proposed capital budget request.

* * * Natural Resources * * *

Sec. 32. HAZARDOUS MATERIAL RESPONSE; PROJECTED CAPITAL NEEDS;

On or before January 15, 2017, the Commissioner of Environmental Conservation shall submit a report to the House Committees on Corrections and Institutions and on Ways and Means, and the Senate Committees on Finance and on Institutions, on the following:

(1) the projected costs in fiscal year 2018, including capital costs, for the Department to investigate and respond to the effects of hazardous material releases to the environment;

(2) other projected obligations of the Environmental Contingency Fund, established in 10 V.S.A. § 1283; and

(3) specific recommendations for funding the Environmental Contingency Fund in order to meet the State's obligations with respect to releases of hazardous materials.

* * * Public Safety * * *

Sec. 33. BRADFORD STATE POLICE BARRACKS

On or before December 1, 2016, the Commissioners of Buildings and General Services and of Public Safety shall investigate opportunities for the Bradford State Police Barracks, including selling, leasing, or gifting the property, and shall report back with the findings to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Sec. 34. PUBLIC SAFETY; PUBLIC SAFETY FIELD STATION; SITE LOCATION; WILLISTON POLICE BARRACKS

(a) The Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, is authorized to use funds appropriated in Sec. 11 of this act to evaluate options for the site location of a

public safety field station and an equipment storage facility. The investigation may include conducting feasibility studies and program analysis, site selection, purchase and lease-purchase opportunities, and consolidation of the two facilities.

(b) On or before October 10, 2016, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, shall submit a recommendation for a site location for the public safety field station and the equipment storage facility to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, based on the evaluation described in subsection (a) of this section. It is the intent of the General Assembly that when evaluating site locations, preference shall be first given to State-owned property located in Chittenden County.

(c) The Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, in consultation with the members of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, shall review the recommendation described in subsection (a) of this section. The House Committee on Corrections and Institutions and the Senate Committee on Institutions may each meet up to one time when the General Assembly is not in session to review the recommendation. The Committees shall notify the Commissioners of Buildings and General Services and of Public Safety of any meeting. Committee members shall be entitled to receive a per diem and expenses as provided in 2 V.S.A. § 406.

(d) On or before December 1, 2016, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, shall develop a detailed proposal on the site location based on the recommendation described in subsection (a) of this section; provided, however, that the Commissioner shall not proceed without unanimous approval of the site location by the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. The proposal shall include programming, size, design, and preliminary cost estimates for either separate or consolidated facilities.

(e) The Commissioner of Buildings and General Services shall notify the House Committee on Corrections and Institutions and the Senate Committee on Institutions at least monthly of updates on the proposals described in this section.

Sec. 35. 24 V.S.A. § 5609 is added to read:

§ 5609. ENHANCED 911 COMPLIANCE GRANTS PROGRAM

(a) Grant guidelines. The following guidelines shall apply to capital grants associated with the planning and implementation of the Enhanced 911 program in schools pursuant to 30 V.S.A. § 7057:

(1) Grants shall be awarded competitively to schools for fees and equipment necessary to comply with and implement the Enhanced 911 program.

(2) The Program is authorized to award matching grants of up to \$25,000.00 per project. The required match shall be met through dollars raised and not in-kind services.

(b) Administration. The Enhanced 911 Board, established in 30 V.S.A. § 7052, shall administer and coordinate grants made pursuant to this section, and shall have the authority to award grants in its sole discretion.

* * * Security * * *

Sec. 36. STATE HOUSE SECURITY

(a) The Sergeant at Arms is authorized to use funds appropriated in Sec. 15 of this act to:

(1) install seven security cameras in the State House;

(2) install a remote lockdown system for doors to the State House; and

(3) conduct trainings at the State House.

(b) The Sergeant at Arms shall consult with the Commissioner of Buildings and General Services on the design and installation of the security enhancements described in subsection (a) of this section.

(c) On or before August 1, 2016, the Capitol Complex Security Advisory Committee, established in 2 V.S.A. § 991, shall develop both a camera retention procedure and lockdown guidelines for the State House; provided, however, that any camera procedure developed by the Committee shall limit access to the Sergeant at Arms and the Capitol Police, and shall limit data retention to no more than 30 days. The camera retention procedure and lockdown guidelines shall only become effective after unanimous approval by the Senate President Pro Tempore or designee, the Speaker of the House or designee, the Sergeant at Arms, and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. No cameras shall be installed until the procedures have been approved.

(d) It is the intent of the General Assembly that the cameras described in subdivision (a)(1) of this section shall be installed at the entrances of the State House and shall be fixed on points of ingress.

* * * Effective Dates * * *

Sec. 37. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 26 (Historic Property Stabilization and Rehabilitation Special Fund; repeal) shall take effect on July 1, 2017.

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

First: In Sec. 2, amending 2015 Acts and Resolves No. 26, Sec. 3, in subsection (a), by striking out “\$125,000.00” and inserting in lieu thereof “\$125,000.00”, in subdivision (b)(2), by striking out “\$6,313,881.00” and inserting in lieu thereof “\$5,813,881.00” and by striking out all after subsection (c) and inserting in lieu thereof the following:

Appropriation – FY 2016	\$5,125,000.00
Appropriation – FY 2017	\$14,855,681.00 <u>\$11,277,092.00</u>
Total Appropriation – Section 3	\$19,980,681.00 <u>\$16,402,092.00</u>

Second: In Sec. 7, amending 2015 Acts and Resolves No. 26, Sec. 9, by striking out the section in its entirety and inserting in lieu thereof the following:

Sec. 7. 2015 Acts and Resolves No. 26, Sec. 9 is amended to read:

Sec. 9. UNIVERSITY OF VERMONT

* * *

(b) ~~The sum of \$1,400,000.00 is~~ following sums are appropriated in FY 2017 to the University of Vermont for the following projects:

- (1) construction, renovation, and major maintenance: \$1,400,000.00
- (2) UVM STEM Complex: \$500,000.00

(c) It is the intent of the General Assembly that the amount appropriated in subdivision (b)(2) of this section shall be used as a challenge grant to raise funds for the University’s STEM Complex. The funds only shall become available after the University has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that \$500,000.00 in committed funds has been raised as a match to the appropriation in subdivision (b)(2) of this section.

(d) On or before January 15, 2017, the Commissioner of Buildings and General Services shall conduct a feasibility study to evaluate the potential uses of the land and building at 195 Colchester Avenue in Burlington, provided that any use shall be consistent with existing deed covenants.

Appropriation – FY 2016	\$1,400,000.00
Appropriation – FY 2017	\$1,400,000.00 \$1,900,000.00
Total Appropriation – Section 9	\$2,800,000.00 <u>\$3,300,000.00</u>

Third: In Sec. 9, amending 2015 Acts and Resolves No. 26, Sec. 11, by striking out all after subsection (f) and inserting in lieu thereof the following:

(g) The sum of \$2,230,000.00 is appropriated in FY 2017 to the Department of Buildings and General Services for the Department of Fish and Wildlife for the Roxbury fish hatchery reconstruction project.

(h) Notwithstanding any other provision of law, the Commissioner of Environmental Conservation may transfer any funds appropriated in a capital construction act to the Department of Environmental Conservation to support the response to PFOA contamination. If a responsible party reimburses the Department for the cost of any such response, the Department shall use those funds to support the original capital appropriation and shall notify the House Committee on Corrections and Institutions and the Senate Committee on Institutions of the reimbursement.

Appropriation – FY 2016	\$13,481,601.00
Appropriation – FY 2017	\$13,243,000.00 \$18,094,494.00
Total Appropriation – Section 11	\$26,724,601.00 <u>\$31,576,095.00</u>

Fourth: In Sec. 11, amending 2015 Acts and Resolves No. 26, Sec. 13, by striking out all after subdivision (c)(2) and inserting in lieu thereof the following:

(3) Waterbury State Office Complex, blood analysis laboratory, renovations: \$530,000.00

(d) The Commissioner of Buildings and General Services is authorized to use up to \$50,000.00 of the amount appropriated in subdivision (c)(1) of this section for acoustical enhancements at the Williston Public Safety Answer Point Center (PSAP), if deemed necessary after consultation with the Department of Public Safety.

(e) After the funds have been expended for Williston as described in subdivision (c)(1) and subsection (d) of this section, the Commissioner is authorized to use any funds remaining from the amount appropriated in

subdivision (c)(1) of this section to evaluate options to replace the Middlesex State Police Barracks.

Appropriation – FY 2016 \$300,000.00

Appropriation – FY 2017 \$1,180,000.00

~~Total Appropriation – § 13~~ Total Appropriation – Section 13 \$1,480,000.00

Fifth: In Sec. 17, amending 2015 Acts and Resolves No. 26, Sec. 21, in subdivision (b)(7), by striking out “of the amount appropriated to” and inserting in lieu thereof “the balance of”, and by striking out subdivision (b)(8) in its entirety

Sixth: In Sec. 17, amending 2015 Acts and Resolves No. 26, Sec. 21, by striking subsection (d) in its entirety and inserting in lieu thereof the following:

(d) The sum of \$200,000.00 from the balance of the Vermont Water Source Protection Fund established in 24 V.S.A. § 4753 shall be reallocated to the Vermont Environmental Protection Agency (EPA) Drinking Water State Revolving Fund in Sec. 11(d)(3) of this act.

Seventh: By striking out Sec. 30, State Correctional Facilities; Committee; Assessment; Report, and inserting in lieu thereof the following:

Sec. 30. VERMONT STATE CORRECTIONAL FACILITIES;
COMMITTEE; ASSESSMENT; REPORT

(a) Creation. There is created a Correctional Facility Planning Committee to develop a 20-year capital plan for, and assess the population needs at, Vermont State correctional facilities.

(b) Membership. The Committee shall be composed of the following:

(1) the Commissioner of Corrections or designee, who shall serve as chair;

(2) the Commissioner of Finance and Management or designee;

(3) the Commissioner of Buildings and General Services or designee;

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

(5) the Commissioner of Mental Health or designee;

(6) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(7) the Executive Director of the Crime Research Group or designee; and

(8) the President of the Vermont State Employees' Association or designee.

(c) Powers and duties. The Committee shall assess the capital and programming needs of State correctional facilities, which shall include the following:

(1) An evaluation of the use, condition, and maintenance needs of each State correctional facility, including whether any facility should be closed, renovated, relocated, or repurposed. This evaluation shall include an update of the most recent facilities assessment as of June 30, 2016:

(A) each facility's replacement value;

(B) each facility's deferred maintenance schedule; and

(C) the cost of each facility's five-, ten-, and 15-year scheduled maintenance.

(2) An analysis of the historic population trends of State correctional facilities, and anticipated future population trends, including age, gender, and medical, mental health, and substance abuse conditions.

(3) An evaluation of whether the design and use of existing facilities adequately serve the current population and anticipated future populations, including whether the Out-of-State inmate program may be eliminated and the feasibility of constructing new infrastructure more suitable for current and future populations.

(4) An investigation into all available options for constructing new facilities.

(5) An evaluation on potential site locations for a replacement State correctional facility.

(d) Report and recommendations. On or before February 1, 2017, the Committee shall submit a report based on the assessment described in subsection (d) of this section, and any recommendations for legislative action, to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Eighth: After Sec. 30, by adding a Sec. 30a to read as follows:

* * * Education * * *

Sec. 30a. VERMONT STATE COLLEGES; UNIVERSITY OF VERMONT;
CAPITAL BUDGET REQUESTS

On or before January 15, 2017, the Chancellor of the Vermont State Colleges and the President of the University of Vermont shall each submit a long-term strategic plan to the House Committee on Corrections and Institutions and the Senate Committee on Institutions for the most effective use

of capital funds, including outlining priorities for whether to allocate future capital appropriations to general construction, maintenance, and renovation costs or to specific capital projects, and how to maximize the use of matching grant funds.

Ninth: In Sec. 36, State House Security, by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) The Sergeant at Arms is authorized to use funds appropriated in Sec. 15 of this act to:

- (1) install a remote lockdown system for doors to the State House;
- (2) conduct trainings at the State House; and
- (3) install seven security cameras in the State House.

Tenth: In Sec. 36, State House Security, by striking out subsection (c) in its entirety and inserting in lieu thereof the following:

(c) On or before August 1, 2016, the Sergeant at Arms shall develop lockdown guidelines and a camera use and data retention policy and procedure for the State House. The lockdown guidelines and camera use and data retention policy and procedure shall only become effective after majority approval of the Senate President Pro Tempore or designee, the Speaker of the House or designee, and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. No cameras shall be installed until the camera use and data retention policy and procedure has been approved.

Eleventh: After Sec. 36, by adding a Sec. 36a to read as follows:

* * * Repeal * * *

Sec. 36a. REPEAL

24 V.S.A. § 5609 (enhanced 911 compliance) is repealed on July 1, 2018.

Which was agreed to.

Message from the Senate No. 59

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has considered bills originating in the House of the following titles:

H. 533. An act relating to victim notification.

H. 853. An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes.

H. 869. An act relating to judicial organization and operations.

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 House proposals of amendment to Senate bills of the following titles:

S. 230. An act relating to improving the siting of energy projects.

S. 250. An act relating to alcoholic beverages.

And has passed the same in concurrence with a further proposal of amendment in the adoption of which the concurrence of the House is requested.

Pursuant to the request of the House for Committees of Conference on the disagreeing votes of the two Houses on the following House bills the President announced the appointment as members of such Committees on the part of the Senate:

H. 278. An act relating to selection of the Adjutant and Inspector General.

Senator White
Senator Benning
Senator Pollina.

H. 571. An act relating to driver's license suspensions, driving with a suspended license, and DUI penalties.

Senator Sears
Senator Nitka
Senator Flory.

H. 859. An act relating to special education.

Senator Cummings
Senator Baruth
Senator Nitka.

H. 877. An act relating to transportation funding.

Senator Mazza
Senator Campbell
Senator Degree.

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. 878

House bill, entitled

An act relating to capital construction and State bonding budget adjustment;

S. 224

Senate bill, entitled

An act relating to warranty obligations of equipment dealers and suppliers.

Recess

At five o'clock and fifty-five minutes in the evening, the Speaker declared a recess until seven o'clock in the evening.

At seven o'clock in the evening, the Speaker called the House to order.

**Rules Suspended; Senate Proposal of Amendment to
House Proposal of Amendment Not Concurred in;
Committee of Conference Requested and Appointed**

S. 230

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 the siting of energy projects

Was taken up for immediate consideration.

The Senate proposed to the House to amend the House proposal of amendment with the following proposal of amendment thereto:

First: In Sec. 6, 24 V.S.A. § 4352, by striking out subsections (a) (regional plan) and (b) (municipal plan) and inserting in lieu thereof new subsections (a) and (b) to read:

(a) Regional plan. A regional planning commission may submit its adopted regional plan to the Commissioner of Public Service appointed under 30 V.S.A. § 1 for a determination of energy compliance. The Commissioner shall issue an affirmative determination on finding that the regional plan meets the requirements of subsection (c) of this section and allows for the siting in the region of all types of renewable generation technologies.

(b) Municipal plan. If the Commissioner of Public Service has issued an affirmative determination of energy compliance for a regional plan that is in effect, a municipal legislative body within the region may submit its adopted municipal plan to the regional planning commission for issuance of a determination of energy compliance. The regional planning commission shall issue an affirmative determination, signed by the chair of the regional planning commission, on finding that the municipal plan meets the requirements of subsection (c) of this section and is consistent with the regional plan.

Second: In Sec. 6, 24 V.S.A. § 4352, in subsection (c) (enhanced energy planning; requirements), in the first full sentence after the subheading and before the colon, by striking out “a determination” and inserting in lieu thereof an affirmative determination

Third: In Sec. 6, 24 V.S.A. § 4352, in subsection (e) (process for issuing determinations of energy compliance), by striking out the second sentence after the subheading and inserting in lieu thereof the following:

The Commissioner or regional planning commission shall issue the determination in writing within two months of the receipt of a request for a determination.

Fourth: In Sec. 6, 24 V.S.A. § 4352, in subsection (f) (appeal), after the first sentence, by inserting The provisions of 10 V.S.A. § 6024 regarding assistance to the Board from other departments and agencies of the State shall apply to this subsection.

Fifth: In Sec. 6, 24 V.S.A. § 4352, in subsection (g) (municipality; determination from DPS; time-limited option), in subdivision (1), by striking out the first sentence and inserting in lieu thereof The Commissioner shall issue an affirmative determination of energy compliance for the municipal plan on finding that the plan meets the requirements of subsection (c) of this section.

Sixth: By striking out Sec. 10 in its entirety and inserting in lieu thereof a new Sec. 10 to read:

Sec. 10. TRAINING

Following publication of the recommendations and standards under Sec. 9(a) of this act, the Department of Public Service, the Vermont League of Cities and Towns, and the Vermont Association of Planning and Development Agencies shall collaborate on the development and presentation of training sessions for municipal and regional planning commissions to assist them in the development of municipal and regional plans that are eligible to receive a determination of energy compliance under Sec. 6 of this act, 24 V.S.A. § 4352, with at least one such session to be held in the area of each regional planning commission after notice of the session to the regional planning commission and its member municipalities.

Seventh: After Sec. 10, by inserting Sec. 10a to read:

Sec. 10a. PLANNING SUPPORT; ALLOCATION OF COSTS

(a) During fiscal year 2017, the Commissioner of Public Service, in consultation with the Commissioner of Housing and Community Development, shall award the amount of \$300,000.00 to regional planning commissions established under 24 V.S.A. chapter 117 and to municipalities for the purpose of providing training under Sec. 10 (training) of this act or assisting municipalities in the implementation of this act.

(b) In awarding funds under this section, the Commissioners shall consider the need and size of a municipality or region and the availability, if any, of other assistance, expertise, or funds to a municipality or region to implement this act.

(c) The Commissioner of Public Service shall allocate costs under subsection (a) of this section to the electric distribution utilities subject to its supervision under Title 30 of the Vermont Statutes Annotated based on their pro rata share of total Vermont retail kilowatt-hour sales for the previous fiscal year. Each of these utilities shall pay its allocation into the State Treasury at such time and in such manner as the Commissioner may direct.

Eighth: In Sec. 11, 30 V.S.A. § 248, in subsection (a), by striking out subdivisions (4) through (6) in their entirety and inserting in lieu thereof new subdivisions (4) through (6) to read:

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

* * *

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

* * *

(E) The Agency of Natural Resources shall appear as a party in any proceedings held under this subsection, shall provide evidence and recommendations concerning any findings to be made under subdivision (b)(5) of this section, and may provide evidence and recommendations concerning any other matters to be determined by the Board in such a proceeding.

(F) The following shall apply to the participation of the Agency of Agriculture, Food and Markets in proceedings held under this subsection:

(i) In any proceeding regarding an electric generation facility that will have a capacity greater than 500 kilowatts and will be sited on a tract containing primary agricultural soils as defined in 10 V.S.A. § 6001, the Agency shall appear as a party and provide evidence and recommendations concerning any findings to be made under subdivision (b)(5) of this section on those soils, and may provide evidence and recommendations concerning any other matters to be determined by the Board in such a proceeding.

(ii) In a proceeding other than one described in subdivision (i) of this subsection (4)(F), the Agency shall have the right to appear and participate.

(G) The regional planning commission for the region in which the facility is located shall have the right to appear as a party in any proceedings held under this subsection. The regional planning commission of an adjacent region shall have the same right if the distance of the facility's nearest component to the boundary of that planning commission is 500 feet or 10 times the height of the facility's tallest component, whichever is greater.

(H) 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. The legislative body and planning commission of an adjacent municipality shall have the same right if the distance of the facility's nearest component to the boundary of that

adjacent municipality is 500 feet or 10 times the height of the facility's tallest component, whichever is greater.

(I) When a person has the right to appear as a party in a proceeding before the Board under this chapter, the person may exercise this right by filing a letter with the Board stating that the person appears through the person's duly authorized representative, signed by that representative.

(J) This subdivision (J) applies to an application for an electric generation facility with a capacity that is greater than 50 kilowatts, unless the facility is located on a new or existing structure the primary purpose of which is not the generation of electricity. In addition to any other information required by the Board, the application for such a facility shall include information that delineates:

(i) the full limits of physical disturbance due to the construction and operation of the facility and related infrastructure, including areas disturbed due to the creation or modification of access roads and utility lines and the clearing or management of vegetation;

(ii) the presence and total acreage of primary agricultural soils as defined in 10 V.S.A. § 6001 on each tract to be physically disturbed in connection with the construction and operation of the facility, the amount of those soils to be disturbed, and any other proposed impacts to those soils;

(iii) all visible infrastructure associated with the facility; and

(iv) all impacts of the facility's construction and operation under subdivision (b)(5) of this section, including impacts due to the creation or modification of access roads and utility lines and the clearing or management of vegetation.

(5) The Board shall adopt rules regarding standard conditions on postconstruction inspection and maintenance of aesthetic mitigation and on decommissioning to be included in certificates of public good for in-state facilities approved under this section. The purpose of these standard conditions shall be to ensure that all required aesthetic mitigation is performed and maintained and that facilities are removed once they are no longer in service.

(6) In any certificate of public good issued under this section for an in-state plant as defined in section 8002 of this title that generates electricity from wind, the Board shall require the plant to install radar-controlled obstruction lights on all wind turbines for which the Federal Aviation Administration (FAA) requires obstruction lights, if the plant includes four or

more wind turbines and the FAA allows the use of radar-controlled lighting technology.

(A) Nothing in this subdivision shall allow the Board to approve obstruction lights that do not meet FAA standards.

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

Ninth: After Sec. 11, by inserting a Sec. 11a to read:

Sec. 11a. RULES; PETITION

(a) On or before November 1, 2016, the Department of Public Service shall file a petition for rulemaking with the Public Service Board containing proposed rules to implement 30 V.S.A. § 248(a)(5) (postconstruction inspection of aesthetic mitigation; decommissioning) as enacted by Sec. 11 of this act.

(b) On or before December 15, 2016, the Public Service Board shall file proposed rules to implement 30 V.S.A. § 248(a)(5) with the Secretary of State under 3 V.S.A. § 838. The Board shall finally adopt such rules on or before August 15, 2017, unless such deadline is extended by the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843(c).

Tenth: By striking out Sec. 12 in its entirety and inserting in lieu thereof a new Sec. 12 to read:

Sec. 12. SOUND STANDARDS; WIND GENERATION

(a) On or before July 1, 2017, the Public Service Board (the Board) finally shall adopt rules under 3 V.S.A. chapter 25 regarding sound from wind generation facilities approved under 30 V.S.A. § 248, unless such deadline is extended by the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843(c). In developing these rules, the Board shall consider:

(1) standards that apply to all wind generation facilities;

(2) a methodology for determining sound levels and measurement locations for each such facility on a case-by-case basis; or

(3) standards that apply to one or more categories of wind generation facilities, with a methodology for determining sound levels and measurement locations for other such facilities on a case-by-case basis.

(b) Notwithstanding any contrary provision of 1 V.S.A. § 213 or 214 or 3 V.S.A. § 845, rules adopted under this section shall apply to an application for a certificate of public good under 30 V.S.A. § 248 filed on or after April 15, 2016, regardless of whether such a certificate is issued prior to the effective date of the rules. Except for applications filed before April 15, 2016, the Board shall condition each certificate of public good issued for a wind generation facility on compliance with the rules to be issued under this section.

Eleventh: After Sec. 12, by inserting a reader guide, Secs. 12a and 12b, and a further reader guide to read:

* * * Preferred Location Pilot; Standard Offer * * *

Sec. 12a. 30 V.S.A. § 8005a is amended to read:

§ 8005a. STANDARD OFFER PROGRAM

* * *

(c) Cumulative capacity. In accordance with this subsection, the Board shall issue standard offers to new standard offer plants until a cumulative plant capacity amount of 127.5 MW is reached.

(1) Pace. Annually commencing April 1, 2013, the Board shall increase the cumulative plant capacity of the standard offer program (the annual increase) until the 127.5-MW cumulative plant capacity of this subsection is reached.

* * *

(D) Pilot project; preferred locations. For one year commencing on January 1, 2017, the Board shall allocate one-sixth of the annual increase to new standard offer plants that will be wholly located in one or more preferred locations other than parking lots or parking lot canopies and, separately, one-sixth of the annual increase of the annual increase to new standard offer plants that will be wholly located over parking lots or on parking lot canopies.

(i) To qualify for these allocations, the plant shall not require the construction of a new substation by the interconnecting retail electricity provider or by increasing the capacity of one or more of the provider's existing facilities. To qualify for the allocation to plants wholly located over parking lots or on parking lot canopies, the location shall remain in use as a parking lot.

(ii) These allocations shall apply proportionally to the independent developer block and provider block.

(iii) If in a given year an allocation under this pilot project is not fully subscribed, the Board in the same year shall allocate the unsubscribed capacity to new standard offer plants outside the pilot project.

(iv) As used in this subdivision (D), "preferred location" means a site within the State on which a renewable energy plant will be located that is one of the following:

(I) A new or existing structure whose primary use is not the generation of electricity or providing support for the placement of equipment that generates electricity.

(II) A parking lot canopy over a paved parking lot, provided that the location remains in use as a parking lot.

(III) A tract previously developed for a use other than siting a plant on which a structure or impervious surface was lawfully in existence and use prior to July 1 of the year preceding the year in which an application for a certificate of public good under section 248 of this title for the plant is filed or in which the plant seeks an award of a contract under the standard offer program under this section, whichever is earlier. To qualify under this subdivision (III), the limits of disturbance of a proposed renewable energy plant must include either the existing structure or impervious surface and shall not include any headwaters, streams, shorelines, floodways, rare and irreplaceable natural areas, necessary wildlife habitat, wetlands, endangered species, productive forestlands, and primary agricultural soils, all of which are as defined in 10 V.S.A. chapter 151.

(IV) Land certified by the Secretary of Natural Resources to be a brownfield site as defined under 10 V.S.A. § 6642.

(V) A sanitary landfill as defined in 10 V.S.A. § 6602, provided that the Secretary of Natural Resources certifies that the land constitutes such a landfill and is suitable for the development of the plant.

(VI) The disturbed portion of a gravel pit, quarry, or similar site for the extraction of a mineral resource, provided that all activities pertaining to site reclamation required by applicable law or permit condition are satisfied prior to the installation of the plant.

(VII) A specific location designated in a duly adopted municipal plan under 24 V.S.A. chapter 117 for the siting of a renewable

energy plant or specific type or size of renewable energy plant, provided that the plant meets any siting criteria recommended in the plan for the location.

(VIII) A site listed on the National Priorities List (NPL) established under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. chapter 103, if the U.S. Environmental Protection Agency or the Agency of Natural Resources confirms each of the following:

(aa) The site is listed on the NPL.

(bb) Development of the plant on the site will not compromise or interfere with remedial action on the site.

(cc) The site is suitable for development of the plant.

(IX) A new hydroelectric generation facility at a dam in existence as of January 1, 2016 or a hydroelectric generation facility that was in existence but not in service for a period of at least 10 years prior to January 1, 2016 and that will be redeveloped for electric generation, if the facility has received approval or a grant of exemption from the U.S. Federal Energy Regulatory Commission.

* * *

(f) Price. The categories of renewable energy for which the Board shall set standard offer prices shall include at least each of the categories established pursuant to subdivision (c)(2) of this section. The Board by order shall determine and set the price paid to a plant owner for each kWh generated under a standard offer required by this section, with a goal of ensuring timely development at the lowest feasible cost. The Board shall not be required to make this determination as a contested case under 3 V.S.A. chapter 25.

* * *

(5) Price; preferred location pilots. For the period during which the Board allocates capacity to new standard offer plants that will be wholly located in one or more preferred locations as set forth in subdivision (c)(1)(D) of this section, the following shall apply to the price paid to such a plant:

(A) If the Board uses a market-based mechanism under subdivision (1) of this subsection (f) to determine this price for one or both of the two allocations of capacity, the Board shall compare only the proposals of plants that qualify for the allocation.

(B) If the Board uses avoided costs under subdivision (2) of this subsection (f) to determine this price for one or both of the two allocations of capacity, the Board shall apply the definition of “avoided costs” as set forth in

subdivision (2)(B) of this subsection with the modification that the avoided energy or capacity shall be from distributed renewable generation that is sited on a location that qualifies for the allocation.

(C) With respect to the allocation to the new standard offer plants that will be wholly located over parking lots or on parking lot canopies, if in a given year the Board receives only one application or multiple applications for plants owned or controlled by the same person as defined in 10 V.S.A. § 6001, the Board shall investigate each application and shall have discretion to reduce the price to be consistent with the standard offer price for plants outside the pilot project using the same generation technology.

* * *

Sec. 12b. STANDARD OFFER PILOT; REPORT

On or before January 15, 2018, the Public Service Board shall file a report with the House Committee on Commerce and Economic Development, the Senate Committee on Finance, and the House and Senate Committees on Natural Resources and Energy on the standard offer pilot project on preferred locations authorized in Sec. 12a of this act. This report shall itemize the size, type of preferred location, generation technology, and cost per kilowatt hour of each application received under the pilot project and shall identify each generation facility approved under the pilot and the price awarded to each such facility.

* * * Net Metering * * *

Twelfth: After Sec. 15, by inserting a reader guide and Sec. 15a to read:

* * * Allocation of AAFM and Postclosure Monitoring Costs * * *

Sec. 15a. 30 V.S.A. §§ 20 and 21 are amended to read:

§ 20. PARTICULAR PROCEEDINGS AND ACTIVITIES; PERSONNEL

(a)(1) The Board or the Department of Public Service may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services:

~~(i)~~(A) To assist the Board or Department in any proceeding listed in subsection (b) of this section.

~~(ii)~~(B) To monitor compliance with any formal opinion or order of the Board.

~~(iii)~~(C) In proceedings under section 248 of this title, to assist other State agencies that are named parties to the proceeding where the Board or Department determines that they are essential to a full consideration of the

petition, or for the purpose of monitoring compliance with an order resulting from such a petition.

~~(iv)~~(D) In addition to the ~~above~~ services in subdivisions (1)(A)–(C) of this subsection (a), in proceedings under subsection 248(h) of this title, by contract with the regional planning commission of the region or regions affected by a proposed facility, to assist in determining conformance with local and regional plans and to obtain the ~~commissions~~ commission's data, analysis, and recommendations on the economic, environmental, historic, or other impact of the proposed facility in the region.

~~(v)~~(E) To assist in monitoring the ongoing and future reliability and the postclosure activities of any nuclear generating plant within the State. ~~For the purpose of In this subdivision section,~~ “postclosure activities” includes planning for and implementation of any action within the State’s jurisdiction that shall or will occur when the plant permanently ceases generating electricity.

(2) The Agency of Natural Resources may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services to:

(A) Assist the Agency of Natural Resources in any proceeding under section 248 of this title.

(B) Monitor compliance with an order issued under section 248 of this title.

(C) Assist the Board or the Department of Public Service in any proceedings described in subdivisions (b)(9) (Federal Energy Regulatory Commission) and (11) (Nuclear Regulatory Commission) of this section. Allocation of Agency of Natural Resources costs under this subdivision (C) shall be in the same manner as provided under subdivisions (b)(9) and (11) of this section. The Agency of Natural Resources shall report annually to the Joint Fiscal Committee all costs incurred and expenditures charged under the authority of this subsection with respect to proceedings under subdivision (b)(9) of this section and the purpose for which such costs were incurred and expenditures made.

(D) Assist in monitoring the postclosure activities of any nuclear generating plant within the State.

(3) The Department of Health may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services to assist in monitoring the postclosure activities of any nuclear generating plant within the State.

(4) The Agency of Agriculture, Food and Markets may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services to:

(A) assist the Agency of Agriculture, Food and Markets in any proceeding under section 248 of this title; or

(B) monitor compliance with an order issued under section 248 of this title.

(5) The personnel authorized by this section shall be in addition to the regular personnel of the Board or the Department of Public Service or other State agencies; and in the case of the Department of Public Service or other State agencies may be retained only with the approval of the Governor and after notice to the applicant or the public service company or companies involved. The Board or the Department of Public Service shall fix the amount of compensation and expenses to be paid such additional personnel, except that the Agency of Natural Resources, the Department of Health, or the Agency of Agriculture, Food and Markets, respectively, shall fix the amount of compensation and expenses to be paid to additional personnel that it retains under subdivision (2), (3), or (4) of this subsection.

* * *

§ 21. PARTICULAR PROCEEDINGS AND ACTIVITIES; ASSESSMENT OF COSTS

(a) The Board, the Department, or the Agency of Natural Resources An agency may allocate the portion of the expense incurred or authorized by it in retaining additional personnel for the particular proceedings authorized in pursuant to section 20 of this title to the applicant or the public service company or companies involved in those proceedings. In this section, "agency" means an agency, board, or department of the State enabled to authorize or retain personnel under section 20 of this title.

(1) The Board shall upon petition of an applicant or public service company to which costs are proposed to be allocated, review and determine, after opportunity for hearing, having due regard for the size and complexity of the project, the necessity and reasonableness of such costs, and may amend or revise such allocations. Nothing in this section shall confer authority on the Board to select or decide the personnel, the expenses of whom are being allocated, unless such personnel are retained by the Board. Prior to allocating costs, the Board shall make a determination of the purpose and use of the funds to be raised hereunder, identify the recipient of the funds, provide for allocation of costs among companies to be assessed, indicate an estimated

duration of the ~~proceedings~~ retention of personnel whose costs are being allocated, and estimate the total costs to be imposed. With the approval of the Board, such estimates may be revised as necessary. From time to time during the progress of the work of such additional personnel, the ~~Board, the Department, or the Agency of Natural Resources~~ agency retaining the personnel shall render to the company detailed statements showing the amount of money expended or contracted for in the work of such personnel, which statements shall be paid by the applicant or the ~~public service~~ company into the State Treasury at such time and in such manner as the ~~Board, the Department, or the Agency of Natural Resources~~ agency may reasonably direct.

(2) In any proceeding under section 248 of this title, the Agency of Natural Resources may allocate the portion of the expense incurred in retaining additional staff authorized in subsection 21(a) of this title only if the following apply:

(A) the Agency of Natural Resources does not have the expertise and the retention of such expertise is required to fulfill ~~the Agency's~~ its statutory obligations in the proceeding; and

(B) the Agency of Natural Resources allocates only that portion of the cost for such expertise that exceeds the fee paid by the applicant under section 248b of this title.

(b) When regular employees of ~~the Board, the Department, or the Agency of Natural Resources~~ an agency are employed in the particular ~~proceedings and activities~~ described in section 20 of this title, the ~~Board, the Department, or the Agency of Natural Resources~~ agency may also allocate the portion of ~~their~~ its costs and expenses to the applicant or the ~~public service~~ company or companies involved ~~in the proceedings~~. The costs of regular employees shall be computed on the basis of working days within the salary period. The manner of assessment and of making payments shall otherwise be as provided for additional personnel in subsection (a) of this section. However, with respect to proceedings under section 248 of this title, the Agency of Natural Resources shall not allocate the costs of regular employees.

* * *

(e) ~~On or before January 15, 2011, and annually thereafter, the Agency of Natural Resources~~ Annually, on or before January 15, each agency shall report to the Senate and House Committees on Natural Resources and Energy the total amount of expenses allocated under this section during the previous fiscal year. The report shall include the name of each applicant or ~~public service~~ company to whom expenses were allocated and the amount allocated to each applicant or company. The Agency of Agriculture, Food and Markets also

shall submit a copy of its report to the Senate Committee on Agriculture and the House Committee on Agriculture and Forests Products.

* * *

(g) ~~The Board, or the Department with the approval of the Governor,~~ An agency may allocate such portion of expense incurred or authorized by it in compensating persons retained in the monitoring of postclosure activities of a nuclear generating plant pursuant to subdivision 20(a)(1)(v) subsection 20(a) of this title to the ~~nuclear generating~~ plant whose activities are being monitored. Except for the Board, the agency shall obtain the approval of the Governor before making such an allocation.

* * *

Thirteenth: After Sec. 15a, by inserting a reader guide and Sec. 15b to read:

* * * Regulated Energy Utility Expansion Funds * * *

Sec. 15b. 30 V.S.A. § 218d(d) is amended to read:

(d) Alternative regulation may include such changes or additions to, waivers of, or alternatives to, traditional rate-making procedures, standards, and mechanisms, including substantive changes to rate base-rate of return rate setting, as the ~~board~~ Board finds will promote the public good and will support the required findings in subsection (a) of this section. In addition, the Board shall not allow a company to set aside funds collected from ratepayers for the purpose of supporting a future expansion or upgrade of its transmission or distribution network except after notice and opportunity for hearing and only if all of the following apply:

(1) There is a cost estimate for the expansion or upgrade that the company demonstrates is consistent with the principles of least cost integrated planning as defined in section 218c of this title.

(2) The amount of such funds does not exceed 20 percent of the estimated cost of the expansion or upgrade.

(3) Interest earned on the funds is credited to the ratepayers.

(4) The funds are not disbursed to the company until after expansion or upgrade is in service.

(5) The funds are not used to defray any portion of the costs of expansion or upgrade in excess of the cost estimate described in subdivision (1) of this subsection.

Fourteenth: By striking out Sec. 16 (effective dates) in its entirety and inserting in lieu thereof a new Sec. 16 to read:

Sec. 16. EFFECTIVE DATES

This act shall take effect on July 1, 2016, except that:

(1) This section and Secs. 9 (initial implementation; recommendations; standards), 11 (30 V.S.A. § 248), 11a (rules; petition), 12 (sound standards; wind generation) and 15 (Access to Public Service Board Working Group) shall take effect on passage. Sec. 6 (optional determination of energy compliance) shall apply on passage to the activities of the Department of Public Service under Sec. 9.

(2) Sec. 13 (net metering) shall take effect on January 2, 2017, and shall amend 30 V.S.A. § 8010 as amended by 2015 Acts and Resolves No. 56, Sec. 12. Notwithstanding any contrary provision of 1 V.S.A. § 214, Sec. 13 shall apply to the Public Service Board process under 2014 Acts and Resolves No. 99, Sec. 5.

(3) Sec. 15a (30 V.S.A. §§ 20 and 21) shall take effect on July 2, 2016.

Pending the question, Will the House concur in the Senate proposal of amendment? **Rep. Ram of Burlington** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Ram of Burlington
Rep. Klein of East Montpelier
Rep. Hebert of Vernon

**Rules Suspended; Senate Proposal of Amendment Not Concurred in;
Committee of Conference Requested and Appointed**

H. 853

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 setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes

Was taken up for immediate consideration.

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

* * * Yields and Nonresidential Tax Rate * * *

Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD AND INCOME
DOLLAR EQUIVALENT YIELD FOR FISCAL YEAR 2017

Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2017 only:

- (1) the property dollar equivalent yield is \$9,654.00; and
- (2) the income dollar equivalent yield is \$10,803.00.

Sec. 2. NONRESIDENTIAL PROPERTY TAX RATE FOR FISCAL YEAR
2017

For fiscal year 2017 only, the nonresidential education property tax imposed under 32 V.S.A. § 5402(a)(2) shall be reduced from the rate of \$1.59 and instead be \$1.539 per \$100.00.

Sec. 3. [Deleted.]

* * * Duties of Secretary * * *

Sec. 4. 16 V.S.A. § 212 is amended to read:

§ 212. SECRETARY'S DUTIES GENERALLY

The Secretary shall execute those policies adopted by the State Board in the legal exercise of its powers and shall:

* * *

(9) Establish requirements for information to be submitted by school districts, including necessary statistical data and other information and ensure, to the extent possible, that data are reported in a uniform way. Data collected under this subdivision shall include budget surplus amounts, reserve fund amounts, and information concerning the purpose and use of any reserve funds.

* * *

* * * Study on Aggregate Common Level of Appraisal * * *

Sec. 5. COMMON LEVEL OF APPRAISAL; MERGED SCHOOL
DISTRICT; STUDY COMMITTEE; REPORT

(a) Creation. There is created a Common Level of Appraisal (CLA) Study Committee to study the use of an aggregate common level of appraisal in a merged school district to determine the statewide education tax for each municipality in that district.

(b) Membership. The Committee shall be composed of the following five members:

(1) the Director of Property Valuation and Review or designee, who shall chair the Committee;

(2) two town listers appointed by the Vermont Association of Listers and Assessors;

(3) one school board member from a merged district, appointed by the Vermont School Board Association; and

(4) one member from the Vermont League of Cities and Towns, appointed by the Board of Directors of that organization.

(c) Powers and duties. The Committee shall study the impact of aggregating the common level of appraisal in a merged school district, including the following issues:

(1) how to determine and calculate the aggregate CLA; and

(2) the potential impacts of aggregating the CLA, including any advantages or disadvantages.

(d) Report. On or before December 15, 2016, the Committee shall submit a written report to the House Committees on Ways and Means and on Education and the Senate Committees on Finance and on Education with its findings and any recommendations for legislative action.

(e) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Committee shall have the assistance of Department of Taxes.

(f) Meetings.

(1) The Director of Property Valuation and Review or designee shall call the first meeting of the Committee to occur on or before August 1, 2016.

(2) A majority of the membership shall constitute a quorum.

(3) The Committee shall cease to exist on January 31, 2017.

(g) Compensation. Nonlegislative members of the Committee shall be entitled to compensation as provided under 32 V.S.A. § 1010.

Sec. 6. REPORT ON THE IMPACT OF S.168 OF 2016

(a) On or before November 15, 2016, the Joint Fiscal Office, with the assistance of the Office of Legislative Council and the Department of Taxes, shall issue a report analyzing the impact of S.168 of 2016, an act related to incentives for lower education spending. The report shall be delivered to the Senate Committees on Finance and on Education and the House Committees on Ways and Means and on Education.

(b) The report shall address:

(1) the impact of the proposed changes on education spending growth, both at the district level and the State level;

(2) the impact of the proposed changes on school districts by spending levels, size, location, and operating structure;

(3) the impact on homestead tax rates, income sensitivity percentages, and nonresidential tax rates across the State;

(4) the impact of the proposed changes on the Education Fund balance;

(5) the funding stability of the proposed changes based on variable economic conditions;

(6) any transition issues created by the proposed changes; and

(7) any related issues identified by the Joint Fiscal Office.

Sec. 7. IMPLEMENTATION OF S.175 OF 2016

(a) On or before December 15, 2016, the Joint Fiscal Office, with the assistance of the Office of Legislative Council and the Department of Taxes, shall issue a report identifying any issues related to the implementation of S.175 of 2016, an act relating to creating an education tax that is adjusted by income for all taxpayers. The report shall be delivered to the Senate Committees on Finance and on Education and the House Committees on Ways and Means and on Education.

(b) The report shall address:

(1) the impact of the proposed changes on different groups of taxpayers, including taxpayers who pay an education property tax based on property value and those who pay based on income, given a transition point in Sec. 4 of the bill of \$47,000.00, \$90,000.00, and \$250,000.00;

(2) the impact of imposing a cap, of various amounts, on the total amount of taxes paid by a taxpayer under the proposal, but at least including an analysis of a cap of \$25,000.00;

(3) the impact of the proposed changes on towns and the State, including administrative issues resulting from the proposed changes;

(4) any transition issues created by the proposed changes;

(5) the impact of the proposed changes on taxpayer confidentiality, if any; and

(6) any related issues identified by the Joint Fiscal Office.

Sec. 7a. CALCULATION OF TAX RATES FOR MEMBER TOWNS IN
VOLUNTARY SCHOOL GOVERNANCE MERGERS

(a) Definitions. As used in this section:

(1) The “tax rate reductions” means collectively the equalized homestead property tax rate reductions, and related household income percentage reductions, provided for voluntary school governance mergers in 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, and 2015 Acts and Resolves No. 46.

(2) The “five percent provision” means collectively the provisions in 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, and 2015 Acts and Resolves No. 46, limiting a town’s equalized homestead property tax rate increase or decrease, and related household income percentage adjustments to five percent in a single year during the years in which the corresponding tax rate reductions apply to a new union school district’s equalized unified homestead property tax rate.

(3) “Yield change” means the percentage change in the property dollar equivalent yield from the year for which the equalized homestead property tax rate is being calculated, and the prior fiscal year.

(b) Calculation of tax rates for member towns in voluntary school governance mergers.

(1) In any fiscal year in which tax rate reductions are applied to the equalized homestead property tax rate of a union school district, if the tax rate of a member town is determined to be the same as the new district’s equalized homestead property tax rate, then the member town’s tax rate shall be the same as the new district’s equalized homestead property tax rate and shall not be adjusted pursuant to the five percent provision in that or any subsequent year.

(2) In a fiscal year in which the tax rate reductions are applied, if a new union school district’s education spending per equalized pupil increases by more than the yield change above its education spending per equalized pupil in the prior fiscal year, then the five percent provision shall be adjusted by the difference between the yield change and the actual increase (the “percentage point increase”) as follows:

(A) the tax rate of a member town that would otherwise be increased by no more than five percent shall be increased by no more than five percent plus the percentage point increase; and

(B) the tax rate of a member town that would otherwise be decreased by no more than five percent shall be decreased by no more than five percent minus the percentage point increase.

(3) For purposes of the adjustments required by subdivision (2) of this subsection, in the first fiscal year in which a union school district operates, the union school district's "education spending per equalized pupil in the prior fiscal year" shall be defined as the total education spending of all merging districts in the year prior to merger, divided by the total number of equalized pupils of all the merging districts in the year prior to merger.

(4) For any fiscal year in which the provisions of subdivision (2) of this subsection shall apply, a union school district may appeal to the Secretary of Education for an exemption in that fiscal year. The Secretary may grant the requested exemption upon demonstration that the increase was beyond the union school district's control or for other good cause shown. The Secretary's determination shall be final.

* * * Effective Dates * * *

Sec. 8. EFFECTIVE DATES

This act shall take effect on passage, except:

(1) Sec. 4 (data collection) shall take effect on July 1, 2019.

(2) Sec. 7a(b)(1) (calculation at unified rate) shall take effect on passage and shall apply retroactively to any union school district created on or after July 1, 2010.

(3) Sec. 7a(b)(2) (calculation at variance with unified rate) shall take effect on passage and shall apply to calculations where the "prior fiscal year" is fiscal year 2016 or after.

Pending the question, Will the House concur in the Senate proposal of amendment? **Rep. Sharpe of Bristol** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Sharpe of Bristol
Rep. Greshin of Warren
Rep. Condon of Colchester

Rules Suspended; Bills Messaged to Senate Forthwith

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

H. 853

House bill, entitled

An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes;

S. 230

Senate bill, entitled

An act relating to improving the siting of energy projects.

Adjournment

At seven o'clock and sixteen minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at nine o'clock and thirty minutes in the forenoon.