

FY 2017 Big Bill words at end – to JFO 1/27/16

No. XXX. An act relating to making appropriations for the support of government

(H. XXX)

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

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2017 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2017. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those which can be supported by funds appropriated in this act or other acts passed prior to June 30, 2016. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2017 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serve as the primary source and reference for appropriations for fiscal year 2017.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2017.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) “Encumbrances” means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) “Grants” means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) “Operating expenses” means property management, repair and maintenance, rental expenses, insurance, postage, travel, energy and utilities, office and other supplies, equipment, including motor vehicles, highway materials, and construction, expenditures for the purchase of land and construction of new buildings and permanent improvements, and similar items.

(4) “Personal services” means wages and salaries, fringe benefits, per diems, and contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2017, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2017, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2016 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2017 except for new positions authorized by the 2016 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction, nor shall positions created pursuant to the Position Pilot Program authorized in 2014 Acts and Resolves No. 179, Sec. E.100(d) as amended by this act.

Explanation: Standard Language, updated to reflect amendment to position pilot included in this act.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community</u>
	<u>Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>

B.1000–B.1099 and E.1000–E.1099

Debt Service

B.1100–B.1199 and E.1100–E.1199

One-time and other appropriation
actions

(b) The C sections contain any amendments to the current fiscal year and the D sections contain fund transfers and reserve allocations for the upcoming budget year.

Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2017, \$4,868,000 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed:

(1) Workforce education and training. The amount of \$1,577,500 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of \$1,017,500 is transferred to the Vermont Workforce Education and Training Fund created in 10 V.S.A. § 543 and subsequently appropriated to the Department of Labor for workforce education and training. Up to seven percent of the funds may be used for administration of the program. Of this amount, \$350,000 shall be allocated for competitive grants for internships through the Vermont Career Internship Program pursuant to 10 V.S.A. § 544.

(B) Adult Technical Education Programs. The amount of \$360,000 is appropriated to the Department of Labor in consultation with the State Workforce Investment Board. This appropriation is for the purpose of awarding competitive grants to regional technical centers and high schools to provide adult technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults.

(C) The amount of \$200,000 is appropriated to the Agency of Commerce and Community Development to issue performance grants to the University of Vermont and the Vermont Center for Emerging Technologies for patent development and commercialization of technology and to enhance the development of high technology businesses and Next Generation employment opportunities throughout Vermont.

(2) Loan repayment. The amount of \$171,000 as follows:

(A) Large animal veterinarians' loan forgiveness. The amount of \$30,000 is appropriated to the Agency of Agriculture, Food and Markets for a loan forgiveness program for large animal veterinarians pursuant to 6 V.S.A. § 20.

(B) Science Technology Engineering and Math (STEM) incentive. The amount of \$27,900 is appropriated to the Agency of Commerce and Community Development for an incentive payment pursuant to 2011 Acts and Resolves No. 52, Sec. 6.

(C) Vermont Strong Scholars Program. The amount of \$113,100 is transferred to the special fund established under 16 V.S.A. §2888 (d)(1)(A) for the Vermont Strong Scholars Program established pursuant to 16 V.S.A. §2888.

(3) Scholarships and grants. The amount of \$3,119,500 as follows:

(A) Non-degree VSAC grants. The amount of \$494,500 is appropriated to the Vermont Student Assistance Corporation. These funds shall be for the purpose of providing nondegree grants to Vermonters to improve job skills and increase overall employability, enabling them to enroll in a postsecondary education or training program, including adult technical education that is not part of a degree or accredited certificate program. A portion of these funds shall be used for grants for indirect educational expenses to students enrolled in training programs. The grants shall not exceed \$3,000 per student. None of these funds shall be used for administrative overhead.

(B) National Guard Educational Assistance. The amount of \$150,000 is appropriated to Military – administration to be transferred to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856.

(C) Dual enrollment programs and need-based stipend. The amount of \$625,000 is appropriated to the Agency of Education for dual enrollment programs consistent with 16 V.S.A. § 944(f)(2) of which amount \$25,000 is transferred to the Vermont Student Assistance Corporation for need based stipends pursuant to Sec. E.605.1 of this act.

(D) Step-Up Program. The amount of \$850,000 is appropriated to the Vermont State Colleges for the Step-Up program consistent with Sec. E.602.1 of this Act.

(E) Vermont's Universal Children's Higher Education Savings Account. The amount of \$1,000,000 is appropriated the Secretary of Administration for the college savings program outlined in 16 V.S.A. chapter 87. Funds will be transferred to the Vermont Student Assistance Corporation pursuant to an agreement between the Secretary of Administration and the Vermont Student Assistance Corporation.
EXPLANATION: \$1.875M of funding is added to the FY 2017 Next Generation Fund Appropriations, and some funding is being reallocated. \$25k has been restored to the WET Fund for workforce training. The STEM sunsets this fiscal year and the remaining funding historically appropriated for the STEM incentive will be dedicated as initial funding for Vermont Strong Scholars Program. Funding for the Step-Up program and the Vermont Higher Education Savings Accounts are added to the Next Generation Fund.

Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR FISCAL YEAR 2018 NEXT GENERATION FUND DISTRIBUTION

(a) The Department of Labor, in coordination with the Agency of Commerce and Community Development, the Agency of Human Services, and the Agency of Education, and in consultation with the State Workforce Investment Board, shall recommend to the Governor on or before December 1, 2016 how \$4,868,000 from the Next Generation Fund should be allocated or appropriated in fiscal year 2018 to provide maximum benefit to workforce education and training, participation in secondary or postsecondary education by underrepresented groups, and support for promising economic sectors in Vermont. The State agencies and departments listed herein shall promote actively and publicly the availability of the funds to eligible entities.

EXPLANATION: The same process as prior fiscal years.

Sec. B.1101 ONE-TIME ELECTIONS EXPENSE APPROPRIATION

(a) In fiscal year 2017, \$425,000 of general funds is appropriated to the Secretary of State for 2016 primary and general elections:

EXPLANATION: To fund costs associated with the 2016 elections.

Sec. B.1102 FISCAL YEAR 2017 ONE-TIME TRANSITION TEAM APPROPRIATION

(a) In fiscal year 2017, \$75,000 is appropriated to the Department of Finance and Management for the governor's transition. These funds are for costs incurred by the transitions of executive office. No funds shall be used for inaugural celebrations. Any unexpended portion of these funds shall revert to the general fund:

EXPLANATION: Appropriation for costs incurred by the Governor elect when transitioning Administrations. Language similar to the last occurrence of a transition, found in 2010 Act 156 Sec.B.1103(a)(1).

Sec. B.1103 FISCAL YEAR 2017 ONE-TIME SECURITY FUNDING

(a) In fiscal year 2017, \$1,000,000 of general funds is appropriated to the Secretary of Administration for allocation across State Government for security improvements as determined by the Secretary.

EXPLANATION: One-time appropriation to the Secretary of Administration to make targeted security improvements.

Sec. B.1104 FISCAL YEAR 2017 ONE-TIME TAX IT SECURITY FUNDING

(a) In fiscal year 2017, \$350,000 of general funds is appropriated to the Department of Taxes for the purchase and implementation of Tax IT security system.

EXPLANATION: One-time appropriation to the Department of Taxes to provide monitoring software for the new ITS system. Will bring the new system into compliance with IRS safeguard standards.

Sec. B.1105 FISCAL YEAR 2017 ONE-TIME VIDEO ARRAIGNMENT FUNDING

(a) In fiscal year 2017, \$101,000 of general funds is appropriated to the Judiciary for the state-wide implementation of video arraignments.

EXPLANATION: One-time appropriation to the Judiciary to continue the implementation of the Video Arraignment program.

Sec. B.1106 FISCAL YEAR 2017 ONE-TIME FIFTY-THIRD WEEK OF MEDICAID COST FUNDING

(a) In fiscal year 2017, \$10,300,000 of general funds, \$12,248,000 of federal funds, and \$22,548,000 of global commitment funds are appropriated to the Agency of Administration for appropriation transfer to the Agency of Human Services Global Commitment upon determination of the Commissioner of Finance and Management the amount necessary to fund the 53rd week of Medicaid expenditures. Any remaining general funds shall be placed in the 27/53 Reserve established by Sec. B.1107 of this Act.

(b) Upon transfer to the Agency of Human Services Global Commitment, the Agency shall allocate up to \$22,548,000 of global commitment funds to appropriations where 53rd week expenditures were incurred.

(c) The Commissioner of Finance and Management shall report to the Joint Fiscal Committee in July 2017 on the status of funds appropriated in this section.

EXPLANATION: One-time appropriation to the Finance and Management to be transferred to the Agency of Human Services to cover costs associated with the 53rd week of Medicaid expenditures.

Sec. B.1107 32 V.S.A. § 308e is added to read:
§ 308e. 27/53 Reserve

(a) There is hereby created within the General Fund Reserve a known as the 27/53 Reserve. The purpose of this reserve is to meet the liabilities of the reoccurring 27th Payroll and the 53rd week of Medicaid Payments. These liabilities will be funded by paying a pro rate portion, each year, before the liability comes due. Beginning in State Fiscal Year 2018 and continuing every year thereafter, a portion of the general fund will be allocated for this purpose.

(1) Annually at the November Joint Fiscal Committee meeting, the Commissioner of Finance and Management will report on the anticipated liability for the next 27th payroll and 53rd week and provide a schedule of annual payments needed to meet the obligation of the next 27th Payroll and 53rd Medicaid payment. At the November meeting the Joint Fiscal Committee will adopt the annual recommended transfer to the 27/53 Reserve.

(b) At the end of the fiscal year, after the full statutory transfer is made to the General Fund Budget Stabilization Reserve, the Commissioner or Finance and Management will transfer funds to the 27/53 reserve up to amount recommended by the Joint Fiscal Committee at the November meeting. This transfer will occur prior to the transfers to the General Fund Balance Reserve outlined in 32. V.S.A. § 308c.

(c) Use of 27/53 Reserve:

(1) In a fiscal year where a 27th payroll or 53rd payroll is incurred, the General Assembly will appropriate the funds in the 27th/53rd Reserve to meet the expenditures within the year that these payments are due.

EXPLANATION: Establishes a reserve within the General Fund specifically for future liabilities associated with the 53rd week of Medicaid payments and the 27th Pay period.

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$518,000 is appropriated from the Property Valuation and Review Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$518,000 from the property transfer tax that are deposited into the Property Valuation and Review Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$11,304,840 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Notwithstanding 10 V.S.A. § 312, amounts above \$11,304,840 from the property transfer tax that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(3) The sum of \$3,760,599 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$3,760,599 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,760,599 shall be allocated as follows:

(A) \$2,924,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$457,482 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b);

(C) \$378,700 to the Agency of Commerce and Community Development for the Vermont Center for Geographic Information.

EXPLANATION: The 1/19/2016 consensus FY 2017 revenue forecast of \$39.5m for the Property Transfer Tax (PTT) is being allocated as follows: The Department of Taxes will receive \$518K for property valuation and review administrative costs (including computerization of the current use program). The HCT will receive \$11,304,840 in PTT revenue to maintain level funding over FY 2016. The PTT appropriation to the Municipal & Regional Planning Fund is \$3,760,599, which maintains level funding for the appropriations to Regional Planning Commissions and Municipal Planning Commissions from FY 2016 funding levels. The appropriation to Geographic Information Systems is level funded from FY 2016.

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the Next Generation Initiative Fund established by 16 V.S.A. § 2887: \$4,868,000.

EXPLANATION: Transfer funds to the Next Generation to continue prior year programs and begin funding the college savings program and the step up program.

(2) From the General Fund to the Enterprise Fund established by 2104 Acts and Resolves No. 179 Sec. E.100.5 (e)(4): \$500,000.

EXPLANATION: Transfer to the Enterprise Fund.

(3) From the Clean Water Fund established by 10 V.S.A. § 1388 to the Agricultural Water Quality Special Fund created under 6 V.S.A. §4803: \$1,975,000.

EXPLANATION: Transfer from the Clean Water Fund to the Agricultural Water Quality Special Fund.

(4) From the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$423,966.

EXPLANATION: Standard annual transfer to support the program at the Agency of Commerce and Community Development.

(5) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund for the purpose of funding fiscal year 2018 transportation infrastructure bonds debt service: \$2,503,738.

EXPLANATION: This transfer funds the pre-payment of FY18's TIB debt service. The bond conditions would not allow the use of TIB revenues on a pay-go basis until the debt service is reserved; this allows pay-go revenues to be expended on projects beginning July 1, 2017. Last year's big bill had a similar transfer to fund FY17 TIB debt service.

Sec. D.102 TOBACCO LITIGATION SETTLEMENT FUND BALANCE

(a) Notwithstanding 18 V.S.A. § 9502(b), the actual balances at the end of fiscal year 2016 in the Tobacco Litigation Settlement Fund shall remain for appropriation in fiscal year 2017.

EXPLANATION: Annual language.

Sec. D.103 TRANSFER OF TOBACCO TRUST FUNDS

(a) Notwithstanding 18 V.S.A. § 9502(a)(3) and (4), the actual amount of investment earnings of the Tobacco Trust Fund at the end of fiscal year 2017 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2017 is not negative shall be transferred from the Tobacco Trust Fund to the Tobacco Litigation Settlement Fund in fiscal year 2017.

EXPLANATION: Annual Language.

* * * GENERAL GOVERNMENT * * *

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent classified positions is authorized in fiscal year 2017 as follows:

(1) In the Department of Vermont Health Access – one (1) Financial Director and two (2) Financial Manager.

EXPLANATION: Additional positions required to assist with the implementation of expanded payroll tax.

(2) In the Green Mountain Care Board – one (1) Healthcare Statistical Information Administrator, one (1) Health Facility Senior Auditor & Rate Specialist, and two (2) Reimbursement Analyst.

EXPLANATION: Additional positions required to assist with the implementation of the All Payer Model.

(b) The establishment of the following new permanent exempt position is authorized in fiscal year 2017 as follows:

(1) In the Office of the Defender General – two (2) staff attorneys.

EXPLANATION: To help manage additional caseload as a result of increase children in DCF custody.

(2) In the Department of State’s Attorneys – four (4) deputy state’s attorneys.

EXPLANATION: To help manage additional caseload as a result of increase children in DCF custody. Only 3.3 FTE are funded in the State’s Attorney’s Budget.

(3) In the Department of Vermont Health Access – one (1) attorney.

EXPLANATION: Additional position required to assist with the implementation of expanded payroll tax. Only 0.5 FTE are funded in the DVHA budget.

(c) The positions established in this section shall be transferred and converted from existing vacant positions in the Executive Branch, and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act.

Sec. E.100.2 SHIFT DCF PILOT POSITIONS TO DVHA

(a) Notwithstanding 2015 Act. 179 sec. E.100(d)(3), positions at the Department for Children and Families Health Access Eligibility Unit established through the position pilot established by 2014 Act 179 E.100.1(d) shall transfer to the Department of Vermont Health Access.

EXPLANATION: This language is required to enable the movement to DVHA of those HAEU DCF positions created under the position pilot.

Sec. E.100.3 2015 Act 179 Sec. E.100(d)(1) is amended to read:

(d) Position Pilot Program - A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

(1) Notwithstanding Sec. A.107 of this act, the Department for Children and Families, the ~~Department of Environmental Conservation~~ Agency of Natural Resources, ~~and~~ the Department of Buildings and General Services, ~~and the Department of Corrections~~ shall not be subject to the cap on positions for the duration of the Pilot. The Department of Corrections is authorized to add only Correctional Officer I and II positions.

EXPLANATION: Expansion of the position pilot to include the Agency of Natural Resources and the Department of Corrections. The Agency of Natural Resources and the Department of Corrections are being added as a result of a change in temp hours allowed under the Affordable Care Act. The ACA change limits an individual’s temp hours to 1280 per 12 consecutive months. After the temp hours have been exceeded the employer incurs a penalty. To avoid the penalty and maintain continuity of the work force, ANR and DOC are requesting the flexibility to convert and hire temps as funding permits.

The Department of Corrections currently uses a significant amount of overtime and temporary correctional officers to staff the correctional facilities across the state. Giving the DOC the flexibility to hire permanent position through the pilot would reduce the amount of overtime and temporary positions utilized in the department.

Sec. E.100.4 Funding for the Office of the Health Care Advocate

(a) Of the funds appropriated in Sec. B.100, \$ 1,297,406 shall be used for the contract with the Office of the Health Care Advocate.

EXPLANATION: Pursuant to 2015 Act 54 Sec 53 (c)

Sec. E.100.5 2014 Acts and Resolves No. 179, Sec.100.5 is amended to read:

~~(h) This section shall sunset on June 30, 2016 and any remaining balance in the Fund shall be transferred to the General Fund.~~

EXPLANATION: Removing the sunset on the Enterprise fund so it will continue to exist after June 30, 2016.

Sec. E.100.6 3 V.S.A. § 2289 is added to read:

3 V.S.A Sec. 2289 Division of Purchasing and Contracting

(a) There is created in the Agency of Administration a Division of Purchasing and Contracting.

(b) In addition to the duties expressly set forth elsewhere by law, the Division of Purchasing and Contracting shall:

(1) Contract for and make all purchases, including but not limited to all fuel, supplies, materials, equipment, software, hardware and certain services for all departments, offices, institutions, and other agencies of the State and counties. However, the Director may delegate authority to those governmental agencies to purchase directly individually approved types and classes of items when the interest of the State is best served thereby. The Division of Purchasing and Contracting shall also contract for and purchase materials for the repair and for the construction and equipment of new buildings to be erected by the State, unless otherwise provided. The Division of Purchasing and Contracting may purchase such fuel, supplies, materials, equipment, software, hardware and certain services as are requisitioned by the supervisors of the natural resources conservation districts. The Division of Purchasing and Contracting may also cooperate with and advise officials of any political subdivision of the State or any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education in their purchase of any of the fuel, supplies, materials, equipment, software, hardware and certain services needed by the political subdivision or institution of higher education, and may act as the agent of the political subdivision at the request of the authorized officials or agent thereof in the purchase of supplies, materials, and equipment.

(2) Conduct all competitive procurements for the purchase of services in accordance with policies, bulletins and directives issued by the Secretary of Administration.

(3) When any governmental agency is in need of any of the items mentioned in this 3 V.S.A. 2289, and upon request from the responsible officer to the Secretary of Administration, shall purchase the items by either advertising for bids or by letters of inquiry and the contract for those items shall be awarded to the person whose bid or quotation is in the best interest of the State. Subject to the provisions of subsections (b) and (c) of this section, the Division of Purchasing and Contracting may reject any or all bids or quotations and with the approval of the Secretary of Administration, procure items in such manner as may be in the best interest of the State.

(4) When purchasing any items mentioned in this 3 V.S.A. 2289, shall consider, in the best interest of the State (1) specified quality; (2) price; (3) ease of access of supply; (4) incidental administrative costs; (5) proven reliability of bidder; (6) use of recycled materials or products; (7) minimizing the creation, by the State, of solid waste; (8) the extent to which the usage of the item involves the generation of pollutants; (9) life cycle costs, if required under the State Agency Energy Plan, as implemented; (10) the interests of the State relating to the proximity of the supplier and the costs of transportation, and relating to the economy of the State and the need to maintain and create jobs in the State; and (11) the use of railroads and the increased revenues returning to the State from its railroad leasing program. The

Division of Purchasing and Contracting in its discretion, may spend up to 10 percent more for comparable products that are made of recycled materials. If products made of recycled materials are to cost more than 10 percent more than comparable products, the Division of Purchasing and Contracting shall receive consent of State entities that are to use the product, before completing the order for the materials in question.

(5) Whenever any business or industry located in Vermont and employing citizens of this State has submitted a bid and the item has not been purchased from them, shall record its reason for assigning the order. The Division of Purchasing and Contracting shall maintain records of the decision and reasons for assigning the order and the records and its reports shall be a public record available to any interested person. All bids or quotations shall be kept on file at the Division of Purchasing and Contracting and open to public inspection.

(6) When purchasing vehicles for State use shall consider vehicles using alternative fuels when the alternative fuel is suitable for the vehicle's operation, is available in the region where the vehicle will be used, and is competitively priced with traditional fuels.

(c) As an alternative to the procedures set forth in this 3 V.S.A. the Division of Purchasing and Contracting may elect to purchase any of the items mentioned in this 3 V.S.A. 2289, including but not limited to all fuel, supplies, materials, equipment, and services, through a program established by the federal general services administration to supply federal agencies with supplies, materials, and services or may choose to participate in cooperative purchases with other states, provided that the Division of Purchasing and Contracting first determines that purchasing through the general services administration or cooperative agreements with other states is in the best interest of the state.

(d) The Director of the Division of Purchasing and Contracting and the Secretary of Education, or their designees, shall develop and promote a program of centralized purchasing of equipment and supplies for public schools in Vermont, by which purchases may be combined in order to obtain volume purchasing discounts and other purchasing benefits.

(e) Establishment of a revolving fund is authorized for the purposes of subsection (d) above to be administered by the Director. All expenses of the program shall be paid out of the revolving fund. Costs shall be prorated according to rules established by the Secretary of Administration and charged to users of the program. At his or her discretion the Commissioner of Finance and Management may anticipate receipts to be paid into the fund based upon assurances from participants in the program and may issue warrants thereon for the purposes of this section.

(f) The Division of Purchasing and Contracting shall manage a supply program in order to ensure the disbursement of equipment for use by state government, including but not limited to fleet vehicles, office supplies, stationery, record books, and forms purchased by the state. The Director of the Division of Purchasing and Contracting shall disburse them upon requisition to all state departments, institutions and within limits approved by the Commissioner of Finance and Management to county officers whose compensation and expenses are paid by the state or any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the state Board of Education. The form of the requisition shall be prescribed by the Division of Purchasing and Contracting.

(g) The Division of Purchasing and Contracting shall keep an accurate account of all the property and services mentioned in subsection (f) above and of its distribution, and shall annually render an account to the Commissioner of Finance and Management of the distribution of those supplies and services rendered for the preceding 12 months and an inventory of all supplies on hand, in such manner and form as shall be approved by the Commissioner of Finance and Management.

(h) All operating expenses and services of the central supply section and central duplicating section shall be paid out of the revolving fund established in 29 V.S.A. 926 insofar as possible. The Director of the Division of Purchasing and Contracting, with the approval of the Commissioner of Finance and

Management, may assess charges for supplies, equipment and services, which the Commissioner of Finance and Management shall charge back to appropriations for the various departments all items mentioned under this section, and credit like amounts to the revolving fund.

(i) The Division of Purchasing and Contracting shall furnish to suppliers at the expense of the state the forms for all proposals and contracts. The Director of the Division of Purchasing and Contracting shall make all contracts in duplicate and shall forward forthwith one copy to the Commissioner of Finance and Management. An item of expense for any article mentioned in this chapter shall not be allowed by the Commissioner of Finance and Management in the settlement of any account except when the purchase of the article is authorized and approved by the Director of the Division of Purchasing and Contracting.

(j) The Director of the Division of Purchasing and Contracting may establish a purchasing card program for the purpose of authorizing all spending units of the state to use a purchasing card as an alternative payment method for official state purchases. The Director may contract with one or more financial institutions, card-issuing banks, credit card companies, charge card companies, debit card companies, or third-party merchant banks to provide state purchasing cards. The Director may accept receipts from the purchasing card program. The Director is authorized to establish policies for participation in the program and use of the purchasing card.

(k) When procuring food and agricultural products for the State, its agencies, departments, instrumentalities, and institutions, the Director of the Division of Purchasing and Contracting shall consider the interests of the State relating to the proximity of the supplier and the costs of transportation, and relating to the economy of the State and the need to maintain and create jobs in the State.

(l) When making purchases pursuant to subsection (k) above, the Secretary of Administration, the Director of the Division of Purchasing and Contracting and any State-funded institutions shall, other considerations being equal and considering the results of any econometric analysis conducted, purchase products

(m) The Director shall require that a bidder for the sale of apparel, footwear, or textiles provide certification from each supplier that the supplier at the point of assembly of the goods:

(1) Complies with all applicable wage, health, labor, environmental, and safety laws, legal guarantees of freedom of association, building and fire codes, and laws relating to discrimination in hiring, promotion, and compensation on the basis of race, disability, national origin, gender, sexual orientation, and affiliation with any political, nongovernmental, and civic group except when federal law precludes the state from attaching the procurement conditions provided in this subchapter; and

(2) Complies with all human and labor rights treaty obligations that are shared by the United States and the country in which the goods are assembled, including obligations with regard to forced labor, indentured labor, slave labor, child labor, involuntary prison labor, physical and sexual abuse, and freedom of association.

(n) Prior to the awarding of a contract, a bidder for the sale of apparel, footwear, or textiles shall submit a list of the names and addresses of suppliers at the point of assembly of goods subject to the bid process.

(o) If, after complying with the filing requirements of subsection (n) above, a bidder is awarded a contract, that contractor shall, during the term of the contract, promptly inform the Director of any change in the information furnished to the Director pursuant to this section.

(p) The Director may accept a bid from and award a contract to a supplier who has not met the requirements provided in subsections (m) and (n) above if, after reasonable investigation by the Director, it appears that the required unit or item of supply or brand of that unit or item is procurable by the state from only that supplier or under other extraordinary circumstances. The approval of an exception pursuant to this section shall be documented in writing, signed by the Director, and retained as part of the contract file.

(q) The Director shall initiate an investigation to determine whether a violation of subsections (m) and (n) above has occurred if:

(1) The Director has knowledge that a contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with subsections (m) and (n) above.

(2) The contractor informs the Director that the contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with subsections (m) and (n) above.

(3) A worker for a contractor or for a supplier at the point of assembly of goods subject to a contract files a written complaint directly with the Director stating that the contractor or supplier, to the best of the worker's knowledge, is not in compliance with subsections (m) and (n) above.

(4) A third party established and based in the United States, on behalf of or on the basis of information from a worker or workers, files directly with the Director a written complaint, signed and dated under oath before an official authorized by applicable law to administer oaths, stating that, to the best of the third party's knowledge, a contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with subsections (m) and (n) above.

(5) A third party established and based outside the United States, on behalf of or on the basis of information from a worker or workers, files directly with the Director a signed and dated written complaint stating that, to the best of the third party's knowledge, a contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with subsections (m) and (n) above e.

(r) After receiving a complaint alleging noncompliance with subsections (m) and (n) above, the Director shall contact in a timely manner, in writing and by certified letter, the contractor that is the subject of the complaint or whose supplier is the subject of the complaint. In making a determination of whether a violation of subsections (m) and (n) above has occurred, the Director may take into account any factors, information, sources of information, and materials determined reliable and relevant by the Director, as determined on a case-by-case basis. The Director has specific authority and discretion to employ an independent monitor to investigate a complaint.

For purposes of this subsection, "Independent monitor" means a nonprofit organization that is neither funded nor controlled, in whole or in part, by businesses that sell or manufacture apparel, footwear, or textiles.

(s) The determination of whether a party subject to a complaint is in compliance with subsections (m) and (n) above is solely that of the Director.

(t) After rendering a determination under subsection (t) above, the Director promptly shall inform the complainant and contractor in writing.

(u) If, in the opinion of the Director, a contractor that has been determined to be not in compliance with subsections (m) and (n) above does not make good-faith efforts to change its practices or use its bargaining position with an offending supplier to change the supplier's practices, the Director may take appropriate remedial action, including barring the contractor from bidding on future state contracts or terminating the state's contract with the contractor. Reference to the authority given in this section shall be specifically referenced in state contracts with contractors that are subject to this subchapter.

(v) The Director shall coordinate with other jurisdictions of the United States of America with those jurisdictions' efforts to develop an effective strategy to monitor vendor compliance with the requirements of subsections (m) and (n) above or similar requirements of those jurisdictions. [The Director of the Division of Purchasing and Contracting shall be an exempt employee and shall be appointed by the Secretary of Administration.

EXPLANATION: This section creates the Division of Purchasing and Contracting in the Secretary of Administrations Office, instead of at the Department for Buildings and General Services. This changes is as part of an effort to create a centralized-statewide purchasing office, similar to how purchasing is

structure in other states. This language changes made in Sec. E.100.6 above and through E.100.45 update current law to reflect this organizational change.

Sec. E.100.7 29 V.S.A. Sec. 152(a)(8) is amended to read:

(8) Employ such architectural and other professional assistance as he or she deems necessary in the performance of his or her duties. Before employing architectural and other professional assistance, the Commissioner shall request the Division of Purchasing and Contracting to give ~~ensure that~~ reasonable public notice of the Commissioner's intention to employ such assistance so as to allow full opportunity for any qualified expert to offer his or her services and the commissioner shall employ that architect or expert whose service will be in the best interest of the State.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec. E.100.8 29 V.S.A. Sec. 152(a)(12) is amended to read:

(12) The Commissioner of Buildings and General Services may contract for custodial and other maintenance services after the Division of Purchasing and Contracting has performed competitive bidding in accordance with Agency of Administration Bulletin 3.5. No employee will be laid off or otherwise be removed from employment as a result of contracting out except in circumstances where the work is beyond the capacity of state employees, or that the work or program can be performed more economically under an outside contract, or that an outside contractor has management techniques, equipment or technology which will result in better public service and increased productivity.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec. E.100.9 29 V.S.A. Sec. 161(a) is amended to read:

(a) Bids, selection.

(1) When the construction cost of any State project exceeds the sum of \$ 50,000.00, the Commissioner of Buildings and General Services shall request the Division of Purchasing and Contracting to publicly advertise or invite three or more bids. The contract for any such State project or improvement shall be awarded to one of the three lowest responsible bidders, conforming to specification, with consideration being given to quantities involved, time required for delivery, purpose for which required, competency and responsibility of bidder, and his or her ability to render satisfactory service, but the Commissioner of Buildings and General Services with the approval of the Secretary of Administration, or designee, shall have the right to reject any and all bids and to invite other bids.

(2) When using the design-build construction delivery process, the Commissioner of Buildings and General Services shall request the [Office] [Division] of Purchasing and Contracting to publicly advertise or invite three or more bids. The award of a design-build contract shall be to the bidder determined by the Commissioner, to be most responsive to evaluation criteria established during the competitive procurement process ~~established by the Commissioner.~~ Such criteria may include physical plant characteristics proposed, program response to space needs, ability of the design-build team, anticipated development schedule and overall cost considerations, including alternates, allowances, and schedule of values.

(e) The Agency of Administration through its Division of Purchasing and Contracting shall ensure that the State and any of its subdivisions do not contract, directly or indirectly, with employers who are prohibited from contracting by the Commissioner of Labor pursuant to 21 V.S.A. §§ 692, 708, and 1314a or the Commissioner of Financial Regulation pursuant to 8 V.S.A. § 3661.

(f) The Agency of Administration through its Division of Purchasing and Contracting shall maintain a current list of employers that have been prohibited from contracting with the State or any of its subdivisions, and the Agencies of Administration and of Transportation shall publish that list on their websites.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec. E.100.10 29 V.S.A. Sec. 902 is amended to read:

§ 902. Duties of the Commissioner of Buildings and General Services

~~(a) The Commissioner of Buildings and General Services shall contract for and make all purchases, including but not limited to all fuel, supplies, materials, equipment, for all departments, offices, institutions, and other agencies of the State and counties. However, he or she may delegate authority to those governmental agencies to purchase directly individually approved types and classes of items when the interest of the State is best served thereby. He or she shall also contract for and purchase materials for the repair and for the construction and equipment of new buildings to be erected by the State, unless otherwise provided. He or she may purchase such supplies, materials, and equipment as are requisitioned by the supervisors of the natural resources conservation districts. He or she may also cooperate with and advise officials of any political subdivision of the State or any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education in their purchase of any of the supplies, materials, and equipment needed by the political subdivision or institution of higher education, and may act as the agent of the political subdivision at the request of the authorized officials or agent thereof in the purchase of supplies, materials, and equipment.~~

(b) [Repealed.]

~~(c) The Commissioner of Buildings and General Services may establish, in consultation with the heads of the governmental agencies, quality standards for all items specified in subsection (a) of this section.~~

~~(d) The Commissioner of Buildings and General Services may prescribe forms to be used in all purchasing, warehousing, and inventory functions set forth in this section; and when he or she so prescribes, the forms shall be used by all departments and agencies affected by this section.~~

(e) [Repealed.]

~~(f)~~(a) The Commissioner of Buildings and General Services may also:

- (1) establish and supervise inventory methods to be used by all government agencies;
 - (2) [Repealed.]
 - (3) maintain and operate the office supply service;
 - (4) receive, warehouse, manage, and distribute all State property and commodities except alcoholic beverages purchased for the Liquor Control Board; and all surplus federal property and commodities;
 - (5) maintain central inventory of all State property and equipment other than lands and buildings;
- and

(6) maintain and operate the State's Fleet Management System.

~~(g) The Commissioner of Buildings and General Services may establish substitute practices and exceptions from practices in requisitioning and purchasing that do not violate the spirit and intent of the general procedures; and he or she may direct, subject to the right of appeal by the head of the governmental agency to the Governor, the purchase of specified items to be made under the substitute practices and exceptions from practices.~~

~~(h)~~ (b) The Commissioner of Buildings and General Services may employ a standards and specifications engineer who shall under the supervision and direction of the Commissioner of Buildings and General Services:

- (1) develop standards;

- ~~(2) assist the buyers and requisitioning agencies in formulating specifications;~~
- (3) (2) work on the continued expansion of the testing program;
- (4) (3) cooperate with departments and other agencies in the improvement of inspection practices;
- (5) (4) perform such other duties relative to the duties of the Commissioner of Buildings and

General Services as the Commissioner of Buildings and General Services may direct.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec. E.100.11 3 V.S.A. § 2222 is amended to read:

~~(j)~~(k) ~~The Commissioner of Buildings and General Services~~ Secretary of Administration may establish, in consultation with the heads of the governmental agencies, quality standards for all items specified in subsection ~~(A)~~(a)(11) of this section.

~~(k)~~(l) ~~The Commissioner of Buildings and General Services~~ Secretary of Administration may prescribe forms to be used in all purchasing, warehousing, and inventory functions set forth in this section; and when he or she so prescribes, the forms shall be used by all departments and agencies affected by this section.

(m) The Secretary of Administration shall promulgate policies, bulletins and directives which set minimum standards for soliciting, awarding, processing, executing and overseeing contracts for services as well as managing contract compliance.

~~(n)~~(n) ~~The Commissioner of Buildings and General Services~~ Secretary of Administration may establish substitute practices and exceptions from practices in requisitioning and purchasing of goods and services that do not violate the spirit and intent of the general procedures; and he or she may direct, subject to the right of appeal by the head of the governmental agency to the Governor, the purchase of specified items or services to be made under the substitute practices and exceptions from practices.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec. E.100.12 29 V.S.A. § 903 is amended to read:

§ 903. Requisition for supplies and materials

~~(a) When any governmental agency is in need of any of the items mentioned in this chapter, the responsible officer thereof shall requisition therefor upon the Commissioner of Buildings and General Services, and the Commissioner of Buildings and General Services shall purchase the items by either advertising for bids or by letters of inquiry and the contract for those items shall be awarded to the person whose bid or quotation is in the best interest of the State. Subject to the provisions of subsections (b) and (c) of this section, the Commissioner of Buildings and General Services may reject any or all bids or quotations and with the approval of the Secretary of Administration, procure items in such manner as may be in the best interest of the State.~~

~~(b) When purchasing any items mentioned in this chapter, the Commissioner of Buildings and General Services, in any determination of the best interest of the State shall consider (1) specified quality; (2) price; (3) ease of access of supply; (4) incidental administrative costs; (5) proven reliability of bidder; (6) use of recycled materials or products; (7) minimizing the creation, by the State, of solid waste; (8) the extent to which the usage of the item involves the generation of pollutants; (9) life cycle costs, if required under the State Agency Energy Plan, as implemented; (10) the interests of the State relating to the proximity of the supplier and the costs of transportation, and relating to the economy of the State and the need to maintain and create jobs in the State; and (11) the use of railroads and the increased revenues returning to the State from its railroad leasing program. The Commissioner, in the Commissioner's discretion, may spend up to 10 percent more for comparable products that are made of recycled materials.~~

~~If products made of recycled materials are to cost more than 10 percent more than comparable products, the Commissioner shall receive consent of State entities that are to use the product, before completing the order for the materials in question.~~

~~(c) Whenever any business or industry located in Vermont and employing citizens of this State has submitted a bid and the item has not been purchased from them, the Commissioner of Buildings and General Services shall record his or her reason for assigning the order as he or she did and his or her report shall be a public record available to any interested person. All bids or quotations shall be kept on file in his or her office and open to public inspection.~~

~~(d) The Commissioner of Buildings and General Services, with the assistance of all State agencies, shall cooperate with the generators and managers of waste materials which may be recycled and with the producers of products which use recycled materials to maximize the State's use of those materials and products, particularly where the added cost of using waste materials rather than virgin materials is less than the cost avoided by not having that waste in the waste stream. Proceeds from the sale of waste materials collected by the Department of Buildings and General Services shall be credited to a special fund and shall be available to the Department to offset the cost of recycling efforts. The goal for the purchase of recycled materials shall be at least 40 percent by the end of 2008. For purposes of this section, "recycled materials" include recycled paper products, retreaded automobile tires, re-refined lubricating oil, used automotive parts, reclaimed solvents, recycled asphalt, recycled concrete, and compost materials.~~

~~(e) Repealed.]~~

~~(f) Repealed.]~~

~~(g) The Commissioner of Buildings and General Services, when purchasing vehicles for State use shall consider vehicles using alternative fuels when the alternative fuel is suitable for the vehicle's operation, is available in the region where the vehicle will be used, and is competitively priced with traditional fuels.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.13 29 V.S.A. §903a is amended to read:

~~§ 903a. Alternative purchasing sources~~

~~As an alternative to the procedures set forth in § 903 of this title, the commissioner may elect to purchase any of the items mentioned in this chapter through a program established by the federal general services administration to supply federal agencies with supplies and materials, or may choose to participate in cooperative purchases with other states, provided that the commissioner first determines that purchasing through the general services administration or cooperative agreements with other states is in the best interest of the state as provided in subsection 903(b) of this title.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.14 29 V.S.A. §905 is amended to read:

~~§ 905. Centralized purchasing of school equipment and supplies~~

~~(a) The Commissioner of Buildings and General Services Director of Purchasing and Contracting, and the Secretary of Education, or their designees, shall develop and promote a program of centralized purchasing of equipment and supplies for public schools in Vermont, by which purchases may be combined in order to obtain volume purchasing discounts and other purchasing benefits.~~

(b) Establishment of a revolving fund is authorized for the purposes of this section to be administered by the ~~Commissioner of Buildings and General Services~~ Secretary of Administration. All expenses of the program shall be paid out of the revolving fund. Costs shall be prorated according to rules established by the ~~Commissioner of Buildings and General Services~~ Secretary of Administration, and charged to users of the program. At his or her discretion the Commissioner of Finance and Management may anticipate receipts to be paid into the fund based upon assurances from participants in the program and may issue warrants thereon for the purposes of this section.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.15 29 V.S.A. §906 is amended to read:

§ 906. Duplicating Services

(a) ~~The [Division][Office] of Purchasing and Contracting commissioner of buildings and general services shall manage a supply program in order to ensure the disbursement of equipment for use by state government, including but not limited to fleet vehicles, office supplies, stationery, record books, and forms purchased by the state. The Director of the [Division][Office] of Purchasing and Contracting commissioner shall disburse them upon requisition to all state departments, institutions and within limits approved by the commissioner of finance and management to county officers whose compensation and expenses are paid by the state or any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the state board of education. The form of the requisition shall be prescribed by the commissioner of buildings and general services. [Division][Office] of Purchasing and Contracting.~~

(b) ~~The commissioner [Division][Office] of Purchasing and Contracting shall keep an accurate account of all the property and services mentioned in this section and of its distribution, and shall annually render an account to the commissioner of finance and management of the distribution of those supplies and services rendered for the preceding 12 months and an inventory of all supplies on hand, in such manner and form as shall be approved by the commissioner of finance and management.~~

~~(c)~~(a) The commissioner shall also maintain a central duplicating section to provide duplicating services for state departments, institutions and county officers whose compensation and expenses are paid by the state, and supply postal services to all state offices and officers located in central Vermont and in other locations when feasible as determined by the commissioner.

~~(d) [Repealed.]~~

~~(e)~~(b) All operating expenses and services of the central supply section and central duplicating section shall be paid out of a revolving fund insofar as possible. The Commissioner of Buildings and General Services and the Director of the Division of Purchasing and Contracting, with the approval of the Commissioner of Finance and Management, may assess charges for supplies, equipment and duplicating services, as the case may be, which the commissioner of finance and management shall charge back to appropriations for the various departments all items mentioned under this section, and credit like amounts to the revolving fund.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.16 29 V.S.A. §907 is amended to read:

§ 907. Manner of payment of bills for purchases

(a) ~~The commissioner of buildings and general services [Division][Office] of Purchasing and Contracting shall furnish to suppliers at the expense of the state the forms for all proposals and contracts. The commissioner Director of the [Division][Office] of Purchasing and Contracting shall make all~~

~~contracts in duplicate and shall forward forthwith one copy to the commissioner of finance and management. An item of expense for any article mentioned in this chapter shall not be allowed by the commissioner of finance and management in the settlement of any account except when the purchase of the article is authorized and approved by the Director of the [Division][Office] of Purchasing and Contracting, commissioner of buildings and general services.~~

~~(b) The Director of the [Division][Office] of Purchasing and Contracting commissioner of buildings and general services may establish a purchasing card program for the purpose of authorizing all spending units of the state to use a purchasing card as an alternative payment method for official state purchases. The Director commissioner may contract with one or more financial institutions, card issuing banks, credit card companies, charge card companies, debit card companies, or third party merchant banks to provide state purchasing cards. The Director commissioner may accept receipts from the purchasing card program. The Director commissioner is authorized to establish policies for participation in the program and use of the purchasing card.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.17 29 V.S.A. §909 is amended to read:

§ 909. State purchase of food and agricultural products

~~(a) When procuring food and agricultural products for the State, its agencies, departments, instrumentalities, and institutions, the Director of the [Division][Office] of Purchasing and Contracting Commissioner of Buildings and General Services shall consider the interests of the State relating to the proximity of the supplier and the costs of transportation, and relating to the economy of the State and the need to maintain and create jobs in the State.~~

~~(b) When making purchases pursuant to this section, the Secretary of Administration, the Director of the [Division][Office] of Purchasing and Contracting Commissioner of Buildings and General Services, and any State funded institutions shall, other considerations being equal and considering the results of any econometric analysis conducted, purchase products grown or produced in Vermont when available.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.18 29 V.S.A. §921 is amended to read:

§921. Application of subchapter; definitions

~~(a) This subchapter applies to competitive bids for sale of apparel, footwear, or textiles pursuant to subchapter 1 of this chapter.~~

~~(b) As used in this subchapter, unless the context otherwise indicates, the following terms shall have the following meanings:~~

~~(1) "Commissioner Director" means the Director of the [Division][Office] of Purchasing and Contracting commissioner of buildings and general services.~~

~~(2) "Independent monitor" means a nonprofit organization that is neither funded nor controlled, in whole or in part, by businesses that sell or manufacture apparel, footwear, or textiles.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.19 29 V.S.A. §922 is amended to read:

§ 922. Bids for the sale of apparel, footwear, or textiles

~~(a) The commissioner Director shall require that a bidder for the sale of apparel, footwear, or textiles provide certification from each supplier that the supplier at the point of assembly of the goods:~~

~~(1) complies with all applicable wage, health, labor, environmental, and safety laws, legal guarantees of freedom of association, building and fire codes, and laws relating to discrimination in hiring, promotion, and compensation on the basis of race, disability, national origin, gender, sexual orientation, and affiliation with any political, nongovernmental, and civic group except when federal law precludes the state from attaching the procurement conditions provided in this subchapter; and~~

~~(2) complies with all human and labor rights treaty obligations that are shared by the United States and the country in which the goods are assembled, including obligations with regard to forced labor, indentured labor, slave labor, child labor, involuntary prison labor, physical and sexual abuse, and freedom of association.~~

~~(b) Prior to the awarding of a contract, a bidder for the sale of apparel, footwear, or textiles shall submit a list of the names and addresses of suppliers at the point of assembly of goods subject to the bid process.~~

~~(c) If, after complying with the filing requirements of this section, a bidder is awarded a contract, that contractor shall, during the term of the contract, promptly inform the Director commissioner of any change in the information furnished to the commissioner Director pursuant to this section.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.20 29 V.S.A. §923 is amended to read:

~~§ 923. Exception~~

~~The commissioner Director may accept a bid from and award a contract to a supplier who has not met the requirements provided in section 922 of this title if, after reasonable investigation by the Director commissioner, it appears that the required unit or item of supply or brand of that unit or item is procurable by the state from only that supplier or under other extraordinary circumstances. The approval of an exception pursuant to this section shall be documented in writing, signed by the Director commissioner, and retained as part of the contract file.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.21 29 V.S.A. §925 is amended to read:

~~§ 925. Complaints of noncompliance with subchapter; investigations of complaints~~

~~(a) The commissioner Director shall initiate an investigation to determine whether a violation of this subchapter has occurred if:~~

~~(1) The commissioner Director has knowledge that a contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with this subchapter.~~

~~(2) The contractor informs the Director commissioner that the contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with this subchapter.~~

~~(3) A worker for a contractor or for a supplier at the point of assembly of goods subject to a contract files a written complaint directly with the Director commissioner stating that the contractor or supplier, to the best of the worker's knowledge, is not in compliance with this subchapter.~~

~~(4) A third party established and based in the United States, on behalf of or on the basis of information from a worker or workers, files directly with the Director commissioner a written complaint, signed and dated under oath before an official authorized by applicable law to administer oaths, stating that, to the best of the third party's knowledge, a contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with this subchapter.~~

~~(5) A third party established and based outside the United States, on behalf of or on the basis of information from a worker or workers, files directly with the Director commissioner a signed and dated~~

~~written complaint stating that, to the best of the third party's knowledge, a contractor or a supplier at the point of assembly of goods subject to a contract is not in compliance with this subchapter.~~

~~(b) After receiving a complaint alleging noncompliance with this subchapter, the Director commissioner shall contact in a timely manner, in writing and by certified letter, the contractor that is the subject of the complaint or whose supplier is the subject of the complaint.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.22 29 V.S.A. §926 is amended to read:

~~§ 926. Determinations of noncompliance with subchapter~~

~~(a) In making a determination of whether a violation of this subchapter has occurred, the commissioner Director may take into account any factors, information, sources of information, and materials determined reliable and relevant by the Director commissioner, as determined on a case by case basis. The Director commissioner has specific authority and discretion to employ an independent monitor to investigate a complaint.~~

~~(b) The determination of whether a party subject to a complaint is in compliance with this subchapter is solely that of the Director commissioner.~~

~~(c) After rendering a determination under this section, the Director commissioner promptly shall inform the complainant and contractor in writing.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.23 29 V.S.A. §927 is amended to read:

~~§ 927. Consequences of noncompliance with subchapter~~

~~If, in the opinion of the Director commissioner, a contractor that has been determined to be not in compliance with this subchapter does not make good faith efforts to change its practices or use its bargaining position with an offending supplier to change the supplier's practices, the Director commissioner may take appropriate remedial action, including barring the contractor from bidding on future state contracts or terminating the state's contract with the contractor. Reference to the authority given in this section shall be specifically referenced in state contracts with contractors that are subject to this subchapter.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.24 29 V.S.A. §928 is amended to read:

~~§ 928. Coordination with other jurisdictions~~

~~The Director commissioner shall coordinate with other jurisdictions of the United States of America with those jurisdictions' efforts to develop an effective strategy to monitor vendor compliance with the requirements of this subchapter or similar requirements of those jurisdictions.~~

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.25 29 V.S.A. §1103 is amended to read:

§ 1103. Printing of reports and bulletins

The ~~commissioner of buildings and general services~~ Commissioner of Building and General Services, after consultation with the state officers and boards, and the Director of the Division of

Purchasing and Contracting shall cause to be printed such number of their respective bulletins and reports, in such manner and form, as in his or her judgment the best interests of the state require.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.26 29 V.S.A. §1106 is amended to read:

§ 1106. Contracts for printing

The ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services, in conjunction with the Division of Purchasing and Contracting, may make contracts for printing the public documents, senate and house bills, printing needed by the secretary of the senate and the clerk of the house for their respective houses, legislative directories, and such other printing and binding as may be authorized by law or the interests of the state require, excepting contracts for printing court dockets.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.27 29 V.S.A. §1107 is amended to read:

§ 1107. Bids

The ~~commissioner of buildings and general services~~ Director of the Division of Purchasing and Contracting shall make contracts for all state printing by advertisement and bid or letters of inquiry, unless otherwise provided. ~~He or she~~ The Director may reject any and all bids and readvertise or with the approval of the governor let such contract without further advertisement.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.28 29 V.S.A. §1108 is amended to read:

§ 1108. Acceptance or rejection of bids; conditions of contracts

The ~~commissioner of buildings and general services~~ Director of the Division of Purchasing and Contracting may require satisfactory bonds from bidders and contractors, and shall specify in each contract for printing that, in case the matter contracted for is not delivered to the state librarian or in accordance with his or her written order to such other person as may be specified in the contract, on or before the date specified in the contract for such delivery, \$25.00 of the contract price shall be deducted for every day such delivery is delayed, and, in case the delay exceeds 10 days, there shall be deducted in addition to the above amount \$10.00 for each day's delay over 10 days; and he or she shall also specify in each contract that all public documents and printed matter shall be delivered to the state librarian at the state library unless otherwise directed in writing by him or her or the state librarian. The provisions of this section and section 1107 of this title relating to advertising and bids shall not apply to a contract for printing where the amount of the contract does not exceed \$50.00.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.29 29 V.S.A. §1111 is amended to read:

§ 1111. Stationery, forms and supplies

The ~~commissioner of buildings and general services~~ Director of the Division of Purchasing and Contracting shall procure and cause to be printed and distributed all office stationery and shall purchase and cause to be distributed all office supplies required by the general assembly, the several state officers, departments, institutions, boards and commissions, and such blank complaints, forms and record books as are necessary.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.30 29 V.S.A. §1113 is amended to read:

§ 1113. Journals of the joint assembly, senate and house of representatives

The secretary of the joint assembly, the secretary of the senate and the clerk of the house of representatives, within 60 days after the close of each session of the general assembly, shall furnish a certified copy of the original journals of their respective houses to the printer designated by the Director of the Division of Purchasing and Contracting ~~commissioner of buildings and general services~~, and within 30 days after the receipt from the printer of the last paged copy shall compile a proper index of the journals of their respective houses and furnish the same to the printer, and shall superintend the publication of their respective journals. The journal of the joint assembly shall be bound with the journal of the senate.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.31 29 V.S.A. §1115 is amended to read:

§ 1115. Printing and distribution of the acts and resolves of the general assembly

Immediately after the close of each session of the general assembly, the secretary of state shall furnish the printer designated by the Director of the Division of Purchasing and Contracting ~~commissioner of buildings and general services~~ a copy of the acts and resolves of such session, duly certified by him or her, as secretary of state. The acts and resolves of each session of the general assembly shall be distributed so far as practicable within 90 days of its adjournment.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.32 1 V.S.A. §496(a) is amended to read:

§ 496. State Flags, purchase, distribution

(a) The Secretary of State shall, through the Division of Purchasing and Contracting ~~Department of Buildings and General Services~~, obtain State Flags and a copy of the Bennington Battle Flag, so-called. He or she may, in his or her discretion and on such terms as he or she finds appropriate, distribute said State Flags to other states, to State officials, departments, and agencies, and to such other persons as he or she may determine should have them in the interest of the State. He or she shall cause the Bennington Battle Flag to be delivered to the custody of the Sergeant at Arms, to be flown at the State House in Montpelier, under the United States Flag, on the 15th, 16th, and 17th days of August in each year to commemorate the Battle of Bennington.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.33 2 V.S.A. §16 is amended to read:

§ 16. Printing and distribution of daily calendar, journal, and bills

Copies of the daily calendar and journal shall be immediately furnished to the printer designated by the Division of Purchasing and Contracting ~~Commissioner of Buildings and General Services~~. The printing of the calendar and journal shall be under the supervision of the Secretary and Clerk, and the required number of printed copies shall be delivered to the offices of the Legislative Council before the opening of the morning session of the following legislative day. A sufficient number of copies of all the

bills shall also be delivered to the offices of the Legislative Council. Staff of the Legislative Council shall distribute the daily calendar and journal and the bills as follows:

(1) Calendars. One copy of the daily House calendar shall be placed on the desk of each member of the House and one copy of the daily Senate calendar shall be placed on the desk of each member of the Senate. An additional number of copies of both the daily House and Senate calendars shall be made available to House and Senate members in their respective chambers upon the request of a member. Calendars shall also be published on the State legislative webpage. The number of copies required shall be determined by staff of the Legislative Council based on their demand.

(2) Journals and bills. The daily House and Senate journals and bills shall be published on the State legislative webpage. Copies of bills shall be made upon request to House and Senate members.

(3) [Repealed.]

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.34 3 V.S.A. §2474 (b)(5) is amended to read:

(b) The Administrative Services Division shall provide the following services to the Agency and all its components, including components assigned to it for administration:

- (1) personnel administration;
- (2) finance and accounting;
- (3) coordination of filing and records maintenance activities;
- (4) provision of facilities, office space, and equipment and the care thereof;
- (5) requisitioning from Division of Purchasing and Contracting ~~the Department of Buildings and General Services~~ of the Agency of Administration, of supplies, equipment, and other requirements;
- (6) management improvement services; and
- (7) other administrative service functions as may be assigned to it by the Secretary.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.35 3 V.S.A. §2876(b)(5) is amended to read:

(b) The Administrative Services Division shall provide the following services to the Agency and all its components, including components assigned to it for administration:

- (1) personnel administration;
- (2) coordination of financing and accounting activities;
- (3) coordination of filing and records maintenance activities;
- (4) provision of facilities, office space, and equipment and the care thereof;
- (5) requisitioning from the Division of Purchasing and Contracting ~~Department of Buildings and General Services~~ of the Agency of Administration of supplies, equipment, and other requirements;
- (6) management improvement services; and
- (7) other administrative functions assigned to it by the Secretary.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.36 3 V.S.A. §3086(b)(5) is amended to read:

(b) The Operations Division shall provide the following services to the Agency and all its components, including components assigned to it for administration:

- (1) personnel administration;
- (2) financing and accounting activities;

- (3) coordination of filing and records maintenance activities;
- (4) provision of facilities, office space, and equipment and the care thereof;
- (5) requisitioning from the Division of Purchasing and Contracting ~~Department of Buildings and General Services~~ of the Agency of Administration, of supplies, equipment, and other requirements;
- (6) management improvement services;
- (7) training;
- (8) information systems and technology; and
- (9) other administrative functions assigned to it by the Secretary.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.36 7 V.S.A. §107(5) is amended to read:

(5) Purchase through the ~~Commissioner of Buildings and General Services~~ Division of Purchasing and Contracting spirits and fortified wines for and in behalf of the Liquor Control Board, supervise the storage thereof and the distribution to local agencies, druggists, licensees of the third class, and holders of fortified wine permits, and make regulations subject to the approval of the Board regarding the sale and delivery from the central storage plant.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.37 7 V.S.A. §110 is amended to read:

§ 110. Special brands; purchase by Commissioner of Liquor Control

If any person shall desire to purchase any class, variety, or brand of spirituous liquor which any local agency does not have in stock, the Commissioner of Liquor control shall order the same through the ~~Commissioner of Buildings and General Services~~ Division of Purchasing and Contracting upon the payment of a reasonable deposit by the purchaser in such proportion of the approximate cost of the order as shall be prescribed by the regulations of the Liquor Control Board.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.38 10 V.S.A. §330(c)(3)(B) is amended to read:

§ 330. The Farm-to-Plate Investment Program; creation; goals; tasks; methods

(c) Tasks.

(1) By June 30, 2010, the Vermont Farm-to-Plate Investment Program shall create a strategic plan for agricultural economic development, which may be periodically reviewed and updated, based upon the following:

(A) Inventory Vermont's food system infrastructure by gathering existing data, studies, and analysis about the components of Vermont's food system, including:

(i) The types of foods produced in Vermont, the number of producers of each type of food, the amount of each type of food produced, and the financial viability of each food-producing sector.

(ii) The types of food processors in Vermont, how much food produced in Vermont is purchased by Vermont processors, and the financial viability of the food processing sector in Vermont.

(iii) The current and potential markets in which Vermont food producers and processors can sell their products.

(iv) The extent of existing agricultural lands that could be expanded and the resources available to expand Vermont's food production.

(v) The potential for new farmers and food processors to enter the local food economy, the methods for new farmers to acquire land and other farm infrastructure, and the availability and barriers to farm and processing labor.

(vi) The potential for entirely new local products and the barriers to farmers and processors entering new markets.

(B) Identify gaps in the infrastructure and distribution systems and identify ways to address these gaps.

(2) The Vermont Farm-to-Plate Investment Program shall seek grant funding to support farm-to-table direct marketing, including farmers' markets and community-supported agriculture operations and to support regional community food hubs.

(3) As an ongoing task, the Farm-to-Plate Investment Program shall use the information gathered for the strategic plan to identify methods and the funding necessary to strengthen the links among producers, processors, and markets, including:

(A) Support of the work of existing farm-to-school programs to increase the purchase of local foods by Vermont schools, with a particular emphasis on procurement of nutrient-dense animal foods.

(B) Collaborating with the Agency of Agriculture, Food and Markets and the Division of Purchasing and Contracting ~~Department of Buildings and General Services~~ to increase procurement of local foods in accordance with 6 V.S.A. § 4601.

(C) Collaborating with the Agency of Agriculture, Food and Markets and the Sustainable Agriculture Council to increase procurement of local foods by businesses and institutions.

(D) Supporting initiatives that improve direct marketing of foods from the farm to the consumer.

(E) Informing agricultural lenders of the information collected under subdivision (c)(1) of this subsection in order to facilitate availability of agricultural financing.

(4) The Farm-to-Plate Investment Program strategic plan shall also include recommendations regarding measurable goals that shall be tracked over the ten-year life of the Plan; methods for the ongoing collection of data necessary to track those goals; plans for updating the Plan as needed; and appropriate methods to track the ongoing economic contribution of the farm and food sector to the Vermont economy.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.39 12 V.S.A. §5601(f) is amended to read:

(f) The limitations in subsection (e) of this section do not apply to claims against the State of Vermont to the extent that there exists coverage under a policy of liability insurance purchased by the ~~Commissioner of Buildings and General Services~~ Secretary of Administration.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.40 12 V.S.A. §5603(a) is amended to read:

§ 5603. Settlement of claims

(a) The attorney general may consider, adjust, determine and settle any claim for damages against the state of Vermont resulting from the acts or omissions of an employee as provided under section 159 of Title 3. If the state elects to self-insure the liability as defined in 12 V.S.A. § 5601, the attorney general shall consult with the ~~commissioner of buildings and general services~~ Secretary of Administration prior to exercising his or her authority under this subsection.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.41 16 V.S.A. §559 is amended to read:

§ 559. Public bids

(a) When the cost exceeds \$15,000.00. A school board or supervisory union board shall publicly advertise or invite three or more bids from persons deemed capable of providing items or services if costs are in excess of \$15,000.00 for any of the following:

- (1) the construction, purchase, lease, or improvement of any school building;
- (2) the purchase or lease of any item or items required for supply, equipment, maintenance, repair, or transportation of students; or
- (3) a contract for transportation, maintenance, or repair services.

(b) When a school construction contract exceeds \$500,000.00:

(1) The State Board shall establish, in consultation with the Division of Purchasing and Contracting ~~Commissioner of Buildings and General Services~~ and with other knowledgeable sources, general rules for the prequalification of bidders on such a contract. The Department of Buildings and General Services, upon notice by the Secretary, shall provide to school boards undergoing construction projects suggestions and recommendations on bidders qualified to provide construction services.

(2) At least 60 days prior to the proposed bid opening on any construction contract to be awarded by a school board that exceeds \$500,000.00, the school board shall publicly advertise for contractors interested in bidding on the project. The advertisement shall indicate that the school board has established prequalification criteria that a contractor must meet, and shall invite any interested contractor to apply to the school board for prequalification. All interested contractors shall submit their qualifications to the school board, which shall determine a list of eligible prospective bidders based on the previously established criteria. At least 30 days prior to the proposed bid opening, the school board shall give written notice of the board's determination to each contractor that submitted qualifications. The school board shall consider all bids submitted by prequalified bidders meeting the deadline.

(c) Contract award.

(1) A contract for any such item or service to be obtained pursuant to subsection (a) of this section shall be awarded to one of the three lowest responsible bids conforming to specifications, with consideration being given to quantities involved, time required for delivery, purpose for which required, competency and responsibility of bidder, and his or her ability to render satisfactory service. A board shall have the right to reject any or all bids.

(2) A contract for any property, construction, good or service to be obtained pursuant to subsection (b) of this section shall be awarded to the lowest responsible bid conforming to specifications. However, when considering the base contract amount and without considering cost overruns, if the two lowest responsible bids are within one percent of each other, the board may award the contract to either bidder. A board shall have the right to reject any bid found not to be responsible or conforming to specifications or to reject all bids.

(d) Construction management. The school board may contract for the service of construction management to assist in a school construction project. The State Board, in consultation with the Commissioner of Buildings and General Services and other knowledgeable sources, shall adopt rules defining the term "construction management" and specifying the nature of bidding requirements under construction management services in order to assist school boards to comply with the public bidding requirements of this section.

(e) Application of this section. Any contract entered into or purchase made in violation of the provisions of this section shall be void; provided, however, that:

(1) the provisions of this section shall not apply to contracts for the purchase of books or other materials of instruction;

(2) a school board may name in the specifications and invitations for bids under this section the particular make, kind, or brand of article or articles to be purchased or contracted;

(3) nothing in this section shall apply to emergency repairs;

(4) nothing in this section shall be construed to prohibit a school board from awarding a school nutrition contract after using any method of bidding or requests for proposals permitted under federal law for award of the contract;

(5) nothing in this section shall prevent school districts or supervisory unions from entering into agreements with other school districts or supervisory unions to conduct joint bidding procedures otherwise consistent with this section;

(6) nothing in this section shall require a school board to invite or advertise for bids if it elects to purchase goods, materials, or supplies through the Division of Purchasing and Contracting ~~Commissioner of Buildings and General Services~~, pursuant to 29 V.S.A. chapter 49 and 3 V.S.A. Sec. 2289;

(7) nothing in this section shall require a school board or supervisory union board to invite or advertise for bids if it is renewing a contract entered into pursuant to subsection (a) of this section provided that annual costs will not increase more than the most recent New England Economic Project Cumulative Price Index, as of November 15, for State and local government purchases of goods and services, the total amount of the contract does not exceed an increase of 30 percent more than the total amount of the original contract, and the contract for the renewal period allows termination by the board following an annual review of performance.

(f) Waivers. The State Board shall by rule adopt standards governing the authority of the Secretary to grant individual waivers to the provisions of this section. The rules, at minimum, shall require the school board seeking the waiver to demonstrate to the Secretary that it is unable to comply with the bidding procedure through no fault of its own, and that it has proposed an alternative method of minimizing costs through a fair and public process.

(g) Violations. The State Board may deny State aid for school construction and for debt service on a project that proceeds in violation of this section.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.42 20 V.S.A. §1720 is amended to read:

§ 1720. Department of buildings and general services

Unless otherwise directed by the general assembly, the commissioner of buildings and general services, after consultation with and concurrence of the board, shall:

(1) Supervise the engineering, construction, improvement, repair, alteration, demolition, and replacement of and addition to buildings, structures, and facilities of the home.

(2) Request the Division of Purchasing and Contracting to Solicit ~~Solicit~~ solicit bids and award contracts for the performance of engineering services for specific projects at the home.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.43 20 V.S.A. §780(a) is amended to read:

§ 708. Penalty for false representation

(a) Action by the Commissioner of Labor. A person who willfully makes a false statement or representation, for the purpose of obtaining any benefit or payment under the provisions of this chapter, either for herself or himself or for any other person, after notice and opportunity for hearing, may be

assessed an administrative penalty of not more than \$20,000.00, and shall forfeit all or a portion of any right to compensation under the provisions of this chapter, as determined to be appropriate by the Commissioner after a determination by the Commissioner that the person has willfully made a false statement or representation of a material fact. In addition, an employer found to have violated this section is prohibited from contracting, directly or indirectly, with the State or any of its subdivisions for up to three years following the date the employer was found to have made a false statement or misrepresentation of a material fact, as determined by the Commissioner in consultation with the Division of Purchasing and Contracting Commissioner of Buildings and General Services or the Secretary of Transportation, as appropriate. Either the Secretary or the Director of the Division of Purchasing and Contracting Commissioner, as appropriate, shall be consulted in any contest relating to the prohibition of the employer from contracting with the State or its subdivisions.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.44 21 V.S.A. §1314a(f)(1)(B) is amended to read:

(f)(1) Any employing unit or employer that fails to:

(A) File any report required by this section shall be subject to a penalty of \$100.00 for each report not received by the prescribed due dates.

(B) Properly classify an individual regarding the status of employment is subject to a penalty of not more than \$5,000.00 for each improperly classified employee. In addition, an employer found to have violated this section is prohibited from contracting, directly or indirectly, with the State or any of its subdivisions for up to three years following the date the employer was found to have failed to properly classify, as determined by the Commissioner in consultation with the Director of the Division of Purchasing and Contracting Commissioner of Buildings and General Services or the Secretary of Transportation, as appropriate. Either the Secretary or the Director of the Division of Purchasing and Contracting Commissioner, as appropriate, shall be consulted in any appeal relating to prohibiting the employer from contracting with the State or its subdivisions.

(2) Penalties under this subsection shall be collected in the manner provided for the collection of contributions in section 1329 of this title and shall be paid into the Contingent Fund provided in section 1365 of this title. If the employing unit demonstrates that its failure was due to a reasonable cause, the Commissioner may waive or reduce the penalty.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec.E.100.45 28 V.S.A. §102(c)(20) is amended to read:

(c) The Commissioner is charged with the following responsibilities:

(1) To make rules and regulations for the governing and treatment of persons committed to the custody of the Commissioner, the administration of correctional facilities and the regulation of employees under the jurisdiction of the Commissioner.

(2) To establish and operate correctional diagnostic centers.

(3) To establish and maintain at each correctional facility a program of treatment designed as far as practicable to prepare and assist each inmate to assume his or her responsibilities and to participate as a citizen of the State and community.

(4) To establish facilities and develop programs to provide inmates at correctional facilities with such educational and vocational training deemed to be appropriate to the treatment of the inmates.

(5) To prescribe rules and regulations for the maintenance of discipline and control at each correctional facility.

(6) To maintain security, safety, and order at the correctional facilities and act to subdue any disorder, riot, or insurrection which may occur at any facility. The Commissioner, for such purpose, may enlist the assistance of any citizen of the State, and shall have the obligation to render reasonable compensation to any person providing such assistance.

(7) To establish, maintain, and administer such regional or other community correctional facilities as are necessary for the confinement and treatment of inmates either before or after the conviction of any offense, and to use the jails and lockups as provided in this title. Such facilities shall be used for the confinement of persons awaiting court disposition and the confinement of inmates serving short terms and such other inmates as may be assigned to such facilities for furloughs, work release, and other prerelease treatment.

(8) To establish in any appropriate correctional facility a system of classification of inmates, to establish a program for each inmate upon his or her commitment to the facility and to review the program of each inmate at regular intervals and to effect necessary and desirable changes in the inmate's program of treatment.

(9) To develop and maintain research programs and collect statistical information concerning persons committed to the custody of the Commissioner, sentencing practices, and correctional treatment.

(10) To inspect at regular intervals all correctional facilities.

(11) To close any correctional facility which he or she deems inadequate.

(12) To establish training programs for new employees, and to establish such in-service training programs as he or she deems advisable.

(13) Repealed.]

(14) To collect a fee up to the amount of \$30.00 per month as a supervisory fee from each person under the supervision of the Department who is on probation, furlough, pre-approved furlough, supervised community sentence or parole. Supervisory fees collected by the Department shall be credited to a special supervision and victim restitution fund, established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5, for this purpose. The Commissioner shall adopt rules governing the collection of supervisory fees, including the maximum period of time offenders are subject to supervision fees and the offender's ability to pay such fees.

(15) To lease farms or lands, with the approval of the Department of Buildings and General Services in accordance with 29 V.S.A. § 160, and to administer and manage such farms.

(16) To exercise all powers and perform all duties established in the Office of Commissioner by the Agency of Human Services and stated in 3 V.S.A. §§ 3052 and 3053.

(17) To exercise all powers and perform all duties necessary and proper in carrying out his or her responsibilities and in fulfilling the purposes and objectives of this title.

(18) To establish within the Department programs for inmates to participate in work, industry, community service, public works activities, and employment at correctional facilities.

(19) If a treaty in effect between the United States and a foreign country provides for the transfer or exchange of a convicted and sentenced offender to the country of which the offender is a citizen or national, the Commissioner may, with the written consent of such offender obtained only after the opportunity to consult with counsel, and in accordance with the terms of the treaty, consent to the transfer or exchange of any such offender and take any other action necessary to initiate the participation of the State in the treaty.

(20) To utilize the ~~Department of Buildings and General Services' Division of Purchasing and Contracting's~~ competitive bidding practices in order to determine the most effective and cost-effective alternatives for housing inmates in any out-of-state correctional facility.

(21) The Commissioner is authorized to contract for payment processing services for receiving deposits to inmate financial accounts. The Department, directly or through a processing agent, may assess a fee for deposits to each account so long as the fee does not exceed the costs incurred.

(22) To notify local and State law enforcement officers of the following information regarding a person released from incarceration on probation, parole, or furlough and residing in the community: name; address; conditions imposed by the court, parole board, or Commissioner; and the reason for placing the person in that community.

EXPLANATION: Language consistent with the movement of purchasing to the Secretary of Administration's office.

Sec. E.106 3 V.S.A. § 2281 is amended to read:

§ 2281. Department of Finance and Management

(a) The Department of Finance and Management is created in the Agency of Administration and is charged with all powers and duties assigned to it by law, including the following:

(1) To administer the financial transactions of the State, including payroll transactions, in accordance with the law and within the limits of appropriations made by the General Assembly.

(2) To conduct management studies and audits of the performance of State government.

(3) To prepare the Executive budget.

(4) To report on an annual basis to the Joint Fiscal Committee at its November meetings on the allocation of funds contained in the annual pay acts and the allocation of funds in the annual appropriations act which relate to those annual pay acts. The report shall include the formula for computing these funds, the basis for the formula, and the distribution of the different funding sources among State agencies. The report shall also be submitted to the members of the House and Senate Committees on Government Operations and on Appropriations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

~~(5) To maintain a central payroll office which shall be the successor to and continuation of the payroll functions of the Department of Human Resources.~~

EXPLANATION: Removes the duty of maintaining payroll at Finance and Management. The duties have transferred to the Department of Human Resources.

Sec. E.108 3 V.S.A. § 2283 is amended to read:

§ 2283. Department of Human Resources

(a) The Department of Human Resources is created in the Agency of Administration. In addition to other responsibilities assigned to it by law, the Department is responsible for fulfilling the payroll functions and for the provision of centralized human resources management services for State government, including the administration of a classification and compensation system for State employees under chapter 13 of this title and the performance of duties assigned to the Commissioner of Human Resources under chapter 27 of this title. All agencies and departments of the State which receive services from the Department of Human Resources shall be charged for those services through an assessment payable to the Human Resources Internal Service Fund on a basis established by the Commissioner of Human Resources and with the approval of the Secretary of Administration.

(b) The Department of Human Resources shall maintain a central payroll office, which shall be the successor to and continuation of the payroll division of the Department of Finance and Management.

~~(b)~~(c)(1) There is established in the Department of Human Resources a Human Resource Services Internal Service Fund to consist of revenues from charges to agencies, departments, and similar units of Vermont State government and to be available to fund the costs of the consolidated human resource services in the Department of Human Resources.

(2) The rate of the charges shall be proposed by the Commissioner of Human Resources, subject to the approval of the Secretary of Administration. Proposed rates of charges shall be based upon the cost of operations associated with human resource services provided to agencies, departments, and similar units of Vermont State government.

EXPLANATION: Move the administration of Payroll to the Department of Human Resources.

Sec. E.108.1 TRANSFER OF POSITIONS AND APPROPRIATIONS

(a) The rules of the Department of Finance and Management relating to payroll in effect on the effective date of this act shall be the rules of the Department of Human Resources, until amended or repealed by that department. All references in those rules to the “Commissioner” and the “Department of Human Resources,” shall be deemed to refer to the “Commissioner of Human Resources” and the “Department of Human Resources.”

(b) All employees, professional and support staff, consultants, positions and equipment and the remaining balances of all appropriation amounts for personal services and operating expenses for the payroll function are transferred from the Department of Finance and Management to the Department of Human Resources.

EXPLANATION: Move the administration of Payroll to the Department of Human Resources.

Sec. E.108.2 GENERAL AMENDMENTS

(a) The words “Commissioner of Finance and Management” are amended to read “Commissioner of Human Resources” in the following statutes:

(1) 3 V.S.A. § 631 (a)(6) - (7), and 32 V.S.A. §1261 (a).

EXPLANATION: Related to moving Payroll to the Department of Human Resources. 3 V.S.A. § 631 (a) (6) - (7) relates to the power to deduct insurance expenses from employee paychecks, moving from Finance and Management to the Department Human Resources 32 V.S.A. § 1261 (a) gives the commissioner the power to determine the “reasonableness” of expenses to be reimbursed.

Sec. E.108.3 3 V.S.A. § 309 is amended to read:

§ 309. Duties of Commissioner of Human Resources

(a) The Commissioner, as administrative head of the Department, shall direct and supervise all its administrative and technical activities. In addition to the duties imposed elsewhere in this chapter, it shall be the Commissioner's duty:

(1) To apply and carry out this chapter and the rules adopted thereunder.

(2) To establish and maintain a roster of all classified employees in the State civil service, in which there shall be set forth, as to each employee, the class title, pay or status and other pertinent data.

(3) To foster and develop, in cooperation with the appointing authorities, programs for the improvement of employee effectiveness, including orientation, training, safety, health, counseling and welfare.

(4) To encourage and aid in the development of effective personnel administration within the several departments in the State service, and to make available the facilities of the Department of Human Resources to this end.

(5) To investigate from time to time the operation and effect of this chapter and of the rules made thereunder and to report his or her findings to the Secretary of Administration and to the Governor.

(6) To make such reports regarding the work of the Department of Human Resources as the Commissioner may consider desirable and as may be required of the Commissioner to the Secretary of Administration and to the Governor.

(7) To maintain a continuous study of the status and availability of temporary employees, to receive and maintain adequate records and reports as to those employees and cooperate with the State employment service in establishing lists of persons available for temporary employment.

(8) To establish a standard reporting form on contractual employees and to receive and maintain records indicating their status.

(9) To establish an employee census report providing for the systematic and regular accounting of all persons employed by the State in all categories of employment.

(10) To maintain registers of persons eligible for employment and to verify the availability of those persons certified to an appointing authority.

(11) To cooperate with all State agencies in initiating and maintaining a trainee-internship program, a recruitment program for clerical, administrative and professional positions which shall include visits to Vermont high schools, colleges, and universities.

(12) To design and make available to all State agencies service rating forms.

(13) To compile and publish a manual, which shall be kept current, containing the pertinent statutes, rules and regulations of the Department of Human Resources and its rules of procedure and forms prescribed for use by rule or regulation.

(14) To perform any other lawful act which may be necessary and proper to carry out the purposes and provisions of this chapter.

(15) With the approval of the Governor, the Commissioner may appoint and employ a general legal counsel, to be exempt from the classified service, and who shall report directly to the Commissioner of Human Resources.

(16)-(18) [Repealed.]

(19) Annually on or before January 15, the Commissioner of Human Resources shall submit to the General Assembly a report on the status of the State employee workforce. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. All reporting on numbers of State employees shall include numbers stated in "full-time equivalent" positions. The report shall consolidate reports mandated by the General Assembly, as well as other information regarding developments in State employment, including:

(A) use of temporary employees;

(B) use of limited service positions;

(C) vacancies of more than six months' duration;

(D) use of emergency volunteer leave under section 265 of this title;

(E) development of compensation plans;

(F) developments in equal employment opportunity;

(G) use of the position management system;

(H) abolished or transferred classified and exempt State positions.

(20) To maintain a central payroll office, personnel earnings records and records on authorized deductions.

(21) To certify, by voucher, to the commissioner of finance and management all necessary and appropriate disbursements associated with the payroll function.

(b) The Commissioner, with the approval of the Secretary of Administration, may from time to time designate in writing an employee of the Department of Human Resources to act for him or her in case of his or her absence or temporary inability from any cause to discharge the powers and duties of the Commissioner's office. In that case the powers and duties of the Commissioner shall devolve upon his or her representative.

(c) The Commissioner may designate appropriate persons, including officers and employees in State service, to assist in the preparation and rating of tests. An appointing authority may excuse any

employee in the division or department from regular duties for the time required for work as an examiner. Such officers and employees shall not be entitled to extra pay for their services as examiners but shall be entitled to reimbursement for necessary travel and other expenses.

EXPLANATION: Shifts the payroll duties to the Commissioner of Human Resources.

Sec. E.111 Tax – administration/collection

(a) Of this appropriation, \$15,000 is from the Current Use Application Fee Special Fund and shall be appropriated for programming changes to the CAPTAP software used by municipalities for establishing property values and administering their grand lists.

EXPLANATION: This is an annual piece of language that covers admin costs for the current use program software. Usually this appropriation is \$30k but they don't use all of the spending authority so we cut it to \$15k for FY17.

Sec. E.113 Buildings and general services – engineering

(a) The \$3,553,061 interdepartmental transfer in this appropriation shall be from the General Bond Fund appropriation in the Capital Bill of the 2015 legislative session.

EXPLANATION: Funds appropriated to BGS engineering appropriated in 2015 Act 26 Sec. 2(c)(6) as amended by the Governor's proposed 2016 capital bill adjustment

Sec. E.113.1 2013 Acts and Resolves No. 1, Sec. 100(c), as amended by 2014 Acts and Resolves No. 179, Sec. E.113.1, is further amended to read:

(c) Sec. 97 (general obligation debt financing) shall take effect on ~~July 1, 2015~~ July 1, 2017.

EXPLANATION: Use of Capital funds to support certain engineering activities will be proscribed starting with the FY 2018 budget.

Sec. E.126 Legislature

(a) Notwithstanding any other provision of law, from fiscal year 2016 funds appropriated to the Legislature and carried forward into fiscal year 2017, the amount of \$113,500 shall revert to the General Fund.

(b) It is the intent of the General Assembly that funding for the Legislature in fiscal year 2017 be included at a level sufficient to support an 18-week legislative session.

EXPLANATION: The Legislative Council has agreed to revert this amount.

Sec. E.127 Joint fiscal committee

(a) Notwithstanding any other provision of law, from fiscal year 2016 funds appropriated to the Joint Fiscal Committee and carried forward into fiscal year 2017, the amount of \$50,000 shall revert to the General Fund.

EXPLANATION: The Joint Fiscal Office has agreed to revert this amount.

Sec. E.128 Sergeant at arms

(a) Notwithstanding any other provision of law, from fiscal year 2016 funds appropriated to the Sergeant at arms and carried forward into fiscal year 2017, the amount of \$10,000 shall revert to the General Fund.

EXPLANATION: The Sergeant at arms has agreed to revert this amount.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2017, investment fees shall be paid from the corpus of the Fund.

EXPLANATION: Same as in FY 2015, this language allows investment fees to be paid from the fund, instead of from the FY 2016 state contribution charged to the Departments of state government.

Sec. E.142 Payments in lieu of taxes

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act.

EXPLANATION: Clarifies that these payments are in addition to and separate from those appropriated elsewhere in the bill for the city of Montpelier and correctional facilities.

Sec. E.142.1 PAYMENTS IN LIEU OF TAXES; WATERBURY

(a) For fiscal year 2017, notwithstanding the formula for calculating PILOT payments set forth in 32 V.S.A. § 3703, PILOT payments for the Town of Waterbury and the Village of Waterbury shall not be lower than those received for fiscal year 2015.

EXPLANATION: The Legislature added this language last year. The towns PILOT payment would have been significantly reduced in FY16 due to the level of state facility they were hosting. The Legislature decided to exempt them from the usual PILOT requirements.

Sec. E.143 Payments in lieu of taxes – Montpelier

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

EXPLANATION: Clarifies that the Montpelier PILOT payment is to come from the PILOT special fund. Standard language.

Sec. E.144 Payments in lieu of taxes – correctional facilities

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

EXPLANATION: Clarifies that the correctional facilities payment is to come from the PILOT special fund. Standard language.

* * * PROTECTION TO PERSONS AND PROPERTY * * *

Sec. E.200 Attorney general

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$997,000 is appropriated in Sec. B.200 of this act.

EXPLANATION: Same provisions as in FY 2016.

Sec. E.208 Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

EXPLANATION: Same provisions as in FY 2016.

Sec. E.209 Public safety – state police

(a) Of this appropriation, \$35,000 in special funds shall be available for snowmobile law enforcement activities and \$35,000 in general funds shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of this appropriation, \$405,000 is allocated for grants in support of the Drug Task Force and the Gang Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force and to support the efforts of the Mobile Enforcement Team (Gang Task Force), or carried forward.

EXPLANATION: Same provisions as in FY 2016.

Sec. E.212 Public safety – fire safety

(a) Of this General Fund appropriation, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

EXPLANATION: Same provisions as in FY 2016.

Sec. E.215 Military – administration

(a) The amount of \$250,000 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856. Of this amount, \$100,000 shall be general funds from this appropriation, and \$150,000 shall be Next Generation special funds, as appropriated in Sec. B.1100(a)(3)(B) of this act.

EXPLANATION: Language and amounts same as FY 2016.

Sec. E.219 Military – veterans' affairs

(a) Of this appropriation, \$2,500 shall be used for continuation of the Vermont Medal Program; \$4,800 shall be used for the expenses of the Governor's Veterans' Advisory Council; \$7,500 shall be used for the Veterans' Day parade; \$5,000 shall be granted to the Vermont State Council of the Vietnam Veterans of America to fund the Service Officer Program; \$5,000 shall be used for the Military, Family, and Community Network; and \$10,000 shall be granted to the American Legion for the Boys' State and Girls' State programs.

(b) Of this General Fund appropriation, \$39,484 shall be deposited into the Armed Services Scholarship Fund established in 16 V.S.A. § 2541.

EXPLANATION: Language and amount same as in FY 2016

Sec. E.220 Center for crime victims services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victims Services shall transfer \$55,021 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

EXPLANATION: Same provisions as in FY 2016.

Sec. E.223 Agriculture, food and markets – food safety and consumer protection

(a) The Agency of Agriculture, Food and Markets shall use the Global Commitment funds appropriated in this section for the Food Safety and Consumer Protection Division to provide public health approaches and other innovative programs to improve the health outcomes, health status, and quality of life for uninsured, underinsured, and Medicaid-eligible individuals in Vermont.

EXPLANATION: Language that makes clear that Global Commitment funds will be used for appropriate Global Commitment purposes.

Sec. E.224 Agriculture, food and markets – agricultural development

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$711,490 in general funds is appropriated for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for administrative expenses, direct grants, and investments in food and forest systems pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5.

EXPLANATION: The appropriation for the Working Lands program is maintained with grant-making focused on the service provider investment area, which provides technical assistance and educational services to agricultural and forestry and forest products enterprises.

Sec. E.225 Agriculture, food and markets – laboratories, agricultural resource management and environmental stewardship

(a) The Agency of Agriculture, Food and Markets shall use the Global Commitment funds appropriated in this section to provide public health approaches and other innovative programs to improve the health outcomes, health status, and quality of life for uninsured, underinsured, and Medicaid-eligible individuals in Vermont.

EXPLANATION: Language that makes clear that Global Commitment funds will be used for appropriate Global Commitment purposes.

* * * HUMAN SERVICES * * *

Sec. E.300 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2017 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

EXPLANATION: Same language as for FY 2016 Act 58, Sec. E. 300 and FY 2015 2014 Act 179 Sec. E.300. 2013 Act 50 Sec.D.104 requires withheld tobacco settlement funds to be deposited in The Tobacco Trust Fund. This section allows the previously withheld Tobacco Settlement funds received in 2017 to be spent rather than deposited into the Trust Fund.

Sec. E.301 Secretary's office – Global Commitment:

(a) The Agency of Human Services shall use the funds appropriated in this section for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$29,633,326 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$18,500,400 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$21,999,600 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of

\$40,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$4,091,214 certified State match available from local education agencies for direct school-based health services, including school nurse services, that increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

(3) \$1,883,273 certified State match available from local education agencies for eligible services as allowed by federal regulation for early periodic screening, diagnosis, and treatment programs for school-age children.

(4) \$2,731,052 certified State match available via the University of Vermont's Child Health Improvement Program for quality improvement initiatives for the Medicaid program.

(5) \$2,427,387 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

EXPLANATION: Annual language (with updated revenue estimates) to establish certified state fund match as defined in the Global Commitment waiver.

Sec. E.304 3 V.S.A. § 3091(h) is amended to read:

(h)(1) Notwithstanding subsections (d) and (f) of this section, the Secretary shall review all Board decisions and orders concerning TANF, TANF-EA, office of child support cases, ~~and Medicaid~~ and the Vermont Health Benefit Exchange. The secretary shall:

(A) adopt a Board decision or order, except that the Secretary may reverse or modify a Board decision or order if:

(i) the Board's findings of fact lack any support in the record; or

(ii) the decision or order implicates the validity or applicability of any Agency policy or rule.

(B) issue a written decision setting forth the legal, factual or policy basis for reversing or modifying a Board decision or order.

(2) Notwithstanding subsections (d) and (f) of this section, a Board decision and order concerning TANF, TANF-EA, Office of Child Support, ~~or Medicaid~~ and the Vermont Health Benefit Exchange shall become the final and binding decision of the Agency upon its approval by the Secretary. The Secretary shall either approve, modify or reverse the Board's decision and order within 15 days of the date of the Board decision and order. If the Secretary fails to issue a written decision within 15 days as required by this subdivision, the Board's decision and order shall be deemed to have been approved by the Secretary.

(3) Notwithstanding subsection (f) of this section, only the claimant may appeal a decision of the Secretary to the Supreme Court. Such appeals shall be pursuant to Rule 13 of the Vermont Rules of Appellate Procedure. The Supreme Court may stay the Secretary's decision upon the claimant's showing of a fair ground for litigation on the merits. The Supreme Court shall not stay the Secretary's order insofar as it relates to a denial of retroactive benefits.

EXPLANATION: The Secretary of AHS has final decision-making authority over a HSB decision or order concerning Medicaid. The Secretary may reverse or modify such a decision or order if the HSB's findings of fact lack support in the record or if the decision or order implicates the validity or applicability of an agency policy or rule. The Secretary does *not* have similar authority over VHC cases (e.g., cases concerning the amount of APTC or CSR someone is entitled to receive). The Secretary should have authority to reverse or modify HSB decisions and orders in VHC cases to ensure that the applicable state and federal rules are properly interpreted and applied.

Sec. E.306 18 V.S.A. § 9351 is amended to read:

§ 9351. HEALTH INFORMATION TECHNOLOGY PLAN

* * *

(b) The Health Information Technology Plan shall:

* * *

(5) recommend funding mechanisms for the ongoing development and maintenance costs of a statewide health information system, including funding options ~~and an implementation strategy for a loan and grant program;~~

* * *

(7) integrate the information technology components of the Blueprint for Health established in chapter 13 of this title, the Agency of Human Services' Enterprise Master Patient Index, and all other Medicaid management information systems being developed by the Department of Vermont Health Access, information technology components of the quality assurance system, ~~the program to capitalize with loans and grants electronic medical record systems in primary care practices,~~ and any other information technology initiatives coordinated by the Secretary of Administration pursuant to 3 V.S.A. § 2222a; and

* * *

(c) The Secretary of Administration or designee shall update the plan annually to reflect emerging technologies, the State's changing needs, and such other areas as the Secretary or designee deems appropriate. The Secretary or designee shall solicit recommendations from Vermont Information Technology Leaders, Inc. (VITL) and other entities in order to update the Health Information Technology Plan pursuant to this section, including applicable standards, protocols, and pilot programs, and may enter into a contract or grant agreement with VITL or other entities to update some or all of the Plan. Upon approval by the Secretary, the updated Plan shall be distributed to the Commissioner of Information and Innovation; ~~the Commissioner of Financial Regulation;~~ the Commissioner of Vermont Health Access; the Secretary of Human Services; the Commissioner of Health; the Commissioner of Mental Health; the Commissioner of Disabilities, Aging, and Independent Living; the Senate Committee on Health and Welfare; the House Committee on Health Care; affected parties; and interested stakeholders.

* * *

~~(f) Qualified applicants may seek grants to invest in the infrastructure necessary to allow for and promote the electronic exchange and use of health information from federal agencies, including the Office of the National Coordinator for Health Information Technology, the Health Resources and Services Administration, the Agency for Healthcare Research and Quality, the Centers for Medicare and Medicaid Services, the Centers for Disease Control and Prevention, the U.S. Department of Agriculture, and the Federal Communications Commission. The Secretary of Administration or designee shall require applicants for grants authorized pursuant to Section 13301 of Title XXX of Division A of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to submit the application for State review pursuant to the process established in federal Executive Order 12372, Intergovernmental Review of Federal Programs. Grant applications shall be consistent with the goals outlined in the strategic plan developed by the Office of the National Coordinator for Health Information Technology and the statewide Health Information Technology Plan.~~

EXPLANATION: The deleted language was included in statute to operationalize a federal program. That federal program has been defunded.

Sec. E.306.1 18 V.S.A. § 9352(h) is amended to read:

(h) ~~Loan and grant programs. VITL shall solicit recommendations from the Secretary of Administration or designee, health insurers, the Vermont Association of Hospitals & Health Systems, Inc., the Vermont Medical Society, Bi-State Primary Care Association, the Council of Developmental and Mental Health Services, the Behavioral Health Network, the Vermont Health Care Association, the~~

~~Vermont Assembly of Home Health Agencies, other health professional associations, and appropriate departments and agencies of State government, in establishing a financing program, including loans and grants, to provide electronic health records systems to providers, with priority given to Blueprint communities and primary care practices serving low income Vermonters. Health information technology systems acquired under a grant or loan authorized by this section shall comply with data standards for interoperability adopted by VITL and the State Health Information Technology Plan. An implementation plan for this loan and grant program shall be incorporated into the State Health Information Technology Plan.~~ [Repealed.]

EXPLANATION: The deleted language was included in statute to operationalize a federal program. That federal program has been defunded.

Sec. E.306.2 18 V.S.A. § 706(c) and (d) are amended to read:

(c)(1) The Blueprint payment reform methodologies shall include per-person per-month payments to medical home practices by each health insurer and Medicaid for their attributed patients and for contributions to the shared costs of operating the community health teams. Per-person per-month payments to practices shall be based on the official National Committee for Quality Assurance's Physician Practice Connections--Patient Centered Medical Home (NCQA PPC-PCMH) score to the extent practicable and shall be in addition to their normal fee-for-service or other payments.

(2) Consistent with the recommendation of the Blueprint expansion design and evaluation committee, the director of the Blueprint may recommend to the Commissioner of the Department of Vermont Health Access ~~implement~~ changes to the payment amounts or to the payment reform methodologies described in subdivision (1) of this subsection, including by providing for enhanced payment to health care professional practices which operate as a medical home, including primary care naturopathic physicians' practices; payment toward the shared costs for community health teams; or other payment methodologies required by the Centers for Medicare and Medicaid Services (CMS) for participation by Medicaid or Medicare.

(3) Health insurers shall modify payment methodologies and amounts to health care professionals and providers as required for the establishment of the model described in sections 703 through 705 of this title and this section, including any requirements specified by the Centers for Medicare and Medicaid Services (CMS) in approving federal participation in the model to ensure consistency of payment methods in the model.

(4) In the event that the secretary of human services is denied permission from the Centers for Medicare and Medicaid Services (CMS) to include financial participation by Medicare, health insurers shall not be required to cover the costs associated with individuals covered by Medicare.

(d) An insurer may appeal a decision ~~of the director~~ to require a particular payment methodology or payment amount to the commissioner of Vermont health access, who shall provide a hearing in accordance with 3 V.S.A. chapter 25. An insurer aggrieved by the decision of the commissioner may appeal to the superior court for the Washington district within 30 days after the commissioner issues his or her decision.

EXPLANATION: The statutory language above has been amended to reflect the fact that the Commissioner of DVHA is responsible for the DVHA budget; any changes to Blueprint payment methodologies should be recommended to and approved by the Commissioner of DVHA.

Sec. E.306.3 2014 Acts and Resolves No.179, Sec. E.306.1 as amended by, 2015 Acts and Resolves No. 58, Sec. E.306, is further amended to read:
Sec. E. 306 EMERGENCY RULES

(a) The Agency of Human Services shall adopt rules pursuant to 3 V.S.A. chapter 25 prior to June 30, ~~2016-2017~~ to conform Vermont's rules regarding operation of the Vermont Health Benefit Exchange to federal guidance and regulations implementing the provisions of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152. The rules shall be adopted to achieve timely compliance with federal laws and guidance and shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

EXPLANATION: This amendment was made to No. 179, Sec. E. 306.1 during the 2015 legislative session (authority was extended to June 30, 2016). Federal rules regulating the operation of the Vermont Health Benefit Exchange will continue to be promulgated after June 30, 2016. Providing an extension to emergency rulemaking authority through the end of SFY 2017 will help to ensure that the State can comply with timelines set in forthcoming federal regulations.

Sec. 306.4 33 V.S.A. 1811(l) is added to read:

(l) A registered carrier shall allow for the enrollment of a pregnant individual and any individual who is or who may become 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 and prior to birth, as certified by a physician licensed pursuant to 26 V.S.A. chapter 23 or 33, a physician assistant certified pursuant to 26 V.S.A. chapter 31, or an advanced practice registered nurse certified pursuant to 26 V.S.A. chapter 28 acting within the scope of his or her practice. Coverage shall be effective as of the first of the month in which the individual receives certification of the pregnancy.

EXPLANATION: All pregnant individuals and their families, regardless of income, will now have a special enrollment period during pregnancy in the small group and individual health insurance markets.

Sec. E.306.5 33 V.S.A. § 1901(c) is amended to read:

(c) The Secretary may charge a monthly premium, in amounts set by the General Assembly, per family for pregnant women and children eligible for medical assistance under Sections 1902(a)(10)(A)(i)(III), (IV), (VI), and (VII) of Title XIX of the Social Security Act, whose family income exceeds ~~185~~ 195 percent of the federal poverty level, as permitted under section 1902(r)(2) of that act. Fees collected under this subsection shall be credited to the State Health Care Resources Fund established in section 1901d of this title and shall be available to the Agency to offset the costs of providing Medicaid services. Any co-payments, coinsurance, or other cost sharing to be charged shall also be authorized and set by the General Assembly.

EXPLANATION: This legislation is to clarify that the premium levels start at 195% FPL due to changes required under the ACA. Prior to MAGI the State applied income disregards and now must follow MAGI income requirements. The current statute states that the Secretary may charge a monthly premium at a level above 185% FPL. Vermont Medicaid has approval from CMS under the 1115 Global Commitment for Health Waiver to charge premiums to families enrolled in Dr. Dynasaur with income above 195% FPL. The state does not charge premiums to pregnant women.

Sec. E.306.6 33 V.S.A. § 1901e(c) is amended to read:

(c) ~~At the close of the fiscal year~~ Report annually on or before October 1, the Agency shall provide a detailed report to the Joint Fiscal Committee which describes the managed care organization's investments under the terms and conditions of the Global Commitment for Health Medicaid Section 1115 waiver, including the amount of the investment and the agency or departments authorized to make the investment.

EXPLANATION: To specify due date for the report submitted by AHS to the JFC.

Sec. E.306.7 33 V.S.A. § 1908 is amended to read:

§ 1908. MEDICAID; PAYER OF LAST RESORT; RELEASE OF INFORMATION

(a) Any clause in an insurance contract, plan or agreement which limits or excludes payments to a recipient is void.

(b) Medicaid shall be the payer of last resort to any insurer which contracts to pay health care costs for a recipient.

(c) Every applicant for or recipient of Medicaid under this subchapter is deemed to have authorized all third parties to release to the agency all information needed by the agency to secure or enforce its rights under this subchapter. The agency shall inform an applicant or recipient of the provisions of this subsection at the time of application for Medicaid benefits.

~~(d) At the agency's request, an insurer shall provide the agency with the information necessary to determine whether an applicant or recipient of Medicaid under this subchapter is or was covered by the insurer and the nature of the coverage, including the member, subscriber, or policyholder information necessary to determine third party liability and other information required under 18 V.S.A. § 9410(h). The agency may require the insurer to provide the information electronically. On or after November 1, 2015, any insurer shall accept the Agency's right of recovery and the assignment of rights and shall not charge the Agency or any of its authorized agents fees for the processing of claims or eligibility requests as required by 18 V.S.A. § 9410(h). Data files requested by or provided to the Agency shall provide the Agency with eligibility and coverage information that will enable the Agency to determine the existence of third party coverage for Medicaid recipients and the necessary information to determine during what period Medicaid recipients may be or may have been covered by the health insurer and the nature of the coverage that is or was provided, including the name, address, and identifying number of the plan.~~

(e)(1) The insurer shall transmit to the Agency, in a manner prescribed by the Centers for Medicare and Medicaid Services or as agreed between insurer and the Agency, an electronic file of all identified subscribers or policyholders, or their dependents, for whom there is data corresponding to the information contained in this section.

(2) An insurer shall comply with a request under the provisions of this subsection no later than sixty (60) days after the date of request by the Agency and shall only be required to provide the Agency with the information required by this section.

(3) The Agency shall request the data from an insurer once every month.

(f)(1) Each insurer shall maintain a file system containing the name, address, group policy number, coverage type, social security number, and date of birth of each subscriber or policyholder, and each dependent of the subscriber or policyholder covered by the insurer, including policy effective and termination dates, claim submission address, and employer's mailing address.

(2) Data files requested by or provided to the Agency shall provide the Agency with eligibility and coverage information that will enable the Agency to determine the existence of third party coverage for Medicaid recipients and the necessary information to determine during what period Medicaid recipients may be or may have been covered by the health insurer and the nature of the coverage that is or was provided, including the name, address, and identifying number of the plan.

(g) The Agency shall promulgate rules governing the exchange of information under this section. Such rules shall be consistent with all laws relating to the confidentiality or privacy of personal information or medical records including, but not limited to, provisions under the federal Health Insurance Portability and Accountability Act (HIPAA).

~~(e)~~ (h) From funds recovered pursuant to this subchapter, the federal government shall be paid a portion equal to the proportionate share originally provided by the federal government to pay for medical assistance to a recipient or minor.

EXPLANATION: DVHA needs private insurer data files in a Medicaid format that CMS now uses to allow DVHA to determine whether members have private insurance that should pay for medical claims before DVHA pays claims. Further, federal law requires that the state shall provide assurances to the Secretary that it has in effect laws requiring health insurers to provide data regarding who is enrolled in private coverage and dates of coverage and benefits.

Sec. E.306.8 33 V.S.A. § 1904 is added to read:

§ 1904. Confidentiality of Medicaid applications and records; Disclosure to Authorized Representative

(a) All applications and records concerning any applicant or recipient of Medicaid established by chapter 19 of this Title shall be confidential and shall be open to inspection only to persons authorized by the Department, this state, or the United States for purposes directly related to plan administration. In addition, the Department shall maintain a process to allow a Medicaid applicant or recipient or his or her authorized representative to have access to confidential information when necessary for an eligibility determination and the appeals process.

(b) Applications and records considered confidential are those which disclose:

(1) The name and address of the applicant or recipient;

(2) The medical services provided;

(3) The applicant or recipient's social and economic circumstances;

(4) The agency's evaluation of personal information;

(5) The medical data which includes but is not limited to diagnosis and past history of disease and disability; and

(6) Any information received for the purpose of verifying income eligibility and determining the amount of medical assistance payments.

(c) Violation of this statute shall result in an administrative penalty of not more than \$1,000.00 for a first violation and not more than \$2,000.00 for any subsequent violation.

(d) For purposes of this section:

(1) "Authorized representative" shall mean any person designated by a Medicaid applicant or recipient to review confidential information about the Medicaid applicant or recipient pertaining to the eligibility determination and the appeals process.

(2) "Purposes directly related to plan administration" means establishing eligibility, determining the amount of medical assistance, providing services to recipients, conducting or assisting with an investigation or prosecution, or civil or criminal proceedings in relation to the administration of the State Medicaid Program.

EXPLANATION: Federal law at 42 U.S.C. § 1396a (a)(7) and 42 C.F.R. § 431.301 requires a state statute imposing legal sanctions for the use and disclosure of Medicaid case information, other than for "program purposes." Vermont currently has no such statute.

Sec. E.306.9 33 V.S.A. § 1910(I) is amended to read:

(I) In cases in which the court has determined the amount of recovery allocated for past medical expenses, the Agency's lien shall be limited to that amount. There shall be a presumption that the amount of any recovery allocated for past medical expenses is equal to the amount of the Agency's lien or, if the entire recovery is less than the amount of the Agency's lien, the entire recovery. Any more limited allocation for past medical expenses must be shown by clear and convincing evidence and the burden of proof is on the party challenging the presumption.

EXPLANATION: DVHA proposes to create a rebuttable presumption that some or all of a Medicaid beneficiary's recovery is allocated to medical expenses and therefore available to DVHA during recovery

from a third-party to help ease the administrative burden on DVHA associated with third-party liability recoveries.

Sec. E.306.10 33 V.S.A. § 2001(c) is amended to read:

(c) The Commissioner of Vermont Health Access shall report annually on or before ~~August 31~~ October 30 to the Health Reform Oversight Committee concerning the Pharmacy Best Practices and Cost Control Program. Topics covered in the report shall include issues related to drug cost and utilization; the effect of national trends on the pharmacy program; comparisons to other states; and decisions made by the Department's Drug Utilization Review Board in relation to both drug utilization review efforts and the placement of drugs on the Department's preferred drug list.

EXPLANATION: This report is based on State Fiscal Years, a due date of August 31st does not provide sufficient time to collect and process the necessary data, compile the report, and properly review the report before submission. Changing the due date to October 30th allows enough time for data analysis and compilation of the report.

Sec. E.307 INVESTING IN PRIMARY CARE SERVICES

(a) The sum of \$8,400,000.00 in Global Commitment funds is appropriated to the Department of Vermont Health Access in fiscal year 2016 to increase reimbursement rates to primary care providers beginning on July 1, 2016 for services provided to Medicaid beneficiaries.

EXPLANATION: This funding will restore the enhanced primary care payments as defined by the Affordable Care Act. These rates were in place from January 1, 2013 to December 31, 2014 and were fully funded by Federal dollars. 2015 Act 54, Sec. 57 appropriated \$1,000,667 to increase reimbursement rates to Primary Care providers. This funding coupled with the funding from 2015 Act 54 will restore primary care reimbursement rates to pre-December 31, 2014 levels.

Sec. E.307.1 INVESTING IN DENTAL CARE SERVICES

(a) The sum of \$2,200,000.00 in Global Commitment funds is appropriated to the Department of Vermont Health Access in fiscal year 2016 to increase reimbursement rates to practicing dentists beginning on July 1, 2016 for preventive services provided to Medicaid beneficiaries.

EXPLANATION: This section provides an 18% increase in reimbursements for preventive dental services including routine care such as restorations, fluoride treatment and cleanings.

Sec. E.312 Health – public health

(a) **AIDS/HIV funding:**

(1) In fiscal year 2017 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of no less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2017, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. No more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

EXPLANATION: Annual language outlining grants for HIV and AIDS services.

Sec. E.314 18 V.S.A. Chapter 181 is amended to read:

Chapter 181. Judicial Proceedings

* * *

§ 7612a. Probable cause review

~~(a) Within three days after an application for involuntary treatment is filed, the Family Division of the Superior Court shall conduct a review to determine whether there is probable cause to believe that the person was a person in need of treatment at the time of his or her admission. The review shall be based solely on the application for an emergency examination and accompanying certificate by a licensed physician and the application for involuntary treatment.~~

~~(b) If, based on a review conducted pursuant to subsection (a) of this section, the Court finds probable cause to believe that the person was a person in need of treatment at the time of his or her admission, the person shall be ordered held in the temporary custody of the Commissioner for further proceedings in accordance with Part 8 of this title. If probable cause is not established, the person shall be ordered discharged or released from the hospital and returned to the place from which he or she was transported or to such place as the person may reasonably direct.~~

~~(c) An application for involuntary treatment shall not be dismissed solely because the probable cause review is not completed within the time period required by this section if there is good cause for the delay.~~

* * *

§ 7614. Psychiatric examination

As soon as practicable after notice of the commencement of proceedings is given, the court ~~on its own motion or~~ upon the motion of the proposed patient or his or her attorney or the state of Vermont shall may authorize one examination (this includes when applications for involuntary treatment and applications for involuntary medication are consolidated) of the proposed patient by a psychiatrist other than the physician making the original certification only if the examination can be completed as to not cause a delay of the hearing. The examination and subsequent report or reports shall be paid for by the state of Vermont. The physician shall report his or her finding to the party requesting the report or to the court if it requested the examination.

§ 7615. Hearing on application for involuntary treatment

(a)(1) Upon receipt of the application, the Court shall set a date for the hearing to be held within ~~10~~ 7 days from the date of the receipt of the application ~~or 20 days from the date of the receipt of the application if a psychiatric examination is ordered under section 7614 of this title unless the hearing is continued by the Court pursuant to subsection (b) of this section.~~

~~(2)(A) The applicant or a person who is certified as a person in need of treatment pursuant to section 7508 of this title may file a motion to expedite the hearing. The motion shall be supported by an affidavit, and the Court shall rule on the motion on the basis of the filings without holding a hearing. The Court:~~

~~(i) shall grant the motion if it finds that the person demonstrates a significant risk of causing the person or others serious bodily injury as defined in 13 V.S.A. § 1021 even while hospitalized, and clinical interventions have failed to address the risk of harm to the person or others;~~

~~(ii) may grant the motion if it finds that the person has received involuntary medication pursuant to section 7624 of this title during the past two years and, based upon the person's response to previous and ongoing treatment, there is good cause to believe that additional time will not result in the person establishing a therapeutic relationship with providers or regaining competence.~~

~~(B) If the Court grants the motion for expedited hearing pursuant to this subdivision, the hearing shall be held within ten days from the date of the order for expedited hearing.~~

~~(3) If a hearing on the application for involuntary treatment has not occurred within 60 days from the date of the Court's receipt of the application, the Commissioner shall request that the Court and both parties' attorneys provide the reasons for the delay. The Commissioner shall submit a report to the Court, the Secretary of Human Services, and the patient's attorney that either explains why the delay was warranted or makes recommendations as to how delays of this type can be avoided in the future.~~

(b)(1) For hearings held pursuant to subdivision (a)(1) of this section, the Court may grant each party a onetime extension of up to ~~seven~~ five days for good cause.

~~(2) The Court may grant one or more additional seven-day continuances if:~~

~~(A) the Court finds that the proceeding or parties would be substantially prejudiced without a continuance; or~~

~~(B) the parties stipulate to the continuance.~~

(c) The hearing shall be conducted according to the Vermont Rules of Evidence, and to an extent not inconsistent with this part, the Vermont Rules of Civil Procedure shall be applicable.

(d) The applicant and the proposed patient shall have a right to appear at the hearing to testify. The attorney for the State and the proposed patient shall have the right to subpoena, present, and cross-examine witnesses, and present oral arguments. The Court may, at its discretion, receive the testimony of any other person.

(e) The proposed patient may at his or her election attend the hearing, subject to reasonable rules of conduct, and the Court may exclude all persons, except a peer or other support person designated by the proposed patient, not necessary for the conduct of the hearing.

* * *

§ 7617. Findings; order

(a) If the court finds that the proposed patient was not a person in need of treatment at the time of admission or application or is not a patient in need of further treatment at the time of the hearing, the court shall enter a finding to that effect and shall dismiss the application.

(b) If the proposed patient is found to have been a person in need of treatment at the time of admission or application and a patient in need of further treatment at the time of the hearing, the court may order the person:

- (1) hospitalized in a designated hospital;
- (2) hospitalized in any other public or private hospital if he or she and the hospital agree; or
- (3) to undergo a program of treatment other than hospitalization.

(c) Prior to ordering any course of treatment, the court shall determine whether there exists an available program of treatment for the person which is an appropriate alternative to hospitalization. The court shall not order hospitalization without a thorough consideration of available alternatives.

(d) Before making its decision, the court shall order testimony by an appropriate representative of a hospital, a community mental health agency, public or private entity or agency, or a suitable person, who shall assess the availability and appropriateness for the individual of treatment programs other than hospitalization.

(e) Prior to ordering the hospitalization of a person, the court shall inquire into the adequacy of treatment to be provided at a designated to the person by the hospital. Hospitalization shall not be ordered unless the hospital in which the person is to be hospitalized can provide him or her with treatment which is adequate and appropriate to his or her condition.

~~(f) Preference between available hospitals shall be given to the hospital which is located nearest to the person's residence except when the person requests otherwise or there are other compelling reasons for not following the preference.~~

* * *

§ 7624. Application for involuntary medication

(a) The Commissioner may commence an action for the involuntary medication of a person who is refusing to accept psychiatric medication, of the type or in the amount prescribed by the treating psychiatrist, and meets any one of the following ~~six conditions~~:

(1) has been placed in the Commissioner's care and custody pursuant to section 7619 of this title or subsection 7621(b) of this title;

(2) has been placed in the Commissioner's care and custody on an order of hospitalization and for whom an application for continued treatment on an order of nonhospitalization is currently pending;

(3) has previously been hospitalized ~~received treatment~~ under an order of hospitalization and is currently under an order of nonhospitalization, including a person on an order of nonhospitalization who resides in a secure residential recovery facility;

(4) has been committed to the custody of the Commissioner of Corrections as a pretrial detainee or convicted felon ~~and is being held in a correctional facility which is a designated facility pursuant to section 7628 of this title~~ and for whom the Departments of Corrections and of Mental Health have determined jointly that involuntary medication would be appropriate pursuant to 28 V.S.A. § 907(4)(H); or

(5) has an application for involuntary treatment pending or for whom an application for involuntary treatment and application for involuntary medication are jointly filed, ~~for which the Court has granted a motion to expedite pursuant to subdivision 7615(a)(2)(A)(i) of this title~~;

(5)(A) has an application for involuntary treatment pending;

(B) waives the right to a hearing on the application for involuntary treatment until a later date;

and

(C) agrees to proceed with an involuntary medication hearing without a ruling on whether he or she is a person in need of treatment; or

(6) has had an application for involuntary treatment pending pursuant to subdivision 7615(a)(1) of this title for more than 26 days without a hearing having occurred and the treating psychiatrist certifies,

based on specific behaviors and facts set forth in the certification, that in his or her professional judgment there is good cause to believe that:

(A) additional time will not result in the person establishing a therapeutic relationship with providers or regaining competence; and

(B) serious deterioration of the person's mental condition is occurring.

(b)(1) Except as provided in subdivisions (2), (3), and (4) of this subsection, an application for involuntary medication shall be filed in the Family Division of the Superior Court in the county in which the person is receiving treatment.

(2) If the application for involuntary medication is filed pursuant to subdivision (a)(4)-(5) of this section,:

(A) the application shall be filed in the county in which the application for involuntary treatment is pending; and shall be consolidated for hearing with the application for involuntary treatment if the application for involuntary medication was filed on the same day or within 48 hours of the filing of the application for involuntary treatment. The Court shall rule on the application for involuntary treatment before ruling on the application for involuntary medication.

(B) ~~the Court shall consolidate the application for involuntary treatment with the application for involuntary medication and rule on the application for involuntary treatment before ruling on the application for involuntary medication.~~

(3) (2) If the application for involuntary medication is filed pursuant to subdivisions (a)(5)- (1) through (4) or (a)(6) of this section, the application shall be filed in the county in which the person is present application for involuntary treatment is pending. In instances where an application for involuntary medication is filed and there is an application for continued treatment pending, both matters shall be consolidated for hearing. The Court shall rule on the application for continued treatment before ruling on the application for involuntary medication.

(3) When an application for involuntary medication is consolidated for hearing with either an application for involuntary treatment or an application for continued treatment, the consolidated hearing shall occur no later than seven days from the date the application for involuntary medication is filed.

(4) ~~Within 72 hours of filing an application for involuntary medication pursuant to subdivision (a)(6) of this section, the Court shall determine, based solely upon a review of the psychiatrist's certification and any other filings, whether the requirements of that subdivision have been established. If the Court determines that the requirements of subdivision (a)(6) of this section have been established, the Court shall consolidate the application for involuntary treatment with the application for involuntary medication and hear both applications within ten days of the date that the application for involuntary medication is filed. The Court shall rule on the application for involuntary treatment before ruling on the application for involuntary medication. Subsection 7615(b) of this title shall apply to applications consolidated pursuant to this subdivision.~~

(c) The application shall include a certification from the treating physician, executed under penalty of perjury, that includes the following information:

(1) the nature of the person's mental illness;

(2) that the person is refusing medication proposed by the physician;

(3) that the person lacks the competence to decide to accept or refuse medication and appreciate the consequences of that decision;

(4) the necessity for involuntary medication, including the grounds for the person's commitment to the Commissioner of Mental Health's care and custody pursuant to 13 V.S.A. § 4822;

(5) any proposed medication, including the method, dosage range, and length of administration for each specific medication;

(6) a statement of the risks and benefits of the proposed medications, including the likelihood and severity of adverse side effects and its effect on:

(A) the person's prognosis with and without the proposed medications; and

(B) the person's health and safety, including any pregnancy;

(7) the current relevant facts and circumstances, including any history of psychiatric treatment and medication, upon which the physician's opinion is based;

(8) what alternate treatments have been proposed by the doctor, the patient, or others, and the reasons for ruling out those alternatives, including information on the availability of any appropriate alternatives; and

(9) whether the person has executed an advance directive in accordance with the provisions of chapter 231 of this title, and the identity of the agent or agents designated by the advance directive.

(d) A copy of the advance directive, if available, shall be attached to the application.

§ 7625. Hearing on application for involuntary medication; burden of proof

(a) Unless consolidated with an application for involuntary treatment or an application for continued treatment pursuant to subdivision 7624(b)(1) or (2) ~~or (b)(4)~~ of this title, a hearing on an application for involuntary medication shall be held within seven days of filing and shall be conducted in accordance with sections 7613, 7614, and 7616 and subsections 7615 (b)-(e) of this title.

(b) In a hearing conducted pursuant to this section, section 7626, or section 7627 of this title, the Commissioner has the burden of proof by clear and convincing evidence.

(c) In determining whether or not the person is competent to make a decision regarding the proposed treatment, the Court shall consider whether the person is able to make a decision and appreciate the consequences of that decision.

* * *

§ 7627. Court findings; orders

(a) The Court shall issue an order regarding all possible findings pursuant to this section, and for persons subject to an application pursuant to subdivision 7624(a)(3) of this title the Court shall first find that the person is a person in need of treatment as defined by subdivision 7101(17) of this title.

* * *

(f)(1) If the Court grants the application, in whole or in part, the Court shall enter an order authorizing the Commissioner to administer involuntary medication to the person. The order shall specify the types of medication, the permitted dosage range, length of administration, and method of administration for each. The order for involuntary medication shall not include electric convulsive therapy, surgery, or experimental medications. ~~A long-acting injection shall not be ordered without clear and convincing evidence, particular to the patient, that this treatment is the most appropriate under the circumstances.~~

(2) The order shall require the person's treatment provider to conduct weekly reviews of the medication to assess to assess the continued need for involuntary medication, the effectiveness of the medication, the existence of any side effects, and whether the patient has become competent pursuant to subsection 7625(c) of this title and shall also require the person's treatment provider to document this review in detail in the patient's chart. The person's treatment provider shall notify the Department when he or she determines that the patient has regained competence. Within two days of receipt, the Department shall provide a copy of the notice to the patient's attorney.

EXPLANATION: Proposed changes to Title 18 regarding court-ordered medication and assuring timely access to treatment for persons who are involuntary hospitalized.

Sec. E.318.2 CHILD CARE SERVICES PROGRAM; WAITLIST

(a) Prior to implementing a waitlist for or cap on the number of subsidized child care slots in fiscal year 2017, the Department for Children and Families shall report to the Joint Fiscal Committee.

EXPLANATION: Requires that DCF report to the Joint Fiscal Committee before implementing a waitlist or cap on subsidized child care slots.

Sec. E.321 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM

(a) For State fiscal year 2017, the Agency of Human Services may continue a housing assistance program within the General Assistance program to create flexibility to provide these General Assistance benefits. The purpose of the program is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. The program shall operate in a consistent manner within existing statutes and rules and policies effective on July 1, 2013, and any succeeding amendments thereto, and may create programs and provide services consistent with these policies. Eligible activities shall include, among others, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The Agency may award grants to homeless and housing service providers for eligible activities. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The program may operate in up to 12 districts designated by the Secretary of Human Services. The Agency shall establish goals and procedures for evaluating the program overall, including performance measures that demonstrate program results, and for each district in which the Agency operates the program, it shall establish procedures for evaluating the district program and its effects.

(c) The Agency shall continue to engage interested parties, including both statewide organizations and local agencies, in the design, implementation, and evaluation of the General Assistance flexibility program.

EXPLANATION: Same language as 2015 Act 58 Sec. E.321; this language allows DCF to continue to fund programs and issue grants to serve clients with housing needs.

Sec. E.321.1 GENERAL ASSISTANCE HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2017 may be used for temporary housing in catastrophic situations and for vulnerable populations, as defined in rules adopted by the Agency. The cold weather exception policy issued by the Department for Children and Families' Economic Services Division dated October 25, 2012, and any succeeding amendments to it, shall remain in effect.

EXPLANATION: Same language as 2015 Act 58 Sec. E.321.1. This language authorizes the General Assistance program to continue the cold weather exception policy. This language also ensures that when the cold weather exception policy does not apply, the adopted administrative rules still apply and have the force and effect of law.

Sec. E.321.2 2013 Acts and Resolves No. 50, Sec. E.321.2(c) is amended to read:

(c) On or before ~~January 31~~ and July 31 of each year beginning in ~~2015~~ 2016, the Agency of Human Services shall report statewide statistics related to the use of emergency housing vouchers during the preceding calendar half-year, including demographic information, deidentified client data, shelter and motel usage rates, clients' primary stated cause of homelessness, average lengths of stay in emergency housing by demographic group and by type of housing, and such other relevant data as the Secretary deems appropriate. When the General Assembly is in session, the Agency shall provide its report to the

House Committee on General, Housing and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Appropriations. When the General Assembly is not in session, the Agency shall provide its report to the Joint Fiscal Committee.

EXPLANATION: Recommendation to provide one annual General Assistance report per year, on July 31, which we believe will provide a better picture of the overall program.

Sec. E.324 LIHEAP AND WEATHERIZATION

(a) Notwithstanding 33 V.S.A. §§ 2603 and 2501, in fiscal year 2017, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer up to 15 percent of the federal fiscal year 2017 federal Low Income Home Energy Assistance Program (LIHEAP) block grant from the federal funds appropriation in Sec. B.324 of this act to the Home Weatherization Assistance appropriation in Sec. B.326 of this act to be used for weatherization in State fiscal year 2017. An equivalent appropriation transfer shall be made to Sec. B.324 of this act, Low Income Home Energy Assistance Program, from the Home Weatherization Assistance Fund in Sec. B.326 of this act to provide home heating fuel benefits in State fiscal year 2017. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next meeting.

EXPLANATION: The FY17 budget only includes federal funds for LIHEAP; this language allows DCF to meet costs that are solely state funded to cover benefits for recipients over 150 percent of the federal poverty limit as well as administration costs in excess of ten percent of the federal award.

Sec. E.324.1 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it, if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

EXPLANATION: This is annual language and allows for expedited basis for eligible recipients so they do not run out of fuel. Counts towards one crisis fuel grant per household.

Sec. E.325 Department for children and families – office of economic opportunity

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$1,092,000 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions shall be made with assistance from the Vermont Coalition to End Homelessness.

EXPLANATION: Annual language, included in 2015 Act 58 Sec. E.325.

Sec. E.326 Department for children and families – OEO – weatherization assistance

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

EXPLANATION: Annual language, included in 2015 Act 58 Sec. E.326.

Sec. E.342 Vermont veterans' home – care and support services

(a) The Vermont Veterans' Home will use the Global Commitment funds appropriated in this section for the purpose of increasing the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

EXPLANATION: Annual language that makes clear that Global Commitment funds will be used for appropriate Global Commitment purposes.

Sec. E.345 Green mountain care board

(a) The Green Mountain Care Board shall use the Global Commitment Funds appropriated in this section to encourage the formation and maintenance of public-private partnerships in health care, including initiatives to support and improve the health care delivery system.

EXPLANATION: Annual language that makes clear that Global Commitment funds will be used for appropriate Global Commitment purposes.

* * * K-12 EDUCATION * * *

Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in this section for school health services, including school nurses, shall be used for the purpose of funding certain health-care-related projects. It is the goal of these projects to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

EXPLANATION: Annual language that makes clear that Global Commitment funds will be used for appropriate Global Commitment purposes.

Sec. E.502 Education – special education: formula grants

(a) Of the appropriation authorized in this section, and notwithstanding any other provision of law, an amount not to exceed \$3,566,019 shall be used by the Agency of Education in fiscal year 2016 as funding for 16 V.S.A. § 2967(b)(2) – (6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d). In addition to funding for 16 V.S.A. § 2967(b)(2)–(6), up to \$192,805 may be used by the Agency of Education for its participation in the higher education partnership plan.

EXPLANATION: The language establishes how much of the special education funding formula shall be used for 16 V.S.A Sec 2967(b)(2)-(6). It also allows use of these funds to go to entities other than school districts such as UVM and the Vermont Association for the Blind and Visually Impaired. Standard language.

Sec. E.503 Education – state-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

EXPLANATION: Allows payments for pregnant and parenting teens to be made to the Independence Place program of the Lund Family Center. Same as in FY 2016.

Sec. E.504 Education – adult education and literacy

(a) Of this appropriation, \$4,000,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 1049a(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$625,000 is available for dual enrollment programs consistent with 16 V.S.A. § 944(f)(2), and the amount of \$25,000 is available for use pursuant to Sec. E.605.1 of this act; and

(2) \$100,000 is available to support the Vermont Virtual Learning Collaborative at the River Valley Regional Technical Center School District.

EXPLANATION: Language ensures that education funds are paid directly to school districts to fund the high school completion program, to help fund the dual enrollment program created in 16 V.S.A Sec 944, and to support distance learning in Vermont schools. The dual-enrollment funding in this section is a partial appropriation and adds to the amount provided through the Next Generation Fund. Total \$4M is same as in FY 2016.

Sec. E.513 16 V.S.A. § 4025(a)(2) is amended to read:

(2) For each fiscal year, the amount of the general funds appropriated or transferred to the Education Fund shall be ~~\$277,400,000.00~~ \$305,900,000 increased by the most recent New England economic project cumulative price index, as of November 15, for state and local government purchases of goods and services from fiscal year ~~2012~~ 2017 through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent.

EXPLANATION: Rebased the GF transfer to the EF is required by the waterfall statute. This language is based on language used in Act 179 of 2015 Sec.E.513.1.

Sec. E.513 Appropriation and transfer to education fund

(a) Pursuant to 16 V.S.A. § 4025(a)(2) as amended by Sec. E.513 of this Act and Sec. B.513, there is appropriated in fiscal year 2017 from the General Fund for transfer to the Education Fund the amount of \$305,902,634.

EXPLANATION: Statutory transfer from the General Fund to the Education Fund. This amount is adjusted per the statutory formula.

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$82,659,576.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$8,327,249 is the "normal contribution," and \$74,332,327 is the "accrued liability contribution."

EXPLANATION: Same language as prior years.

Sec. E.515 Retired teachers' health care and medical benefits

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$18,322,584 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

EXPLANATION: Same language as prior year.

* * * HIGHER EDUCATION * * *

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

(c) If Global Commitment fund monies are unavailable, the total grant funding for the University of Vermont shall be maintained through the General Fund or other State funding sources.

(d) The University of Vermont will use the Global Commitment funds appropriated in this section to support Vermont physician training. The University of Vermont prepares students, both Vermonters and

out-of-state, and awards approximately 100 medical degrees annually. Graduates of this program, currently representing a significant number of physicians practicing in Vermont, deliver high quality health care services to Medicaid beneficiaries and to the uninsured or underinsured persons, or both, in Vermont and across the nation.

EXPLANATION: Standard language for the University of Vermont.

Sec. E.602 Vermont state colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

EXPLANATION: This is standard language that is included in the bill every year. It details the payment schedule to the State Colleges.

Sec.E.602.1 STEP UP PROGRAM

(a) Program creation. There is created a statewide Step Up Program to provide outreach, supportive advising, and up to five free courses toward a college degree to young Vermonters who have graduated from high school but have not continued on to college. The Program shall include college courses offered on the campus of an accredited public postsecondary institution. The Program may include online college courses or components.

(b) Students.

(1) A Vermont resident who has completed grade 12 and has received a high school diploma is eligible to participate in the Program if:

(A) the student:

(i) is age 18 - 25; and

(ii) and has completed the Governor's Career Readiness Program at the Community College of Vermont;

(B) the postsecondary institution has determined that the student is sufficiently prepared to succeed in a postsecondary course, which can be determined in part by the assessment tool or tools identified by the participating postsecondary institution.

(2) An eligible student may enroll in up to five courses for which neither the student nor the student's parent or guardian shall be required to pay tuition. A student is not required to enroll in five courses in one semester but shall enroll in a minimum of one course in each consecutive semester in order to remain eligible for additional tuition-free courses.

(c) Public postsecondary institutions. The Vermont State Colleges and the University of Vermont shall work together to provide Step Up opportunities throughout the State.

(1) The public postsecondary institution shall maintain the postsecondary academic record of each participating student and provide transcripts on request.

(2) To the extent permitted under the Family Educational Rights and Privacy Act, the public postsecondary institution shall collect and send data related to student participation and success to Secretary and shall send data to the Vermont Student Assistance Corporation necessary for the Corporation's federal reporting requirements.

(3) The public postsecondary institution shall accept as full payment the tuition set forth in subsection (e) of this section.

(d) Program management. The Community College of Vermont (CCV) shall manage or may contract for the management of the Step Up Program in Vermont by:

(1) marketing the Step Up Program to Vermont students and their families including changing the name of the Program;

(2) assisting postsecondary partners to develop memoranda of understanding, when requested;

(3) convening regular meetings of interested parties to explore and develop improved student support services;

(4) coordinating the use of technology to ensure access and coordination of the Program;

(5) reviewing program costs;

(6) evaluating all aspects of the Step Up Program and ensuring overall quality and accountability;

and

(7) performing other necessary or related duties.

EXPLANATION: Establishes and outlines the Governor's step up program to help individuals attend higher education. This program is funded through an appropriation in the Next Generation Fund.

Sec. E.603 Vermont state colleges – allied health

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in this section to support the dental hygiene, respiratory therapy, and nursing programs which graduate approximately 315 health care providers annually. These graduates deliver direct, high quality health care services to Medicaid beneficiaries or uninsured or underinsured persons, or both.

EXPLANATION: Annual language that makes clear that Global Commitment funds will be used for appropriate Global Commitment purposes.

Sec. E.605 Vermont student assistance corporation

(a) Of this appropriation, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Except as provided in subsections (a) and (d) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(c) Funds available to the Vermont Student Assistance Corporation pursuant to Sec. E.215(a) of this act shall be used for the purposes of 16 V.S.A. § 2856. Any unexpended funds from this allocation shall carry forward for this purpose.

(d) Of this appropriation, not more than \$100,000 may be used by the Vermont Student Assistance Corporation for a student aspirational pilot initiative to serve one or more high schools.

EXPLANATION: Standard language for VSAC. (a) of this section is an appropriation to a trust fund that provides annual grant support to students attending VSC, UVM or a VT independent college that do not have parental support. Language also specifies use of National Guard Ed. Assistance fund usage, and the amount that VSAC can use to cover administrative expenses from (a) and (d) of this section.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) The sum of \$50,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) as follows:

(1) \$25,000 from Sec. B.1100(a)(3)(C) (Next Generation funds appropriated for dual enrollment and need based stipend purposes).

(2) \$25,000 from Sec. E.504(a) (adult education and literacy funds appropriated for dual enrollment and need based stipend purposes).

(b) The sums transferred to VSAC in this section shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 4011(e) to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(c) VSAC shall report on the program to the House and Senate Committees on Education and on Appropriations on or before January 15, 2017.

EXPLANATION: Language transfers money to be used to “need based” dual-enrollment stipends to VSAC and they manage those stipends in conjunction with the Agency of Education.

* * * NATURAL RESOURCES * * *

Sec. E.704 Forests, parks and recreation - forestry

(a) This Special Fund appropriation shall be authorized, notwithstanding the provisions of 3 V.S.A. § 2807(c)(2).

EXPLANATION: Annual language last included in 2015 Act 58 Sec. E.704.

Sec. E.706 Forests, parks and recreation – lands administration

(a) This Special Fund appropriation shall be authorized, notwithstanding the provisions of 3 V.S.A. § 2807(c)(2).

EXPLANATION: Annual language last included in 2015 Act 58 Sec. E.706.

Sec. E. 709 AUTHORIZATION FOR EXPENDITURES AT ELIZABETH MINE SUPERFUND SITE

(a) Notwithstanding the \$100,000 limitation on the expenditure of funds from the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283, the Secretary of the Agency of Natural Resources may expend funds to accomplish activities authorized under 10 V.S.A. § 1283(b)(9) at the Elizabeth Mine Superfund Site.

EXPLANATION: This language authorizes the Agency of Natural Resources to expend more than the statutory cap from the Environmental Contingency Fund if the remediation expenditures at the Elizabeth Mine Site exceed the cap. Section 1283(b) of Title 10 limits expenditures from each spending category to \$100,000 “*unless the secretary has received the approval of the general assembly, or the joint fiscal committee ...*”. Similar language was authorized by the legislature in 2007 Act 65 Sec. 298.

* * * COMMERCE AND COMMUNITY DEVELOPMENT * * *

Sec. E.804 Community development block grants

(a) Community Development Block Grants shall carry forward until expended.

EXPLANATION: This language allows grant funds received in FY 2017 to be carried forward until grants are fully expended. Annual language last included in 2015 Act 58 Sec. E.804.

* * * TRANSPORTATION * * *

Sec. E.909 Transportation – central garage

(a) Of this appropriation, \$7,390,351 is appropriated from the Transportation Equipment Replacement Account within the Central Garage Fund for the purchase of equipment as authorized in 19 V.S.A. § 13(b).

EXPLANATION: 19 V.S.A Sec 13(c) requires the amount to be distinctly appropriated annually.

Sec. E.915 Transportation – town highway aid program

(a) This appropriation is authorized, notwithstanding the provisions of 19 V.S.A. § 306(a).

EXPLANATION: Annual language last included in 2015 Act 58 Sec. E.

Sec. F.100 EFFECTIVE DATES

(a) Sec. E.106, E.108, E.108.1, E.108.2, and E.108.3 (Transfer for Payroll Duties from the Department of Finance and Management to the Department of Human Resources), of this act shall take effect on passage.

(b) All remaining sections shall take effect on July 1, 2016.

EXPLANATION: transfer of Payroll to Human Resources should take effect on passage, the remainder of the bill will take effect July 1, 2016.