

# Journal of the House

## Special Session

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**Friday, June 22, 2018**

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

### **Recess**

At nine o'clock and thirty one minutes in the forenoon, the Speaker declared a recess until eleven o'clock and thirty minutes in the forenoon.

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

### **Devotional Exercises**

A moment of silence was observed in lieu of devotions.

### **Memorial Service**

The Speaker placed before the House the following name of the member of past sessions of the Vermont General Assembly who had passed away recently:

Richard C. Pembroke of Bennington                      Member of the House,  
Sessions 1987-1988, 1989-1990, 1991-  
1992, 1993-1994, 1995-1996, 1997-1998,  
1999-2000, 2001-2002

Thereupon, the members of the House rose for a moment of silence in memory of the deceased member. The Clerk was thereupon directed to send a copy of the House Journal to the bereaved family.

### **Message from the Senate No. 5**

#### **Special Session**

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has on its part adopted concurrent resolutions originating in the House of the following titles:

**H.C.R. 2.** House concurrent resolution honoring outstanding Windham County music educator Andrew Davis.

**H.C.R. 3.** House concurrent resolution congratulating Gisele Seymour of Derby on her centennial birthday.

**H.C.R. 4.** House concurrent resolution in memory of orchestral conductor and music scholar Andrew Massey of Montgomery.

### **Message from the Senate No. 6**

#### **Special Session**

A message was received from the Senate by Mr. Bloomer, its Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Governor has informed the Senate that on the nineteenth day of June, 2018, he approved and signed bills originating in the Senate of the following titles:

**S. 2.** An act relating to regulating finance leases for credit card terminals.

**S. 3.** An act relating to sexual exploitation of students.

The Senate has considered a bill originating in the House of the following title:

**H. 16.** An act relating to vital records.

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

### **Message from Governor**

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the nineteenth day of June 2018, he signed bills originating in the House of the following titles:

**H. 7** An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery

**H. 8** An act relating to boards and commissions

**H. 10** An act relating to transportation network companies

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**House Bill Introduced****H. 17**

By Reps. Cina of Burlington and O'Sullivan of Burlington,

House bill, entitled

An act relating to a zero-waste economy;

To the committee on Natural Resources, Fish, and Wildlife.

**Third Reading; Bill Passed in Concurrence;  
Rules Suspended; Bill Messaged to the Senate**

**S. 6**

Senate bill, entitled

An act relating to short-term rentals

Was taken up, read the third time and passed in concurrence.

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

**Joint Resolution Adopted****J.R.H. 2**

## SPECIAL SESSION

Joint resolution condemning the recently reversed federal policy of separating children from their families at the southern international border, expressing a profound hope that the family separation policy will not be reinstated, and imploring the Department of Homeland Security to reunite the separated families immediately

Offered by: Representatives Copeland-Hanzas of Bradford, Brumsted of Shelburne, Miller of Shaftsbury, Mrowicki of Putney, Till of Jericho, Webb of Shelburne, Yantachka of Charlotte, Ancel of Calais, Bartholomew of Hartland, Belaski of Windsor, Bissonnette of Winooski, Bock of Chester, Botzow of Pownal, Briglin of Thetford, Browning of Arlington, Buckholz of Hartford, Burke of Brattleboro, Chesnut-Tangerman of Middletown Springs, Christensen of Weathersfield, Christie of Hartford, Cina of Burlington, Colburn of Burlington, Conlon of Cornwall, Connor of Fairfield, Conquest of Newbury, Dakin of Colchester, Deen of Westminster, Donahue of Northfield, Donovan of Burlington, Dunn of Essex, Emmons of Springfield, Fagan of Rutland City, Fields of Bennington, Forguites of Springfield, Gannon of Wilmington, Gardner of Richmond, Giambatista of Essex, Gonzalez of Winooski, Grad of Moretown, Haas of Rochester, Head of South Burlington, Hill of Wolcott,

Hooper of Montpelier, Hooper of Randolph, Houghton of Essex, Howard of Rutland City, Jessup of Middlesex, Jickling of Randolph, Johnson of South Hero, Joseph of North Hero, Keenan of St. Albans City, Kitzmiller of Montpelier, Krowinski of Burlington, Lanpher of Vergennes, Lippert of Hinesburg, Long of Newfane, Lucke of Hartford, Macaig of Williston, Masland of Thetford, McCormack of Burlington, McCullough of Williston, Morris of Bennington, Murphy of Fairfax, Noyes of Wolcott, Ode of Burlington, O'Sullivan of Burlington, Pajala of Londonderry, Partridge of Windham, Potter of Clarendon, Pugh of South Burlington, Rachelson of Burlington, Scheu of Middlebury, Sharpe of Bristol, Sheldon of Middlebury, Sibilia of Dover, Squirrel of Underhill, Stevens of Waterbury, Stuart of Brattleboro, Sullivan of Dorset, Sullivan of Burlington, Toleno of Brattleboro, Toll of Danville, Townsend of South Burlington, Trieber of Rockingham, Troiano of Stannard, Weed of Enosburgh, Wood of Waterbury, Yacovone of Morristown, and Young of Glover

Whereas, on May 7, 2018, U.S. Attorney General Jeff Sessions announced that “the Department of Homeland Security is now referring 100 percent of illegal Southwest Border crossings to the Department of Justice for prosecution,”and

Whereas, the Attorney General continued, “If you are smuggling a child, then we will prosecute you and that child will be separated from you as required by law,” and

Whereas, until Wednesday, June 20, 2018, when the President issued an executive order reversing the federal policy of separating children from their families at the southern international border, the President had asserted that he was following existing law, but prior administrations had made exceptions to criminal detention for migrants entering the country illegally with children, and

Whereas, a spokeswoman for the U.N. High Commissioner for Human Rights stated that “the use of immigration detention and family separation as a deterrent runs counter to human rights standards and principles,” and

Whereas, during the period from April 19, 2018 to May 31, 2018, the Department of Homeland Security separated 1,995 children from 1,940 adults, and

Whereas, separation from parents is an adverse childhood experience that can disrupt normal brain development and result in a lifetime of negative health outcomes, and

Whereas, the children have been sent to temporary facilities that U.S. Representative Peter Welch described as “nothing short of a prison,” and

Whereas, former first Lady Laura Bush wrote in the *Washington Post* that “the zero-tolerance policy is cruel... [and] immoral” and that the “images are eerily reminiscent of the Japanese American internment camps of World War II,” now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly condemns the recently reversed federal policy of separating children from their families at the southern international border, expresses a profound hope that the family separation policy will not be reinstated, and implores the Department of Homeland Security to reunite the separated families immediately, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to President Donald Trump, U.S. Homeland Security Secretary Kirstjen Nielsen, and the Vermont Congressional Delegation.

Which was taken up.

Pending the question, Shall the resolution be adopted? **Rep. Copeland-Hanzas of Bradford** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the resolution be adopted? was decided in the affirmative. Yeas, 106. Nays, 17.

Those who voted in the affirmative are:

|                              |                          |                           |
|------------------------------|--------------------------|---------------------------|
| Ancel of Calais              | Gonzalez of Winooski *   | Nolan of Morristown       |
| Bancroft of Westford         | Haas of Rochester        | Norris of Shoreham        |
| Bartholomew of Hartland      | Harrison of Chittenden   | Noyes of Wolcott          |
| Beck of St. Johnsbury        | Head of South Burlington | Ode of Burlington         |
| Belaski of Windsor           | Hill of Wolcott          | Pajala of Londonderry     |
| Bissonnette of Winooski      | Hooper of Montpelier     | Partridge of Windham      |
| Bock of Chester              | Hooper of Randolph       | Poirier of Barre City     |
| Botzow of Pownal             | Howard of Rutland City   | Potter of Clarendon       |
| Briglin of Thetford          | Jessup of Middlesex      | Pugh of South Burlington  |
| Browning of Arlington        | Jickling of Randolph     | Rachelson of Burlington   |
| Brumsted of Shelburne        | Joseph of North Hero     | Read of Fayston           |
| Canfield of Fair Haven       | Juskiewicz of Cambridge  | Scheu of Middlebury       |
| Christensen of Weathersfield | Keefe of Manchester      | Scheuermann of Stowe      |
| Christie of Hartford         | Kimbell of Woodstock     | Sharpe of Bristol         |
| Cina of Burlington           | Krowinski of Burlington  | Shaw of Pittsford         |
| Colburn of Burlington        | LaClair of Barre Town    | Smith of New Haven        |
| Conlon of Cornwall           | Lanpher of Vergennes     | Squirrell of Underhill    |
| Connor of Fairfield          | Lawrence of Lyndon       | Strong of Albany          |
| Conquest of Newbury          | Lefebvre of Newark       | Sullivan of Dorset        |
| Copeland-Hanzas of Bradford  | Lewis of Berlin          | Sullivan of Burlington    |
| Corcoran of Bennington       | Lippert of Hinesburg     | Taylor of Colchester      |
| Cupoli of Rutland City       | Long of Newfane          | Terenzini of Rutland Town |
|                              | Macaig of Williston      | Till of Jericho           |

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|                          |                         |                        |
|--------------------------|-------------------------|------------------------|
| Dakin of Colchester      | Marcotte of Coventry    | Toleno of Brattleboro  |
| Devereux of Mount Holly  | Masland of Thetford     | Toll of Danville       |
| Donahue of Northfield    | Mattos of Milton        | Townsend of South      |
| Donovan of Burlington    | McCormack of Burlington | Burlington             |
| Dunn of Essex *          | McCoy of Poultney *     | Trieber of Rockingham  |
| Emmons of Springfield    | McCullough of Williston | Troiano of Stannard    |
| Fagan of Rutland City    | McFaun of Barre Town    | Turner of Milton       |
| Feltus of Lyndon         | Miller of Shaftsbury *  | Walz of Barre City     |
| Fields of Bennington     | Morris of Bennington *  | Weed of Enosburgh      |
| Forguites of Springfield | Morrissey of Bennington | Wood of Waterbury      |
| Gannon of Wilmington     | Mrowicki of Putney *    | Wright of Burlington   |
| Gardner of Richmond      | Murphy of Fairfax       | Yacovone of Morrystown |
| Giambatista of Essex     | Myers of Essex          | Young of Glover        |

Those who voted in the negative are:

|                         |                        |                         |
|-------------------------|------------------------|-------------------------|
| Batchelor of Derby      | Gamache of Swanton     | Rosenquist of Georgia * |
| Beyor of Highgate       | Graham of Williamstown | Savage of Swanton       |
| Brennan of Colchester   | Helm of Fair Haven     | Smith of Derby          |
| Burditt of West Rutland | Higley of Lowell       | Van Wyck of Ferrisburgh |
| Frenier of Chelsea      | Martel of Waterford    | Viens of Newport City * |
| Gage of Rutland City    | Quimby of Concord      |                         |

Those members absent with leave of the House and not voting are:

|  |                             |                           |
|--|-----------------------------|---------------------------|
| Ainsworth of Royalton                      | Town                        | Pearce of Richford        |
| Baser of Bristol                           | Grad of Moretown            | Sheldon of Middlebury     |
| Buckholz of Hartford                       | Hebert of Vernon            | Sibilia of Dover          |
| Burke of Brattleboro                       | Houghton of Essex           | Stevens of Waterbury      |
| Carr of Brandon                            | Keenan of St. Albans City   | Stuart of Brattleboro     |
| Chesnut-Tangerman of<br>Middletown Springs | Kitzmiller of Montpelier    | Webb of Shelburne         |
| Condon of Colchester                       | Lalonde of South Burlington | Willhoit of St. Johnsbury |
| Deen of Westminster                        | Lucke of Hartford           | Yantachka of Charlotte    |
| Dickinson of St. Albans                    | O'Sullivan of Burlington    |                           |
|  | Parent of St. Albans Town   |                           |

**Rep. Dunn of Essex** explained her vote as follows:

“Madam Speaker:

I vote yes. This past week, Jeff Sessions said, ‘Persons who violate the laws of our nation are subject to prosecution. I would cite to you the Apostle Paul and his clear and wise command in Roman’s 13 to obey the laws of the government because God has ordained them for the purpose of order.’

This passage has historically been invoked in several contexts: by loyalists who opposed the American Revolution, by defenders of slavery in the 1840s and 1850s, and by the third Reich to rationalize the herding and killing of Jewish families.

I cannot believe that President Trump, Attorney General Sessions, and our

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government agencies are actually using the Bible as a source to legitimize the separation of children from their families. What is this nation becoming?

By voting for this resolution we show our united stand to resist this inhumane treatment of children and families. And as a Vermonter said to me, ‘Stop this grotesque abuse of power immediately.’”

**Rep. Gonzalez of Winooski** explained her vote as follows:

“Madam Speaker:

My community is one of many where people live because they have fled violence and government unrest. Separating families who are requesting asylum, seeking the possibility of finding a safe place, is inhumane. Housing children in dog cages and taking nursing babies out of their mothers’ arms is inhumane. Vermont has a track record of being on the right side of history. I voted yes to be on that right side.”

**Rep. McCoy of Poultney** explained her vote as follows:

“Madam Speaker:

I would point out these practices took place during the Clinton and Obama administrations. I look forward to our U.S. Congress finally getting this right.”

**Rep. Miller of Shaftsbury** explained her vote as follows:

“Madam Speaker:

I vote ‘YES,’ on behalf of ‘we the people of Shaftsbury.’ This excruciating, horrific policy that forcible and needlessly tore children away from their parents abandons both our fundamental American principals and our historic position as the moral beacon for the world. Its only intent was to inflict pain and anguish on vulnerable people regardless of their claim for asylum.

Congressman Peter Welch warns us to remain ‘vocal and vigilant.’ This atrocity is far from over.”

**Rep. Morris of Bennington** explained her vote as follows:

“Madam Speaker:

The actions of our Federal government are inhumane and disgraceful. The cruelty that we are exacting tears at the very soul of our nation. This moment is one of many in which we have shown the world the depth of harm that a legacy of systemic racism, mass incarceration, and genocide can do when unmitigated in modern societies. But today, I am proud that members of this body chose to lend their voice and their actions towards ending these practices and calls to heal those whom we have harmed. This is how we move forward

as a nation – together, as brothers, sisters, fathers, mothers, sons, and daughters.”

**Rep. Mrowicki of Putney** explained his vote as follows:

“Madam Speaker:

I vote yes and stand with those Americans of all political leanings who have been outraged at the taking of children from their parents at the US border. Given the level of mendacity from this administration in DC, this resolution is a reminder that the whole world is watching – and yes, we do care!”

**Rep. Rosenquist of Georgia** explained his vote as follows:

“Madam Speaker:

I voted no because the resolved section is confusing as to what is being condemned, either the former policy or the president’s executive order.”

**Rep. Viens of Newport City** explained his vote as follows:

“Madam Speaker:

I wonder if we would have taken up this resolution if President Obama was still in the White House, as he was responsible for placing thousands of children in these detention centers also!”

### **Recess**

At two o'clock and two minutes in the afternoon, the Speaker declared a recess until three o'clock in the afternoon.

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

### **Senate Proposal of Amendment Considered; Point of Order; Consideration Interrupted**

### **H. 16**

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

An act relating to vital records;

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

**Rep. Poirier of Barre City** raised a Point of Order in that the actions of Senate were in violation of the Vermont Constitution which the Speaker ruled not well taken as the House does not determine constitutionality.

**Rep. Poirier of Barre City** raised a Point of Order in that the actions of the



Senate were in violation of the Customs and Practices of the House which the Speaker ruled not well taken. Thereupon Rep. Poirier of Barre City moved to appeal the ruling of the Speaker.

Pending the question, Shall the decision of the Speaker stand as judgment of the House? **Rep. Poirier of Barre City** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the decision of the Speaker stand as judgment of the House? was decided in the affirmative. Yeas, 94. Nays, 23.

Those who voted in the affirmative are:

|                              |                          |                              |
|------------------------------|--------------------------|------------------------------|
| Ancel of Calais              | Gonzalez of Winooski     | Nolan of Morristown          |
| Bartholomew of Hartland      | Graham of Williamstown   | Norris of Shoreham           |
| Beck of St. Johnsbury        | Haas of Rochester        | Noyes of Wolcott             |
| Belaski of Windsor           | Harrison of Chittenden   | Ode of Burlington            |
| Bissonnette of Winooski      | Head of South Burlington | Pajala of Londonderry        |
| Bock of Chester              | Helm of Fair Haven       | Partridge of Windham         |
| Botzow of Pownal             | Hooper of Montpelier     | Potter of Clarendon          |
| Brennan of Colchester        | Hooper of Randolph       | Pugh of South Burlington     |
| Briglin of Thetford          | Howard of Rutland City   | Read of Fayston              |
| Browning of Arlington        | Jessup of Middlesex      | Savage of Swanton            |
| Brumsted of Shelburne        | Jickling of Randolph     | Scheu of Middlebury          |
| Christensen of Weathersfield | Joseph of North Hero     | Scheuermann of Stowe         |
| Christie of Hartford         | Juskiewicz of Cambridge  | Sharpe of Bristol            |
| Colburn of Burlington        | Keefe of Manchester      | Shaw of Pittsford            |
| Conlon of Cornwall           | Kimbell of Woodstock     | Squirrell of Underhill       |
| Connor of Fairfield          | Krowinski of Burlington  | Sullivan of Dorset           |
| Conquest of Newbury          | Lanpher of Vergennes     | Sullivan of Burlington       |
| Copeland-Hanzas of Bradford  | Lawrence of Lyndon       | Taylor of Colchester         |
| Corcoran of Bennington       | Lippert of Hinesburg     | Terenzini of Rutland Town    |
| Cupoli of Rutland City       | Long of Newfane          | Till of Jericho              |
| Dakin of Colchester          | Macaig of Williston      | Toleno of Brattleboro        |
| Donovan of Burlington        | Marcotte of Coventry     | Toll of Danville             |
| Dunn of Essex                | Masland of Thetford      | Townsend of South Burlington |
| Emmons of Springfield        | Mattos of Milton         | Trieber of Rockingham        |
| Fagan of Rutland City        | McCormack of Burlington  | Troiano of Stannard          |
| Feltus of Lyndon             | McCoy of Poultney        | Walz of Barre City           |
| Fields of Bennington         | McCullough of Williston  | Weed of Enosburgh            |
| Forguites of Springfield     | Miller of Shaftsbury     | Wood of Waterbury            |
| Gannon of Wilmington         | Morris of Bennington     | Wright of Burlington         |
| Gardner of Richmond          | Mrowicki of Putney       | Yacovone of Morristown       |
| Giambatista of Essex         | Murphy of Fairfax        | Young of Glover              |
|                              | Myers of Essex           |                              |

Those who voted in the negative are:

|                      |                       |                       |
|----------------------|-----------------------|-----------------------|
| Bancroft of Westford | Gage of Rutland City  | Poirier of Barre City |
| Batchelor of Derby   | Gamache of Swanton    | Quimby of Concord     |
| Beyor of Highgate    | LaClair of Barre Town | Rosenquist of Georgia |

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|-------------------------|-------------------------|-------------------------|
| Burditt of West Rutland | Lefebvre of Newark      | Smith of Derby          |
| Canfield of Fair Haven  | Lewis of Berlin         | Smith of New Haven      |
| Devereux of Mount Holly | Martel of Waterford     | Strong of Albany        |
| Donahue of Northfield   | McFaun of Barre Town    | Van Wyck of Ferrisburgh |
| Frenier of Chelsea      | Morrissey of Bennington |                         |

Those members absent with leave of the House and not voting are:

|  |                             |                           |
|--|-----------------------------|---------------------------|
| Ainsworth of Royalton                      | Grad of Moretown            | Rachelson of Burlington   |
| Baser of Bristol                           | Hebert of Vernon            | Sheldon of Middlebury     |
| Buckholz of Hartford                       | Higley of Lowell            | Sibilia of Dover          |
| Burke of Brattleboro                       | Hill of Wolcott             | Stevens of Waterbury      |
| Carr of Brandon                            | Houghton of Essex           | Stuart of Brattleboro     |
| Chesnut-Tangerman of<br>Middletown Springs | Keenan of St. Albans City   | Turner of Milton          |
| Cina of Burlington                         | Kitzmiller of Montpelier    | Viens of Newport City     |
| Condon of Colchester                       | Lalonde of South Burlington | Webb of Shelburne         |
| Deen of Westminster                        | Lucke of Hartford           | Willhoit of St. Johnsbury |
| Dickinson of St. Albans<br>Town            | O'Sullivan of Burlington    | Yantachka of Charlotte    |
|  | Parent of St. Albans Town   |                           |
|  | Pearce of Richford          |                           |

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

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2019 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 2019. 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, 2018. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2019 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 serves as the primary source and reference for appropriations for fiscal year 2019.

(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, 2019.

#### 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, 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 2019, 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 2019, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2018 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 2019 except for new positions authorized by the 2018 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 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No. 172, Sec. E.100.2, and by 2017 Acts and Resolves No. 85, Sec. E.100.1, and as further amended by Sec. E.100.1 of 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<br/>Development</u>       |
| <u>B.900–B.999 and E.900–E.999</u>     | <u>Transportation</u>                               |
| <u>B.1000–B.1099 and E.1000–E.1099</u> | <u>Debt Service</u>                                 |
| <u>B.1100–B.1199 and E.1100–E.1199</u> | <u>One-time and other appropriation<br/>actions</u> |

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, the F sections contain miscellaneous and technical statutory corrections, H sections contain personal tax and revenue allocation changes, and the I sections contain vital records amendments.

Sec. B.100 Secretary of administration - secretary's office

|                    |                |
|--------------------|----------------|
| Personal services  | 783,191        |
| Operating expenses | <u>203,429</u> |
| Total              | 986,620        |
| Source of funds    |                |
| General fund       | 886,620        |
| Special funds      | <u>100,000</u> |
| Total              | 986,620        |

Sec. B.101 Secretary of administration - finance

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 1,144,274        |
| Operating expenses          | <u>135,457</u>   |
| Total                       | 1,279,731        |
| Source of funds             |                  |
| Interdepartmental transfers | <u>1,279,731</u> |
| Total                       | 1,279,731        |

Sec. B.102 Secretary of administration - workers' compensation insurance

|                        |                |
|------------------------|----------------|
| Personal services      | 537,944        |
| Operating expenses     | <u>238,973</u> |
| Total                  | 776,917        |
| Source of funds        |                |
| Internal service funds | <u>776,917</u> |
| Total                  | 776,917        |

Sec. B.103 Secretary of administration - general liability insurance

|   |                   |
|---|-------------------|
| Personal services   | 573,575           |
| Operating expenses  | <u>73,548</u>     |
| Total   | 647,123           |
| Source of funds   |                   |
| Internal service funds  | <u>647,123</u>    |
| Total   | 647,123           |
| Sec. B.104 Secretary of administration - all other insurance                      |                   |
| Personal services   | 22,982            |
| Operating expenses  | <u>16,066</u>     |
| Total   | 39,048            |
| Source of funds   |                   |
| Internal service funds  | <u>39,048</u>     |
| Total   | 39,048            |
| Sec. B.105 Agency of digital services - communications and information technology |                   |
| Personal services   | 47,776,877        |
| Operating expenses  | <u>21,008,573</u> |
| Total   | 68,785,450        |
| Source of funds   |                   |
| General fund  | 177,615           |
| Special funds   | 383,700           |
| Internal service funds  | 67,963,553        |
| Interdepartmental transfers   | <u>260,582</u>    |
| Total   | 68,785,450        |
| Sec. B.106 Finance and management - budget and management                         |                   |
| Personal services   | 1,404,712         |
| Operating expenses  | <u>202,070</u>    |
| Total   | 1,606,782         |
| Source of funds   |                   |
| General fund  | 1,258,956         |
| Internal service funds  | <u>347,826</u>    |
| Total   | 1,606,782         |
| Sec. B.107 Finance and management - financial operations                          |                   |
| Personal services   | 2,156,558         |
| Operating expenses  | <u>654,972</u>    |
| Total   | 2,811,530         |
| Source of funds   |                   |
| Internal service funds  | <u>2,811,530</u>  |
| Total   | 2,811,530         |

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|   |                  |
|---|------------------|
| Sec. B.108 Human resources - operations                   |                  |
| Personal services   | 7,996,814        |
| Operating expenses  | <u>964,845</u>   |
| Total   | 8,961,659        |
| Source of funds   |                  |
| General fund  | 1,940,451        |
| Special funds   | 277,462          |
| Internal service funds                                    | 6,206,438        |
| Interdepartmental transfers                               | <u>537,308</u>   |
| Total   | 8,961,659        |
| Sec. B.108.1 Human resources - VTHR operations            |                  |
| Personal services   | 1,742,267        |
| Operating expenses  | <u>826,247</u>   |
| Total   | 2,568,514        |
| Source of funds   |                  |
| Internal service funds                                    | <u>2,568,514</u> |
| Total   | 2,568,514        |
| Sec. B.109 Human resources - employee benefits & wellness |                  |
| Personal services   | 1,086,810        |
| Operating expenses  | <u>588,021</u>   |
| Total   | 1,674,831        |
| Source of funds   |                  |
| Internal service funds                                    | <u>1,674,831</u> |
| Total   | 1,674,831        |
| Sec. B.110 Libraries                                      |                  |
| Personal services   | 1,896,316        |
| Operating expenses  | 1,141,410        |
| Grants  | <u>246,453</u>   |
| Total   | 3,284,179        |
| Source of funds   |                  |
| General fund  | 2,025,918        |
| Special funds   | 97,571           |
| Federal funds   | 1,064,162        |
| Interdepartmental transfers                               | <u>96,528</u>    |
| Total   | 3,284,179        |
| Sec. B.111 Tax - administration/collection                |                  |
| Personal services   | 13,739,129       |
| Operating expenses  | <u>6,661,305</u> |

|   |                  |
|---|------------------|
| Total   | 20,400,434       |
| Source of funds   |                  |
| General fund  | 18,686,980       |
| Special funds   | 1,570,888        |
| Interdepartmental transfers                                     | <u>142,566</u>   |
| Total   | 20,400,434       |
| Sec. B.112 Buildings and general services - administration      |                  |
| Personal services   | 658,069          |
| Operating expenses  | <u>98,172</u>    |
| Total   | 756,241          |
| Source of funds   |                  |
| Interdepartmental transfers                                     | <u>756,241</u>   |
| Total   | 756,241          |
| Sec. B.113 Buildings and general services - engineering         |                  |
| Personal services   | 2,580,949        |
| Operating expenses  | <u>851,576</u>   |
| Total   | 3,432,525        |
| Source of funds   |                  |
| Interdepartmental transfers                                     | <u>3,432,525</u> |
| Total   | 3,432,525        |
| Sec. B.114 Buildings and general services - information centers |                  |
| Personal services   | 3,360,294        |
| Operating expenses  | 1,566,365        |
| Grants  | <u>35,750</u>    |
| Total   | 4,962,409        |
| Source of funds   |                  |
| General fund  | 642,885          |
| Transportation fund   | 3,868,566        |
| Special funds   | <u>450,958</u>   |
| Total   | 4,962,409        |
| Sec. B.115 Buildings and general services - purchasing          |                  |
| Personal services   | 1,035,471        |
| Operating expenses  | <u>194,860</u>   |
| Total   | 1,230,331        |
| Source of funds   |                  |
| General fund  | <u>1,230,331</u> |
| Total   | 1,230,331        |
| Sec. B.116 Buildings and general services - postal services     |                  |



|   |                |
|---|----------------|
| Personal services   | 744,615        |
| Operating expenses  | <u>116,495</u> |
| Total   | 861,110        |
| Source of funds   |                |
| General fund  | 85,063         |
| Internal service funds  | <u>776,047</u> |
| Total   | 861,110        |
| Sec. B.117 Buildings and general services - copy center               |                |
| Personal services   | 744,283        |
| Operating expenses  | <u>127,416</u> |
| Total   | 871,699        |
| Source of funds   |                |
| Internal service funds  | <u>871,699</u> |
| Total   | 871,699        |
| Sec. B.118 Buildings and general services - fleet management services |                |
| Personal services   | 698,806        |
| Operating expenses  | <u>234,969</u> |
| Total   | 933,775        |
| Source of funds   |                |
| Internal service funds  | <u>933,775</u> |
| Total   | 933,775        |
| Sec. B.119 Buildings and general services - federal surplus property  |                |
| Personal services   | 20,052         |
| Operating expenses  | <u>6,239</u>   |
| Total   | 26,291         |
| Source of funds   |                |
| Enterprise funds  | <u>26,291</u>  |
| Total   | 26,291         |
| Sec. B.120 Buildings and general services - state surplus property    |                |
| Personal services   | 160,360        |
| Operating expenses  | <u>110,630</u> |
| Total   | 270,990        |
| Source of funds   |                |
| Internal service funds  | <u>270,990</u> |
| Total   | 270,990        |
| Sec. B.121 Buildings and general services - property management       |                |
| Personal services   | 1,197,164      |
| Operating expenses  | <u>457,316</u> |

|   |                   |
|---|-------------------|
| Total   | 1,654,480         |
| Source of funds   |                   |
| Internal service funds                                    | <u>1,654,480</u>  |
| Total   | 1,654,480         |
| Sec. B.122 Buildings and general services - fee for space |                   |
| Personal services   | 16,277,217        |
| Operating expenses  | <u>13,710,792</u> |
| Total   | 29,988,009        |
| Source of funds   |                   |
| Internal service funds                                    | <u>29,988,009</u> |
| Total   | 29,988,009        |
| Sec. B.124 Executive office - governor's office           |                   |
| Personal services   | 1,384,251         |
| Operating expenses  | <u>460,831</u>    |
| Total   | 1,845,082         |
| Source of funds   |                   |
| General fund  | 1,658,582         |
| Interdepartmental transfers                               | <u>186,500</u>    |
| Total   | 1,845,082         |
| Sec. B.125 Legislative council                            |                   |
| Personal services   | 4,063,930         |
| Operating expenses  | <u>827,857</u>    |
| Total   | 4,891,787         |
| Source of funds   |                   |
| General fund  | <u>4,891,787</u>  |
| Total   | 4,891,787         |
| Sec. B.126 Legislature                                    |                   |
| Personal services   | 4,091,578         |
| Operating expenses  | <u>3,809,338</u>  |
| Total   | 7,900,916         |
| Source of funds   |                   |
| General fund  | <u>7,900,916</u>  |
| Total   | 7,900,916         |
| Sec. B.127 Joint fiscal committee                         |                   |
| Personal services   | 1,696,568         |
| Operating expenses  | <u>159,358</u>    |
| Total   | 1,855,926         |
| Source of funds   |                   |

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|   |                  |
|---|------------------|
| General fund                                    | <u>1,855,926</u> |
| Total   | 1,855,926        |
| Sec. B.128 Sergeant at arms                     |                  |
| Personal services                               | 737,216          |
| Operating expenses                              | <u>68,612</u>    |
| Total   | 805,828          |
| Source of funds                                 |                  |
| General fund                                    | <u>805,828</u>   |
| Total   | 805,828          |
| Sec. B.129 Lieutenant governor                  |                  |
| Personal services                               | 223,583          |
| Operating expenses                              | <u>30,968</u>    |
| Total   | 254,551          |
| Source of funds                                 |                  |
| General fund                                    | <u>254,551</u>   |
| Total   | 254,551          |
| Sec. B.130 Auditor of accounts                  |                  |
| Personal services                               | 3,343,827        |
| Operating expenses                              | <u>158,619</u>   |
| Total   | 3,502,446        |
| Source of funds                                 |                  |
| General fund                                    | 390,871          |
| Special funds                                   | 53,145           |
| Internal service funds                          | <u>3,058,430</u> |
| Total   | 3,502,446        |
| Sec. B.131 State treasurer                      |                  |
| Personal services                               | 3,653,014        |
| Operating expenses                              | <u>211,031</u>   |
| Total   | 3,864,045        |
| Source of funds                                 |                  |
| General fund                                    | 969,366          |
| Special funds                                   | 2,781,017        |
| Interdepartmental transfers                     | <u>113,662</u>   |
| Total   | 3,864,045        |
| Sec. B.132 State treasurer - unclaimed property |                  |
| Personal services                               | 821,158          |
| Operating expenses                              | <u>304,543</u>   |
| Total   | 1,125,701        |

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|   |                  |
|---|------------------|
| Source of funds                                   |                  |
| Private purpose trust funds                       | <u>1,125,701</u> |
| Total   | 1,125,701        |
| Sec. B.133 Vermont state retirement system        |                  |
| Personal services                                 | 6,111,601        |
| Operating expenses                                | <u>1,365,073</u> |
| Total   | 7,476,674        |
| Source of funds                                   |                  |
| Pension trust funds                               | <u>7,476,674</u> |
| Total   | 7,476,674        |
| Sec. B.134 Municipal employees' retirement system |                  |
| Personal services                                 | 2,215,683        |
| Operating expenses                                | <u>789,980</u>   |
| Total   | 3,005,663        |
| Source of funds                                   |                  |
| Pension trust funds                               | <u>3,005,663</u> |
| Total   | 3,005,663        |
| Sec. B.135 State labor relations board            |                  |
| Personal services                                 | 212,663          |
| Operating expenses                                | <u>48,378</u>    |
| Total   | 261,041          |
| Source of funds                                   |                  |
| General fund                                      | 251,465          |
| Special funds                                     | 6,788            |
| Interdepartmental transfers                       | <u>2,788</u>     |
| Total   | 261,041          |
| Sec. B.136 VOSHA review board                     |                  |
| Personal services                                 | 75,650           |
| Operating expenses                                | <u>13,016</u>    |
| Total   | 88,666           |
| Source of funds                                   |                  |
| General fund                                      | 44,333           |
| Interdepartmental transfers                       | <u>44,333</u>    |
| Total   | 88,666           |
| Sec. B.136.1 Ethics Commission                    |                  |
| Personal services                                 | 106,862          |
| Operating expenses                                | <u>13,981</u>    |
| Total   | 120,843          |

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|  |                   |
|--|-------------------|
| Source of funds  |                   |
| Internal service funds                                       | <u>120,843</u>    |
| Total  | 120,843           |
| Sec. B.137 Homeowner rebate                                  |                   |
| Grants   | <u>16,600,000</u> |
| Total  | 16,600,000        |
| Source of funds  |                   |
| General fund   | <u>16,600,000</u> |
| Total  | 16,600,000        |
| Sec. B.138 Renter rebate                                     |                   |
| Grants   | <u>10,500,000</u> |
| Total  | 10,500,000        |
| Source of funds  |                   |
| General fund   | 10,500,000        |
| Education fund   | <u>0</u>          |
| Total  | 10,500,000        |
| Sec. B.139 Tax department - reappraisal and listing payments |                   |
| Grants   | <u>3,295,021</u>  |
| Total  | 3,295,021         |
| Source of funds  |                   |
| General fund   | 3,295,021         |
| Education fund   | <u>0</u>          |
| Total  | 3,295,021         |
| Sec. B.140 Municipal current use                             |                   |
| Grants   | <u>15,981,672</u> |
| Total  | 15,981,672        |
| Source of funds  |                   |
| General fund   | <u>15,981,672</u> |
| Total  | 15,981,672        |
| Sec. B.141 Lottery commission                                |                   |
| Personal services  | 1,881,368         |
| Operating expenses   | 1,427,706         |
| Grants   | <u>100,000</u>    |
| Total  | 3,409,074         |
| Source of funds  |                   |
| Enterprise funds   | <u>3,409,074</u>  |
| Total  | 3,409,074         |

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 Sec. B.142 Payments in lieu of taxes

|                 |                  |
|-----------------|------------------|
| Grants          | <u>8,036,000</u> |
| Total           | 8,036,000        |
| Source of funds |                  |
| Special funds   | <u>8,036,000</u> |
| Total           | 8,036,000        |

## Sec. B.143 Payments in lieu of taxes - Montpelier

|                 |                |
|-----------------|----------------|
| Grants          | <u>184,000</u> |
| Total           | 184,000        |
| Source of funds |                |
| Special funds   | <u>184,000</u> |
| Total           | 184,000        |

## Sec. B.144 Payments in lieu of taxes - correctional facilities

|                 |               |
|-----------------|---------------|
| Grants          | <u>40,000</u> |
| Total           | 40,000        |
| Source of funds |               |
| Special funds   | <u>40,000</u> |
| Total           | 40,000        |

## Sec. B.145 Total general government

|                             |                  |
|-----------------------------|------------------|
| Source of funds             |                  |
| General fund                | 92,335,137       |
| Transportation fund         | 3,868,566        |
| Special funds               | 13,981,529       |
| Education fund              | 0                |
| Federal funds               | 1,064,162        |
| Internal service funds      | 120,710,053      |
| Interdepartmental transfers | 6,852,764        |
| Enterprise funds            | 3,435,365        |
| Pension trust funds         | 10,482,337       |
| Private purpose trust funds | <u>1,125,701</u> |
| Total                       | 253,855,614      |

## Sec. B.200 Attorney general

|                    |               |
|--------------------|---------------|
| Personal services  | 10,228,901    |
| Operating expenses | 1,423,414     |
| Grants             | <u>26,894</u> |
| Total              | 11,679,209    |
| Source of funds    |               |
| General fund       | 5,206,635     |

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|  |                  |
|--|------------------|
| Special funds                                  | 1,960,836        |
| Tobacco fund                                   | 348,000          |
| Federal funds                                  | 1,220,634        |
| Interdepartmental transfers                    | <u>2,943,104</u> |
| Total  | 11,679,209       |
| Sec. B.201 Vermont court diversion             |                  |
| Personal services                              | 874,000          |
| Grants   | <u>1,996,483</u> |
| Total  | 2,870,483        |
| Source of funds                                |                  |
| General fund                                   | 2,270,486        |
| Special funds                                  | <u>599,997</u>   |
| Total  | 2,870,483        |
| Sec. B.202 Defender general - public defense   |                  |
| Personal services                              | 11,613,891       |
| Operating expenses                             | <u>1,082,613</u> |
| Total  | 12,696,504       |
| Source of funds                                |                  |
| General fund                                   | 12,106,851       |
| Special funds                                  | <u>589,653</u>   |
| Total  | 12,696,504       |
| Sec. B.203 Defender general - assigned counsel |                  |
| Personal services                              | 5,679,410        |
| Operating expenses                             | <u>49,819</u>    |
| Total  | 5,729,229        |
| Source of funds                                |                  |
| General fund                                   | <u>5,729,229</u> |
| Total  | 5,729,229        |
| Sec. B.204 Judiciary                           |                  |
| Personal services                              | 40,424,989       |
| Operating expenses                             | 9,550,786        |
| Grants   | <u>76,030</u>    |
| Total  | 50,051,805       |
| Source of funds                                |                  |
| General fund                                   | 43,911,694       |
| Special funds                                  | 3,174,315        |
| Federal funds                                  | 640,524          |
| Interdepartmental transfers                    | <u>2,325,272</u> |
| Total  | 50,051,805       |

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|   |                  |
|---|------------------|
| Sec. B.205 State's attorneys              |                  |
| Personal services                         | 13,277,576       |
| Operating expenses                        | <u>1,834,103</u> |
| Total                                     | 15,111,679       |
| Source of funds                           |                  |
| General fund                              | 12,291,761       |
| Special funds                             | 106,471          |
| Federal funds                             | 31,000           |
| Interdepartmental transfers               | <u>2,682,447</u> |
| Total                                     | 15,111,679       |
| Sec. B.206 Special investigative unit     |                  |
| Personal services                         | 85,000           |
| Operating expenses                        | 1,100            |
| Grants                                    | <u>1,913,000</u> |
| Total                                     | 1,999,100        |
| Source of funds                           |                  |
| General fund                              | <u>1,999,100</u> |
| Total                                     | 1,999,100        |
| Sec. B.207 Sheriffs                       |                  |
| Personal services                         | 4,111,739        |
| Operating expenses                        | <u>395,623</u>   |
| Total                                     | 4,507,362        |
| Source of funds                           |                  |
| General fund                              | <u>4,507,362</u> |
| Total                                     | 4,507,362        |
| Sec. B.208 Public safety - administration |                  |
| Personal services                         | 2,686,370        |
| Operating expenses                        | <u>2,992,157</u> |
| Total                                     | 5,678,527        |
| Source of funds                           |                  |
| General fund                              | 2,671,645        |
| Special funds                             | 5,000            |
| Federal funds                             | 263,124          |
| Interdepartmental transfers               | <u>2,738,758</u> |
| Total                                     | 5,678,527        |
| Sec. B.209 Public safety - state police   |                  |
| Personal services                         | 54,187,733       |
| Operating expenses                        | 10,167,293       |



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|  |                  |
|--|------------------|
| Grants   | <u>1,356,805</u> |
| Total  | 65,711,831       |
| Source of funds                                      |                  |
| General fund   | 36,604,914       |
| Transportation fund                                  | 20,250,000       |
| Special funds  | 2,984,667        |
| Federal funds  | 3,798,422        |
| Interdepartmental transfers                          | <u>2,073,828</u> |
| Total  | 65,711,831       |
| Sec. B.210 Public safety - criminal justice services |                  |
| Personal services                                    | 4,541,909        |
| Operating expenses                                   | 3,505,387        |
| Grants   | <u>120,000</u>   |
| Total  | 8,167,296        |
| Source of funds                                      |                  |
| General fund   | 4,302,246        |
| Special funds  | 1,930,061        |
| Federal funds  | 1,754,848        |
| Interdepartmental transfers                          | <u>180,141</u>   |
| Total  | 8,167,296        |
| Sec. B.211 Public safety - emergency management      |                  |
| Personal services                                    | 2,943,888        |
| Operating expenses                                   | 1,351,913        |
| Grants   | <u>9,555,611</u> |
| Total  | 13,851,412       |
| Source of funds                                      |                  |
| General fund   | 421,265          |
| Special funds  | 230,000          |
| Federal funds  | 13,002,034       |
| Interdepartmental transfers                          | <u>198,113</u>   |
| Total  | 13,851,412       |
| Sec. B.212 Public safety - fire safety               |                  |
| Personal services                                    | 6,507,997        |
| Operating expenses                                   | 3,372,767        |
| Grants   | <u>107,000</u>   |
| Total  | 9,987,764        |
| Source of funds                                      |                  |
| General fund   | 399,264          |
| Special funds  | 8,667,177        |

|            |                                     |                   |
|------------|-------------------------------------|-------------------|
|            | Federal funds                       | 876,323           |
|            | Interdepartmental transfers         | <u>45,000</u>     |
|            | Total                               | 9,987,764         |
| Sec. B.213 | Public safety - Forensic Laboratory |                   |
|            | Personal services                   | 2,979,721         |
|            | Operating expenses                  | <u>1,345,832</u>  |
|            | Total                               | 4,325,553         |
|            | Source of funds                     |                   |
|            | General fund                        | 3,032,024         |
|            | Special funds                       | 94,238            |
|            | Federal funds                       | 414,702           |
|            | Interdepartmental transfers         | <u>784,589</u>    |
|            | Total                               | 4,325,553         |
| Sec. B.215 | Military - administration           |                   |
|            | Personal services                   | 780,557           |
|            | Operating expenses                  | 364,404           |
|            | Grants                              | <u>324,000</u>    |
|            | Total                               | 1,468,961         |
|            | Source of funds                     |                   |
|            | General fund                        | <u>1,468,961</u>  |
|            | Total                               | 1,468,961         |
| Sec. B.216 | Military - air service contract     |                   |
|            | Personal services                   | 5,849,570         |
|            | Operating expenses                  | <u>892,643</u>    |
|            | Total                               | 6,742,213         |
|            | Source of funds                     |                   |
|            | General fund                        | 575,144           |
|            | Federal funds                       | <u>6,167,069</u>  |
|            | Total                               | 6,742,213         |
| Sec. B.217 | Military - army service contract    |                   |
|            | Personal services                   | 7,823,655         |
|            | Operating expenses                  | <u>6,155,064</u>  |
|            | Total                               | 13,978,719        |
|            | Source of funds                     |                   |
|            | Federal funds                       | <u>13,978,719</u> |
|            | Total                               | 13,978,719        |
| Sec. B.218 | Military - building maintenance     |                   |
|            | Personal services                   | 752,009           |

|   |                   |
|---|-------------------|
| Operating expenses  | <u>745,028</u>    |
| Total   | 1,497,037         |
| Source of funds   |                   |
| General fund  | 1,437,037         |
| Special funds   | <u>60,000</u>     |
| Total   | 1,497,037         |
| Sec. B.219 Military - veterans' affairs                   |                   |
| Personal services   | 784,278           |
| Operating expenses  | 169,972           |
| Grants  | <u>85,484</u>     |
| Total   | 1,039,734         |
| Source of funds   |                   |
| General fund  | 799,724           |
| Special funds   | 140,010           |
| Federal funds   | <u>100,000</u>    |
| Total   | 1,039,734         |
| Sec. B.220 Center for crime victim services               |                   |
| Personal services   | 1,908,428         |
| Operating expenses  | 345,834           |
| Grants  | <u>10,632,103</u> |
| Total   | 12,886,365        |
| Source of funds   |                   |
| General fund  | 1,264,158         |
| Special funds   | 5,341,178         |
| Federal funds   | <u>6,281,029</u>  |
| Total   | 12,886,365        |
| Sec. B.221 Criminal justice training council              |                   |
| Personal services   | 1,193,040         |
| Operating expenses  | <u>1,283,697</u>  |
| Total   | 2,476,737         |
| Source of funds   |                   |
| General fund  | 2,355,582         |
| Interdepartmental transfers                               | <u>121,155</u>    |
| Total   | 2,476,737         |
| Sec. B.222 Agriculture, food and markets - administration |                   |
| Personal services   | 1,419,565         |
| Operating expenses  | 499,463           |
| Grants  | <u>272,972</u>    |
| Total   | 2,192,000         |

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|   |                  |
|---|------------------|
| Source of funds   |                  |
| General fund  | 969,921          |
| Special funds   | 809,473          |
| Federal funds   | <u>412,606</u>   |
| Total   | 2,192,000        |
| Sec. B.223 Agriculture, food and markets - food safety and consumer protection                            |                  |
| Personal services   | 4,228,755        |
| Operating expenses  | 866,590          |
| Grants  | <u>2,750,000</u> |
| Total   | 7,845,345        |
| Source of funds   |                  |
| General fund  | 2,829,250        |
| Special funds   | 3,743,410        |
| Federal funds   | 1,265,685        |
| Interdepartmental transfers   | <u>7,000</u>     |
| Total   | 7,845,345        |
| Sec. B.224 Agriculture, food and markets - agricultural development                                       |                  |
| Personal services   | 1,478,216        |
| Operating expenses  | 1,045,214        |
| Grants  | <u>1,240,875</u> |
| Total   | 3,764,305        |
| Source of funds   |                  |
| General fund  | 1,920,068        |
| Special funds   | 666,160          |
| Federal funds   | 1,136,040        |
| Interdepartmental transfers   | <u>42,037</u>    |
| Total   | 3,764,305        |
| Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship |                  |
| Personal services   | 2,047,494        |
| Operating expenses  | 488,054          |
| Grants  | <u>140,000</u>   |
| Total   | 2,675,548        |
| Source of funds   |                  |
| General fund  | 662,248          |
| Special funds   | 1,515,661        |
| Federal funds   | 397,224          |
| Interdepartmental transfers   | <u>100,415</u>   |

|  |                  |
|--|------------------|
| Total  | 2,675,548        |
| Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab |                  |
| Personal services  | 1,422,582        |
| Operating expenses   | <u>2,350,767</u> |
| Total  | 3,773,349        |
| Source of funds  |                  |
| General fund   | 857,420          |
| Special funds  | 2,505,055        |
| Federal funds  | 350,000          |
| Interdepartmental transfers  | <u>60,874</u>    |
| Total  | 3,773,349        |
| Sec. B.225.2 Agriculture, Food and Markets - Clean Water                               |                  |
| Personal services  | 2,460,376        |
| Operating expenses   | 415,019          |
| Grants   | <u>1,707,000</u> |
| Total  | 4,582,395        |
| Source of funds  |                  |
| General fund   | 1,149,854        |
| Special funds  | 3,145,906        |
| Federal funds  | 48,812           |
| Interdepartmental transfers  | <u>237,823</u>   |
| Total  | 4,582,395        |
| Sec. B.226 Financial regulation - administration                                       |                  |
| Personal services  | 1,848,070        |
| Operating expenses   | <u>394,685</u>   |
| Total  | 2,242,755        |
| Source of funds  |                  |
| Special funds  | <u>2,242,755</u> |
| Total  | 2,242,755        |
| Sec. B.227 Financial regulation - banking  |                  |
| Personal services  | 1,723,226        |
| Operating expenses   | <u>400,714</u>   |
| Total  | 2,123,940        |
| Source of funds  |                  |
| Special funds  | <u>2,123,940</u> |
| Total  | 2,123,940        |
| Sec. B.228 Financial regulation - insurance  |                  |

|   |                  |
|---|------------------|
| Personal services                                   | 3,982,567        |
| Operating expenses                                  | <u>579,112</u>   |
| Total   | 4,561,679        |
| Source of funds                                     |                  |
| Special funds                                       | <u>4,561,679</u> |
| Total   | 4,561,679        |
| Sec. B.229 Financial regulation - captive insurance |                  |
| Personal services                                   | 4,528,647        |
| Operating expenses                                  | <u>568,615</u>   |
| Total   | 5,097,262        |
| Source of funds                                     |                  |
| Special funds                                       | <u>5,097,262</u> |
| Total   | 5,097,262        |
| Sec. B.230 Financial regulation - securities        |                  |
| Personal services                                   | 884,305          |
| Operating expenses                                  | <u>191,805</u>   |
| Total   | 1,076,110        |
| Source of funds                                     |                  |
| Special funds                                       | <u>1,076,110</u> |
| Total   | 1,076,110        |
| Sec. B.232 Secretary of state                       |                  |
| Personal services                                   | 9,247,500        |
| Operating expenses                                  | <u>2,501,529</u> |
| Total   | 11,749,029       |
| Source of funds                                     |                  |
| Special funds                                       | 10,453,613       |
| Federal funds                                       | 1,220,416        |
| Interdepartmental transfers                         | <u>75,000</u>    |
| Total   | 11,749,029       |
| Sec. B.233 Public service - regulation and energy   |                  |
| Personal services                                   | 10,977,385       |
| Operating expenses                                  | 1,818,966        |
| Grants  | <u>3,768,878</u> |
| Total   | 16,565,229       |
| Source of funds                                     |                  |
| Special funds                                       | 14,296,660       |
| Federal funds                                       | 1,182,983        |
| ARRA funds  | 1,010,000        |
| Interdepartmental transfers                         | 50,000           |

|   |                  |
|---|------------------|
| Enterprise funds                                      | <u>25,586</u>    |
| Total   | 16,565,229       |
| Sec. B.234 Public utility commission                  |                  |
| Personal services                                     | 3,238,861        |
| Operating expenses                                    | <u>461,954</u>   |
| Total   | 3,700,815        |
| Source of funds                                       |                  |
| Special funds   | <u>3,700,815</u> |
| Total   | 3,700,815        |
| Sec. B.235 Enhanced 9-1-1 Board                       |                  |
| Personal services                                     | 3,715,294        |
| Operating expenses                                    | 395,889          |
| Grants  | <u>720,000</u>   |
| Total   | 4,831,183        |
| Source of funds                                       |                  |
| Special funds   | <u>4,831,183</u> |
| Total   | 4,831,183        |
| Sec. B.236 Human rights commission                    |                  |
| Personal services                                     | 497,679          |
| Operating expenses                                    | <u>70,557</u>    |
| Total   | 568,236          |
| Source of funds                                       |                  |
| General fund  | 492,122          |
| Federal funds   | <u>76,114</u>    |
| Total   | 568,236          |
| Sec. B.237 Liquor control - administration            |                  |
| Personal services                                     | 5,751,696        |
| Operating expenses                                    | <u>970,391</u>   |
| Total   | 6,722,087        |
| Source of funds                                       |                  |
| Enterprise funds                                      | <u>6,722,087</u> |
| Total   | 6,722,087        |
| Sec. B.238 Liquor control - enforcement and licensing |                  |
| Personal services                                     | 2,152,769        |
| Operating expenses                                    | <u>554,933</u>   |
| Total   | 2,707,702        |
| Source of funds                                       |                  |
| Special funds   | 20,000           |

|            |  |                      |
|------------|--|----------------------|
|            | Tobacco fund   | 213,843              |
|            | Federal funds  | 312,503              |
|            | Interdepartmental transfers                                    | 16,300               |
|            | Enterprise funds   | <u>2,145,056</u>     |
|            | Total  | 2,707,702            |
| Sec. B.239 | Liquor control - warehousing and distribution                  |                      |
|            | Personal services  | 1,020,365            |
|            | Operating expenses   | <u>495,462</u>       |
|            | Total  | 1,515,827            |
|            | Source of funds  |                      |
|            | Enterprise funds   | <u>1,515,827</u>     |
|            | Total  | 1,515,827            |
| Sec. B.240 | Total protection to persons and property                       |                      |
|            | Source of funds  |                      |
|            | General fund   | 152,235,965          |
|            | Transportation fund  | 20,250,000           |
|            | Special funds  | 86,673,285           |
|            | Tobacco fund   | 561,843              |
|            | Federal funds  | 54,930,811           |
|            | ARRA funds   | 1,010,000            |
|            | Interdepartmental transfers                                    | 14,681,856           |
|            | Enterprise funds   | <u>10,408,556</u>    |
|            | Total  | 340,752,316          |
| Sec. B.300 | Human services - agency of human services - secretary's office |                      |
|            | Personal services  | 8,771,938            |
|            | Operating expenses   | 11,443,486           |
|            | Grants   | <u>4,983,315</u>     |
|            | Total  | 25,198,739           |
|            | Source of funds  |                      |
|            | General fund   | 7,387,754            |
|            | Special funds  | 91,017               |
|            | Federal funds  | 16,056,135           |
|            | Global Commitment fund   | 453,000              |
|            | Interdepartmental transfers                                    | <u>1,210,833</u>     |
|            | Total  | 25,198,739           |
| Sec. B.301 | Secretary's office - global commitment                         |                      |
|            | Operating expenses   | 3,156,749            |
|            | Grants   | <u>1,585,123,038</u> |
|            | Total  | 1,588,279,787        |



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|   |                   |
|---|-------------------|
| Source of funds                               |                   |
| General fund                                  | 283,423,430       |
| Special funds                                 | 27,902,465        |
| Tobacco fund                                  | 20,299,373        |
| State health care resources fund              | 284,480,725       |
| Federal funds                                 | 955,341,512       |
| Interdepartmental transfers                   | <u>16,832,282</u> |
| Total   | 1,588,279,787     |
| Sec. B.302 Rate setting                       |                   |
| Personal services                             | 916,668           |
| Operating expenses                            | <u>96,744</u>     |
| Total   | 1,013,412         |
| Source of funds                               |                   |
| General fund                                  | 506,706           |
| Federal funds                                 | <u>506,706</u>    |
| Total   | 1,013,412         |
| Sec. B.303 Developmental disabilities council |                   |
| Personal services                             | 402,333           |
| Operating expenses                            | 71,003            |
| Grants  | <u>150,000</u>    |
| Total   | 623,336           |
| Source of funds                               |                   |
| Federal funds                                 | <u>623,336</u>    |
| Total   | 623,336           |
| Sec. B.304 Human services board               |                   |
| Personal services                             | 703,725           |
| Operating expenses                            | <u>83,296</u>     |
| Total   | 787,021           |
| Source of funds                               |                   |
| General fund                                  | 425,466           |
| Federal funds                                 | 319,974           |
| Interdepartmental transfers                   | <u>41,581</u>     |
| Total   | 787,021           |
| Sec. B.305 AHS - administrative fund          |                   |
| Personal services                             | 350,000           |
| Operating expenses                            | <u>10,150,000</u> |
| Total   | 10,500,000        |
| Source of funds                               |                   |
| Interdepartmental transfers                   | <u>10,500,000</u> |

| Total   | 10,500,000         |
|---|--------------------|
| Sec. B.306 Department of Vermont health access - administration                           |                    |
| Personal services   | 150,000,858        |
| Operating expenses  | 5,878,419          |
| Grants  | <u>7,314,742</u>   |
| Total   | 163,194,019        |
| Source of funds   |                    |
| General fund  | 26,674,061         |
| Special funds   | 3,522,585          |
| Federal funds   | 118,955,295        |
| Global Commitment fund  | 6,795,089          |
| Interdepartmental transfers   | <u>7,246,989</u>   |
| Total   | 163,194,019        |
| Sec. B.307 Department of Vermont health access - Medicaid program - global commitment     |                    |
| Grants  | <u>730,388,202</u> |
| Total   | 730,388,202        |
| Source of funds   |                    |
| Global Commitment fund  | <u>730,388,202</u> |
| Total   | 730,388,202        |
| Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver |                    |
| Grants  | <u>204,515,915</u> |
| Total   | 204,515,915        |
| Source of funds   |                    |
| Global Commitment fund  | <u>204,515,915</u> |
| Total   | 204,515,915        |
| Sec. B.309 Department of Vermont health access - Medicaid program - state only            |                    |
| Grants  | <u>47,955,940</u>  |
| Total   | 47,955,940         |
| Source of funds   |                    |
| General fund  | 39,074,163         |
| Global Commitment fund  | <u>8,881,777</u>   |
| Total   | 47,955,940         |
| Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched              |                    |
| Grants  | <u>31,345,248</u>  |

|   |                   |
|---|-------------------|
| Total   | 31,345,248        |
| Source of funds                                     |                   |
| General fund  | 11,400,406        |
| Federal funds                                       | <u>19,944,842</u> |
| Total   | 31,345,248        |
| Sec. B.311 Health - administration and support      |                   |
| Personal services                                   | 5,369,099         |
| Operating expenses                                  | 5,125,954         |
| Grants  | <u>4,065,000</u>  |
| Total   | 14,560,053        |
| Source of funds                                     |                   |
| General fund  | 2,756,570         |
| Special funds                                       | 1,737,815         |
| Federal funds                                       | 6,577,531         |
| Global Commitment fund                              | 3,443,137         |
| Interdepartmental transfers                         | <u>45,000</u>     |
| Total   | 14,560,053        |
| Sec. B.312 Health - public health                   |                   |
| Personal services                                   | 42,670,151        |
| Operating expenses                                  | 8,262,008         |
| Grants  | <u>36,443,759</u> |
| Total   | 87,375,918        |
| Source of funds                                     |                   |
| General fund  | 9,483,976         |
| Special funds                                       | 17,368,655        |
| Tobacco fund  | 1,088,918         |
| Federal funds                                       | 45,853,114        |
| Global Commitment fund                              | 12,436,255        |
| Interdepartmental transfers                         | 1,120,000         |
| Permanent trust funds                               | <u>25,000</u>     |
| Total   | 87,375,918        |
| Sec. B.313 Health - alcohol and drug abuse programs |                   |
| Personal services                                   | 4,228,751         |
| Operating expenses                                  | 255,634           |
| Grants  | <u>49,572,962</u> |
| Total   | 54,057,347        |
| Source of funds                                     |                   |
| General fund  | 2,468,452         |
| Special funds                                       | 1,163,962         |

|   |                             |                    |
|---|-----------------------------|--------------------|
|   | Tobacco fund                | 949,917            |
|   | Federal funds               | 14,495,543         |
|   | Global Commitment fund      | <u>34,979,473</u>  |
|   | Total                       | 54,057,347         |
| Sec. B.314 Mental health - mental health  |                             |                    |
|   | Personal services           | 30,983,975         |
|   | Operating expenses          | 3,754,146          |
|   | Grants                      | <u>208,515,176</u> |
|   | Total                       | 243,253,297        |
|   | Source of funds             |                    |
|   | General fund                | 6,131,693          |
|   | Special funds               | 434,904            |
|   | Federal funds               | 8,782,053          |
|   | Global Commitment fund      | 227,884,647        |
|   | Interdepartmental transfers | <u>20,000</u>      |
|   | Total                       | 243,253,297        |
| Sec. B.316 Department for children and families - administration & support services |                             |                    |
|   | Personal services           | 39,883,238         |
|   | Operating expenses          | 11,312,882         |
|   | Grants                      | <u>3,019,141</u>   |
|   | Total                       | 54,215,261         |
|   | Source of funds             |                    |
|   | General fund                | 26,574,313         |
|   | Special funds               | 2,591,557          |
|   | Federal funds               | 22,956,549         |
|   | Global Commitment fund      | 1,875,508          |
|   | Interdepartmental transfers | <u>217,334</u>     |
|   | Total                       | 54,215,261         |
| Sec. B.317 Department for children and families - family services                   |                             |                    |
|   | Personal services           | 33,519,525         |
|   | Operating expenses          | 4,951,233          |
|   | Grants                      | <u>75,193,282</u>  |
|   | Total                       | 113,664,040        |
|   | Source of funds             |                    |
|   | General fund                | 36,682,377         |
|   | Special funds               | 967,587            |
|   | Federal funds               | 27,125,458         |
|   | Global Commitment fund      | 48,754,229         |

|   |                   |
|---|-------------------|
| Interdepartmental transfers   | <u>134,389</u>    |
| Total   | 113,664,040       |
| Sec. B.318 Department for children and families - child development               |                   |
| Personal services   | 4,373,097         |
| Operating expenses  | 666,405           |
| Grants  | <u>78,641,229</u> |
| Total   | 83,680,731        |
| Source of funds   |                   |
| General fund  | 33,309,452        |
| Special funds   | 1,820,000         |
| Federal funds   | 37,067,384        |
| Global Commitment fund  | <u>11,483,895</u> |
| Total   | 83,680,731        |
| Sec. B.319 Department for children and families - office of child support         |                   |
| Personal services   | 10,358,904        |
| Operating expenses  | <u>3,664,980</u>  |
| Total   | 14,023,884        |
| Source of funds   |                   |
| General fund  | 3,811,164         |
| Special funds   | 455,719           |
| Federal funds   | 9,369,401         |
| Interdepartmental transfers   | <u>387,600</u>    |
| Total   | 14,023,884        |
| Sec. B.320 Department for children and families - aid to aged, blind and disabled |                   |
| Personal services   | 2,252,206         |
| Grants  | <u>11,298,023</u> |
| Total   | 13,550,229        |
| Source of funds   |                   |
| General fund  | 9,649,899         |
| Global Commitment fund  | <u>3,900,330</u>  |
| Total   | 13,550,229        |
| Sec. B.321 Department for children and families - general assistance              |                   |
| Personal services   | 15,000            |
| Grants  | <u>6,912,360</u>  |
| Total   | 6,927,360         |
| Source of funds   |                   |
| General fund  | 6,530,025         |
| Federal funds   | 111,320           |

|   |                   |
|---|-------------------|
| Global Commitment fund  | <u>286,015</u>    |
| Total   | 6,927,360         |
| Sec. B.322 Department for children and families - 3SquaresVT                          |                   |
| Grants  | <u>29,827,906</u> |
| Total   | 29,827,906        |
| Source of funds   |                   |
| Federal funds   | <u>29,827,906</u> |
| Total   | 29,827,906        |
| Sec. B.323 Department for children and families - reach up                            |                   |
| Operating expenses  | 51,519            |
| Grants  | <u>32,420,849</u> |
| Total   | 32,472,368        |
| Source of funds   |                   |
| General fund  | 6,423,546         |
| Special funds   | 21,024,984        |
| Federal funds   | 2,342,220         |
| Global Commitment fund  | <u>2,681,618</u>  |
| Total   | 32,472,368        |
| Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP |                   |
| Grants  | <u>15,019,953</u> |
| Total   | 15,019,953        |
| Source of funds   |                   |
| Special funds   | 1,434,217         |
| Federal funds   | <u>13,585,736</u> |
| Total   | 15,019,953        |
| Sec. B.325 Department for children and families - office of economic opportunity      |                   |
| Personal services   | 496,450           |
| Operating expenses  | 43,133            |
| Grants  | <u>9,610,253</u>  |
| Total   | 10,149,836        |
| Source of funds   |                   |
| General fund  | 4,767,340         |
| Special funds   | 57,990            |
| Federal funds   | 4,494,818         |
| Global Commitment fund  | <u>829,688</u>    |
| Total   | 10,149,836        |

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 Sec. B.326 Department for children and families - OEO - weatherization assistance

|                    |                   |
|--------------------|-------------------|
| Personal services  | 321,661           |
| Operating expenses | 43,448            |
| Grants             | <u>10,554,220</u> |
| Total              | 10,919,329        |
| Source of funds    |                   |
| Special funds      | 6,325,418         |
| Federal funds      | <u>4,593,911</u>  |
| Total              | 10,919,329        |

## Sec. B.327 Department for children and families - Woodside rehabilitation center

|                             |                |
|-----------------------------|----------------|
| Personal services           | 5,478,901      |
| Operating expenses          | <u>717,907</u> |
| Total                       | 6,196,808      |
| Source of funds             |                |
| General fund                | 1,134,164      |
| Global Commitment fund      | 4,965,644      |
| Interdepartmental transfers | <u>97,000</u>  |
| Total                       | 6,196,808      |

## Sec. B.328 Department for children and families - disability determination services

|                    |                  |
|--------------------|------------------|
| Personal services  | 5,978,035        |
| Operating expenses | <u>411,111</u>   |
| Total              | 6,389,146        |
| Source of funds    |                  |
| General fund       | 103,081          |
| Federal funds      | <u>6,286,065</u> |
| Total              | 6,389,146        |

## Sec. B.329 Disabilities, aging, and independent living - administration &amp; support

|                             |                  |
|-----------------------------|------------------|
| Personal services           | 31,585,910       |
| Operating expenses          | <u>5,477,387</u> |
| Total                       | 37,063,297       |
| Source of funds             |                  |
| General fund                | 16,304,973       |
| Special funds               | 1,390,457        |
| Federal funds               | 18,301,583       |
| Interdepartmental transfers | <u>1,066,284</u> |

|   |                    |
|---|--------------------|
| Total   | 37,063,297         |
| Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants |                    |
| Grants  | <u>20,067,904</u>  |
| Total   | 20,067,904         |
| Source of funds   |                    |
| General fund  | 7,553,375          |
| Federal funds   | 7,148,466          |
| Global Commitment fund  | <u>5,366,063</u>   |
| Total   | 20,067,904         |
| Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired            |                    |
| Grants  | <u>1,451,457</u>   |
| Total   | 1,451,457          |
| Source of funds   |                    |
| General fund  | 389,154            |
| Special funds   | 223,450            |
| Federal funds   | 593,853            |
| Global Commitment fund  | <u>245,000</u>     |
| Total   | 1,451,457          |
| Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation              |                    |
| Grants  | <u>7,174,368</u>   |
| Total   | 7,174,368          |
| Source of funds   |                    |
| General fund  | 1,371,845          |
| Federal funds   | 4,552,523          |
| Interdepartmental transfers   | <u>1,250,000</u>   |
| Total   | 7,174,368          |
| Sec. B.333 Disabilities, aging, and independent living - developmental services                 |                    |
| Grants  | <u>221,097,985</u> |
| Total   | 221,097,985        |
| Source of funds   |                    |
| General fund  | 155,125            |
| Special funds   | 15,463             |
| Federal funds   | 359,857            |
| Global Commitment fund  | 220,522,540        |
| Interdepartmental transfers   | <u>45,000</u>      |



|  |                  |
|--|------------------|
| Total  | 221,097,985      |
| Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver |                  |
| Grants   | <u>6,005,225</u> |
| Total  | 6,005,225        |
| Source of funds  |                  |
| Global Commitment fund   | <u>6,005,225</u> |
| Total  | 6,005,225        |
| Sec. B.335 Corrections - administration  |                  |
| Personal services  | 2,947,820        |
| Operating expenses   | <u>238,644</u>   |
| Total  | 3,186,464        |
| Source of funds  |                  |
| General fund   | <u>3,186,464</u> |
| Total  | 3,186,464        |
| Sec. B.336 Corrections - parole board  |                  |
| Personal services  | 300,845          |
| Operating expenses   | <u>81,081</u>    |
| Total  | 381,926          |
| Source of funds  |                  |
| General fund   | <u>381,926</u>   |
| Total  | 381,926          |
| Sec. B.337 Corrections - correctional education  |                  |
| Personal services  | 3,172,318        |
| Operating expenses   | <u>244,932</u>   |
| Total  | 3,417,250        |
| Source of funds  |                  |
| General fund   | 3,268,466        |
| Education fund   | 0                |
| Interdepartmental transfers  | <u>148,784</u>   |
| Total  | 3,417,250        |
| Sec. B.338 Corrections - correctional services   |                  |
| Personal services  | 109,065,960      |
| Operating expenses   | 21,128,473       |
| Grants   | <u>9,163,138</u> |
| Total  | 139,357,571      |
| Source of funds  |                  |
| General fund   | 132,472,462      |

|  |                  |
|--|------------------|
| Special funds  | 629,963          |
| Federal funds  | 470,962          |
| Global Commitment fund   | 5,387,869        |
| Interdepartmental transfers                                      | <u>396,315</u>   |
| Total  | 139,357,571      |
| Sec. B.339 Corrections - Correctional services-out of state beds |                  |
| Personal services  | <u>7,351,324</u> |
| Total  | 7,351,324        |
| Source of funds  |                  |
| General fund   | <u>7,351,324</u> |
| Total  | 7,351,324        |
| Sec. B.340 Corrections - correctional facilities - recreation    |                  |
| Personal services  | 406,528          |
| Operating expenses   | <u>455,845</u>   |
| Total  | 862,373          |
| Source of funds  |                  |
| Special funds  | <u>862,373</u>   |
| Total  | 862,373          |
| Sec. B.341 Corrections - Vermont offender work program           |                  |
| Personal services  | 1,447,800        |
| Operating expenses   | <u>525,784</u>   |
| Total  | 1,973,584        |
| Source of funds  |                  |
| Internal service funds   | <u>1,973,584</u> |
| Total  | 1,973,584        |
| Sec. B.342 Vermont veterans' home - care and support services    |                  |
| Personal services  | 18,756,245       |
| Operating expenses   | <u>4,949,905</u> |
| Total  | 23,706,150       |
| Source of funds  |                  |
| General fund   | 3,998,789        |
| Special funds  | 11,281,346       |
| Federal funds  | <u>8,426,015</u> |
| Total  | 23,706,150       |
| Sec. B.343 Commission on women                                   |                  |
| Personal services  | 316,110          |
| Operating expenses   | <u>67,352</u>    |
| Total  | 383,462          |

|   |                  |
|---|------------------|
| Source of funds                             |                  |
| General fund                                | 380,962          |
| Special funds                               | <u>2,500</u>     |
| Total                                       | 383,462          |
| Sec. B.344 Retired senior volunteer program |                  |
| Grants                                      | <u>151,096</u>   |
| Total                                       | 151,096          |
| Source of funds                             |                  |
| General fund                                | <u>151,096</u>   |
| Total                                       | 151,096          |
| Sec. B.345 Green Mountain Care Board        |                  |
| Personal services                           | 7,702,068        |
| Operating expenses                          | <u>342,708</u>   |
| Total                                       | 8,044,776        |
| Source of funds                             |                  |
| General fund                                | 2,032,469        |
| Special funds                               | 3,446,789        |
| Federal funds                               | 70,000           |
| Global Commitment fund                      | <u>2,495,518</u> |
| Total                                       | 8,044,776        |
| Sec. B.346 Total human services             |                  |
| Source of funds                             |                  |
| General fund                                | 697,716,468      |
| Special funds                               | 104,751,216      |
| Tobacco fund                                | 22,338,208       |
| State health care resources fund            | 284,480,725      |
| Education fund                              | 0                |
| Federal funds                               | 1,385,140,068    |
| Global Commitment fund                      | 1,544,576,637    |
| Internal service funds                      | 1,973,584        |
| Interdepartmental transfers                 | 40,759,391       |
| Permanent trust funds                       | <u>25,000</u>    |
| Total                                       | 4,081,761,297    |
| Sec. B.400 Labor - programs                 |                  |
| Personal services                           | 29,773,882       |
| Operating expenses                          | 9,518,580        |
| Grants                                      | <u>1,876,867</u> |
| Total                                       | 41,169,329       |
| Source of funds                             |                  |

|  |                    |
|--|--------------------|
| General fund   | 2,980,386          |
| Special funds  | 3,616,477          |
| Federal funds  | 33,222,466         |
| Interdepartmental transfers                              | <u>1,350,000</u>   |
| Total  | 41,169,329         |
| Sec. B.401 Total labor                                   |                    |
| Source of funds  |                    |
| General fund   | 2,980,386          |
| Special funds  | 3,616,477          |
| Federal funds  | 33,222,466         |
| Interdepartmental transfers                              | <u>1,350,000</u>   |
| Total  | 41,169,329         |
| Sec. B.500 Education - finance and administration        |                    |
| Personal services  | 7,569,932          |
| Operating expenses                                       | 3,575,080          |
| Grants   | <u>15,540,935</u>  |
| Total  | 26,685,947         |
| Source of funds  |                    |
| General fund   | 3,795,807          |
| Special funds  | 16,280,409         |
| Education fund   | 995,597            |
| Federal funds  | 2,396,087          |
| Global Commitment fund                                   | 260,000            |
| Interdepartmental transfers                              | <u>2,958,047</u>   |
| Total  | 26,685,947         |
| Sec. B.501 Education - education services                |                    |
| Personal services  | 18,451,314         |
| Operating expenses                                       | 1,473,983          |
| Grants   | <u>126,074,411</u> |
| Total  | 145,999,708        |
| Source of funds  |                    |
| General fund   | 5,681,029          |
| Special funds  | 3,202,682          |
| Tobacco fund   | 750,388            |
| Federal funds  | 135,118,942        |
| Interdepartmental transfers                              | <u>1,246,667</u>   |
| Total  | 145,999,708        |
| Sec. B.502 Education - special education: formula grants |                    |
| Grants   | <u>198,471,642</u> |

|   |                      |
|---|----------------------|
| Total   | 198,471,642          |
| Source of funds                                     |                      |
| Education fund                                      | <u>198,471,642</u>   |
| Total   | 198,471,642          |
| Sec. B.503 Education - state-placed students        |                      |
| Grants  | <u>15,700,000</u>    |
| Total   | 15,700,000           |
| Source of funds                                     |                      |
| Education fund                                      | <u>15,700,000</u>    |
| Total   | 15,700,000           |
| Sec. B.504 Education - adult education and literacy |                      |
| Grants  | <u>4,371,050</u>     |
| Total   | 4,371,050            |
| Source of funds                                     |                      |
| General fund  | 3,605,000            |
| Education fund                                      | 0                    |
| Federal funds                                       | <u>766,050</u>       |
| Total   | 4,371,050            |
| Sec. B.504.1 Education - Flexible Pathways          |                      |
| Grants  | <u>7,346,000</u>     |
| Total   | 7,346,000            |
| Source of funds                                     |                      |
| Education fund                                      | <u>7,346,000</u>     |
| Total   | 7,346,000            |
| Sec. B.505 Education - adjusted education payment   |                      |
| Grants  | <u>1,371,075,706</u> |
| Total   | 1,371,075,706        |
| Source of funds                                     |                      |
| Education fund                                      | <u>1,371,075,706</u> |
| Total   | 1,371,075,706        |
| Sec. B.506 Education - transportation               |                      |
| Grants  | <u>19,226,000</u>    |
| Total   | 19,226,000           |
| Source of funds                                     |                      |
| Education fund                                      | <u>19,226,000</u>    |
| Total   | 19,226,000           |
| Sec. B.507 Education - small school grants          |                      |

|   |                   |
|---|-------------------|
| Grants  | <u>7,600,000</u>  |
| Total   | 7,600,000         |
| Source of funds   |                   |
| Education fund  | <u>7,600,000</u>  |
| Total   | 7,600,000         |
| Sec. B.510 Education - essential early education grant        |                   |
| Grants  | <u>6,617,213</u>  |
| Total   | 6,617,213         |
| Source of funds   |                   |
| Education fund  | <u>6,617,213</u>  |
| Total   | 6,617,213         |
| Sec. B.511 Education - technical education                    |                   |
| Grants  | <u>13,932,162</u> |
| Total   | 13,932,162        |
| Source of funds   |                   |
| Education fund  | <u>13,932,162</u> |
| Total   | 13,932,162        |
| Sec. B.514 State teachers' retirement system                  |                   |
| Grants  | <u>99,940,777</u> |
| Total   | 99,940,777        |
| Source of funds   |                   |
| General fund  | 92,241,519        |
| Education fund  | <u>7,699,258</u>  |
| Total   | 99,940,777        |
| Sec. B.514.1 State teachers' retirement system administration |                   |
| Personal services   | 6,217,105         |
| Operating expenses  | <u>1,564,274</u>  |
| Total   | 7,781,379         |
| Source of funds   |                   |
| Pension trust funds   | <u>7,781,379</u>  |
| Total   | 7,781,379         |
| Sec. B.515 Retired teachers' health care and medical benefits |                   |
| Grants  | <u>31,639,205</u> |
| Total   | 31,639,205        |
| Source of funds   |                   |
| General fund  | <u>31,639,205</u> |
| Total   | 31,639,205        |

Sec. B.516 Total general education

|                             |                  |
|-----------------------------|------------------|
| Source of funds             |                  |
| General fund                | 136,962,560      |
| Special funds               | 19,483,091       |
| Tobacco fund                | 750,388          |
| Education fund              | 1,648,663,578    |
| Federal funds               | 138,281,079      |
| Global Commitment fund      | 260,000          |
| Interdepartmental transfers | 4,204,714        |
| Pension trust funds         | <u>7,781,379</u> |
| Total                       | 1,956,386,789    |

Sec. B.600 University of Vermont

|                        |                   |
|------------------------|-------------------|
| Grants                 | <u>42,509,093</u> |
| Total                  | 42,509,093        |
| Source of funds        |                   |
| General fund           | 39,129,876        |
| Global Commitment fund | <u>3,379,217</u>  |
| Total                  | 42,509,093        |

Sec. B.601 Vermont Public Broadcast System

|                 |          |
|-----------------|----------|
| Grants          | <u>1</u> |
| Total           | 1        |
| Source of funds |          |
| General fund    | <u>1</u> |
| Total           | 1        |

Sec. B.602 Vermont state colleges

|                 |                   |
|-----------------|-------------------|
| Grants          | <u>27,300,464</u> |
| Total           | 27,300,464        |
| Source of funds |                   |
| General fund    | <u>27,300,464</u> |
| Total           | 27,300,464        |

Sec. B.602.1 Vermont state colleges - Supplemental Aid

|                 |                |
|-----------------|----------------|
| Grants          | <u>700,000</u> |
| Total           | 700,000        |
| Source of funds |                |
| General fund    | <u>700,000</u> |
| Total           | 700,000        |

Sec. B.603 Vermont state colleges - allied health

|   |                   |
|---|-------------------|
| Grants  | <u>1,157,775</u>  |
| Total   | 1,157,775         |
| Source of funds   |                   |
| General fund  | 748,314           |
| Global Commitment fund  | <u>409,461</u>    |
| Total   | 1,157,775         |
| Sec. B.605 Vermont student assistance corporation                           |                   |
| Grants  | <u>19,414,588</u> |
| Total   | 19,414,588        |
| Source of funds   |                   |
| General fund  | <u>19,414,588</u> |
| Total   | 19,414,588        |
| Sec. B.606 New England higher education compact                             |                   |
| Grants  | <u>84,000</u>     |
| Total   | 84,000            |
| Source of funds   |                   |
| General fund  | <u>84,000</u>     |
| Total   | 84,000            |
| Sec. B.607 University of Vermont - Morgan Horse Farm                        |                   |
| Grants  | <u>1</u>          |
| Total   | 1                 |
| Source of funds   |                   |
| General fund  | <u>1</u>          |
| Total   | 1                 |
| Sec. B.608 Total higher education   |                   |
| Source of funds   |                   |
| General fund  | 87,377,244        |
| Global Commitment fund  | <u>3,788,678</u>  |
| Total   | 91,165,922        |
| Sec. B.700 Natural resources - agency of natural resources - administration |                   |
| Personal services   | 2,179,464         |
| Operating expenses  | 1,105,224         |
| Grants  | <u>34,960</u>     |
| Total   | 3,319,648         |
| Source of funds   |                   |
| General fund  | 2,670,382         |
| Special funds   | 554,112           |
| Interdepartmental transfers   | <u>95,154</u>     |



|   |                  |
|---|------------------|
| Total   | 3,319,648        |
| Sec. B.701 Natural resources - state land local property tax assessment |                  |
| Operating expenses  | <u>2,532,755</u> |
| Total   | 2,532,755        |
| Source of funds   |                  |
| General fund  | 2,111,255        |
| Interdepartmental transfers   | <u>421,500</u>   |
| Total   | 2,532,755        |
| Sec. B.702 Fish and wildlife - support and field services               |                  |
| Personal services   | 17,559,395       |
| Operating expenses  | 5,511,383        |
| Grants  | <u>1,078,000</u> |
| Total   | 24,148,778       |
| Source of funds   |                  |
| General fund  | 5,652,621        |
| Special funds   | 196,212          |
| Fish and wildlife fund  | 9,505,629        |
| Federal funds   | 8,691,203        |
| Interdepartmental transfers   | 93,102           |
| Permanent trust funds   | <u>10,011</u>    |
| Total   | 24,148,778       |
| Sec. B.703 Forests, parks and recreation - administration               |                  |
| Personal services   | 889,376          |
| Operating expenses  | <u>940,315</u>   |
| Total   | 1,829,691        |
| Source of funds   |                  |
| General fund  | <u>1,829,691</u> |
| Total   | 1,829,691        |
| Sec. B.704 Forests, parks and recreation - forestry                     |                  |
| Personal services   | 5,587,322        |
| Operating expenses  | 761,503          |
| Grants  | <u>500,000</u>   |
| Total   | 6,848,825        |
| Source of funds   |                  |
| General fund  | 4,610,156        |
| Special funds   | 412,999          |
| Federal funds   | 1,487,097        |
| Interdepartmental transfers   | <u>338,573</u>   |
| Total   | 6,848,825        |

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|  |                  |
|--|------------------|
| Sec. B.705 Forests, parks and recreation - state parks                         |                  |
| Personal services  | 8,403,655        |
| Operating expenses   | <u>2,621,163</u> |
| Total  | 11,024,818       |
| Source of funds  |                  |
| General fund   | 434,313          |
| Special funds  | 10,590,505       |
| Permanent trust funds  | <u>0</u>         |
| Total  | 11,024,818       |
| Sec. B.706 Forests, parks and recreation - lands administration and recreation |                  |
| Personal services  | 1,269,132        |
| Operating expenses   | 1,378,483        |
| Grants   | <u>2,506,787</u> |
| Total  | 5,154,402        |
| Source of funds  |                  |
| General fund   | 673,966          |
| Special funds  | 2,020,151        |
| Federal funds  | 2,336,535        |
| Interdepartmental transfers  | <u>123,750</u>   |
| Total  | 5,154,402        |
| Sec. B.708 Forests, parks and recreation - forest and parks access roads       |                  |
| Personal services  | 65,425           |
| Operating expenses   | <u>114,500</u>   |
| Total  | 179,925          |
| Source of funds  |                  |
| General fund   | <u>179,925</u>   |
| Total  | 179,925          |
| Sec. B.709 Environmental conservation - management and support services        |                  |
| Personal services  | 6,288,392        |
| Operating expenses   | 3,391,844        |
| Grants   | <u>150,000</u>   |
| Total  | 9,830,236        |
| Source of funds  |                  |
| General fund   | 1,074,364        |
| Special funds  | 457,591          |
| Federal funds  | 744,676          |
| Interdepartmental transfers  | <u>7,553,605</u> |
| Total  | 9,830,236        |
| Sec. B.710 Environmental conservation - air and waste management               |                  |

|  |                   |
|--|-------------------|
| Personal services  | 12,383,436        |
| Operating expenses   | 8,691,215         |
| Grants   | <u>5,076,000</u>  |
| Total  | 26,150,651        |
| Source of funds  |                   |
| General fund   | 425,825           |
| Special funds  | 21,875,082        |
| Federal funds  | 3,655,939         |
| Interdepartmental transfers                                      | <u>193,805</u>    |
| Total  | 26,150,651        |
| Sec. B.711 Environmental conservation - office of water programs |                   |
| Personal services  | 18,292,585        |
| Operating expenses   | 6,676,548         |
| Grants   | <u>23,754,400</u> |
| Total  | 48,723,533        |
| Source of funds  |                   |
| General fund   | 7,815,563         |
| Special funds  | 10,333,268        |
| Federal funds  | 29,486,364        |
| Interdepartmental transfers                                      | <u>1,088,338</u>  |
| Total  | 48,723,533        |
| Sec. B.713 Natural resources board                               |                   |
| Personal services  | 2,643,689         |
| Operating expenses   | <u>495,779</u>    |
| Total  | 3,139,468         |
| Source of funds  |                   |
| General fund   | 608,163           |
| Special funds  | <u>2,531,305</u>  |
| Total  | 3,139,468         |
| Sec. B.714 Total natural resources                               |                   |
| Source of funds  |                   |
| General fund   | 28,086,224        |
| Special funds  | 48,971,225        |
| Fish and wildlife fund   | 9,505,629         |
| Federal funds  | 46,401,814        |
| Interdepartmental transfers                                      | 9,907,827         |
| Permanent trust funds  | <u>10,011</u>     |
| Total  | 142,882,730       |

Sec. B.800 Commerce and community development - agency of commerce

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 and community development - administration

|  |                   |
|--|-------------------|
| Personal services                          | 1,717,913         |
| Operating expenses                         | 1,373,839         |
| Grants                                     | <u>452,627</u>    |
| Total                                      | 3,544,379         |
| Source of funds                            |                   |
| General fund                               | 3,524,379         |
| Special funds                              | 0                 |
| Interdepartmental transfers                | <u>20,000</u>     |
| Total                                      | 3,544,379         |
| Sec. B.801 Economic development            |                   |
| Personal services                          | 3,512,700         |
| Operating expenses                         | 903,397           |
| Grants                                     | <u>5,554,735</u>  |
| Total                                      | 9,970,832         |
| Source of funds                            |                   |
| General fund                               | 4,563,197         |
| Special funds                              | 2,625,350         |
| Federal funds                              | <u>2,782,285</u>  |
| Total                                      | 9,970,832         |
| Sec. B.802 Housing & community development |                   |
| Personal services                          | 3,677,757         |
| Operating expenses                         | 745,690           |
| Grants                                     | <u>11,167,128</u> |
| Total                                      | 15,590,575        |
| Source of funds                            |                   |
| General fund                               | 2,760,297         |
| Special funds                              | 4,991,756         |
| Federal funds                              | 7,747,771         |
| Interdepartmental transfers                | <u>90,751</u>     |
| Total                                      | 15,590,575        |
| Sec. B.806 Tourism and marketing           |                   |
| Personal services                          | 1,151,255         |
| Operating expenses                         | 1,743,242         |
| Grants                                     | <u>121,880</u>    |
| Total                                      | 3,016,377         |
| Source of funds                            |                   |
| General fund                               | <u>3,016,377</u>  |
| Total                                      | 3,016,377         |

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|   |                   |
|---|-------------------|
| Sec. B.807 Vermont life                           |                   |
| Personal services                                 | 604,497           |
| Operating expenses                                | <u>46,108</u>     |
| Total   | 650,605           |
| Source of funds                                   |                   |
| Enterprise funds                                  | <u>650,605</u>    |
| Total   | 650,605           |
| Sec. B.808 Vermont council on the arts            |                   |
| Grants  | <u>717,735</u>    |
| Total   | 717,735           |
| Source of funds                                   |                   |
| General fund                                      | <u>717,735</u>    |
| Total   | 717,735           |
| Sec. B.809 Vermont symphony orchestra             |                   |
| Grants  | <u>141,214</u>    |
| Total   | 141,214           |
| Source of funds                                   |                   |
| General fund                                      | <u>141,214</u>    |
| Total   | 141,214           |
| Sec. B.810 Vermont historical society             |                   |
| Grants  | <u>961,426</u>    |
| Total   | 961,426           |
| Source of funds                                   |                   |
| General fund                                      | <u>961,426</u>    |
| Total   | 961,426           |
| Sec. B.811 Vermont housing and conservation board |                   |
| Grants  | <u>26,361,035</u> |
| Total   | 26,361,035        |
| Source of funds                                   |                   |
| Special funds                                     | 10,940,222        |
| Federal funds                                     | <u>15,420,813</u> |
| Total   | 26,361,035        |
| Sec. B.812 Vermont humanities council             |                   |
| Grants  | <u>217,959</u>    |
| Total   | 217,959           |
| Source of funds                                   |                   |
| General fund                                      | <u>217,959</u>    |

|  |                   |
|--|-------------------|
| Total  | 217,959           |
| Sec. B.813 Total commerce and community development    |                   |
| Source of funds  |                   |
| General fund   | 15,902,584        |
| Special funds  | 18,557,328        |
| Federal funds  | 25,950,869        |
| Interdepartmental transfers                            | 110,751           |
| Enterprise funds                                       | <u>650,605</u>    |
| Total  | 61,172,137        |
| Sec. B.900 Transportation - finance and administration |                   |
| Personal services                                      | 11,841,671        |
| Operating expenses                                     | 2,759,243         |
| Grants   | <u>55,000</u>     |
| Total  | 14,655,914        |
| Source of funds  |                   |
| Transportation fund                                    | 13,637,714        |
| Federal funds  | <u>1,018,200</u>  |
| Total  | 14,655,914        |
| Sec. B.901 Transportation - aviation                   |                   |
| Personal services                                      | 5,163,838         |
| Operating expenses                                     | 8,404,249         |
| Grants   | <u>231,676</u>    |
| Total  | 13,799,763        |
| Source of funds  |                   |
| Transportation fund                                    | 4,628,763         |
| Federal funds  | <u>9,171,000</u>  |
| Total  | 13,799,763        |
| Sec. B.902 Transportation - buildings                  |                   |
| Operating expenses                                     | <u>1,578,050</u>  |
| Total  | 1,578,050         |
| Source of funds  |                   |
| Transportation fund                                    | <u>1,578,050</u>  |
| Total  | 1,578,050         |
| Sec. B.903 Transportation - program development        |                   |
| Personal services                                      | 50,457,603        |
| Operating expenses                                     | 216,263,480       |
| Grants   | <u>34,168,390</u> |
| Total  | 300,889,473       |

|  |                   |
|--|-------------------|
| Source of funds                                      |                   |
| Transportation fund                                  | 42,549,882        |
| TIB fund   | 11,894,706        |
| Federal funds  | 244,766,072       |
| Interdepartmental transfers                          | 239,345           |
| Local match  | <u>1,439,468</u>  |
| Total  | 300,889,473       |
| Sec. B.904 Transportation - rest areas construction  |                   |
| Personal services                                    | 43,000            |
| Operating expenses                                   | <u>701,802</u>    |
| Total  | 744,802           |
| Source of funds                                      |                   |
| Transportation fund                                  | 76,242            |
| Federal funds  | <u>668,560</u>    |
| Total  | 744,802           |
| Sec. B.905 Transportation - maintenance state system |                   |
| Personal services                                    | 43,007,903        |
| Operating expenses                                   | 44,516,596        |
| Grants   | <u>371,780</u>    |
| Total  | 87,896,279        |
| Source of funds                                      |                   |
| Transportation fund                                  | 85,018,492        |
| Federal funds  | 2,777,787         |
| Interdepartmental transfers                          | <u>100,000</u>    |
| Total  | 87,896,279        |
| Sec. B.906 Transportation - policy and planning      |                   |
| Personal services                                    | 4,258,996         |
| Operating expenses                                   | 923,797           |
| Grants   | <u>5,903,691</u>  |
| Total  | 11,086,484        |
| Source of funds                                      |                   |
| Transportation fund                                  | 2,822,771         |
| Federal funds  | 8,171,508         |
| Interdepartmental transfers                          | <u>92,205</u>     |
| Total  | 11,086,484        |
| Sec. B.907 Transportation - rail                     |                   |
| Personal services                                    | 5,511,324         |
| Operating expenses                                   | <u>24,087,727</u> |
| Total  | 29,599,051        |

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|   |                   |
|---|-------------------|
| Source of funds   |                   |
| Transportation fund   | 18,675,520        |
| TIB fund  | 760,000           |
| Federal funds   | <u>10,163,531</u> |
| Total   | 29,599,051        |
| Sec. B.908 Transportation - public transit                                  |                   |
| Personal services   | 1,226,680         |
| Operating expenses  | 244,440           |
| Grants  | <u>27,549,109</u> |
| Total   | 29,020,229        |
| Source of funds   |                   |
| Transportation fund   | 7,795,281         |
| Federal funds   | <u>21,224,948</u> |
| Total   | 29,020,229        |
| Sec. B.909 Transportation - central garage                                  |                   |
| Personal services   | 4,283,427         |
| Operating expenses  | <u>16,401,097</u> |
| Total   | 20,684,524        |
| Source of funds   |                   |
| Internal service funds  | <u>20,684,524</u> |
| Total   | 20,684,524        |
| Sec. B.910 Department of motor vehicles                                     |                   |
| Personal services   | 19,894,921        |
| Operating expenses  | <u>11,465,811</u> |
| Total   | 31,360,732        |
| Source of funds   |                   |
| Transportation fund   | 29,760,414        |
| Federal funds   | 1,458,768         |
| Interdepartmental transfers   | <u>141,550</u>    |
| Total   | 31,360,732        |
| Sec. B.911 Transportation - town highway structures                         |                   |
| Grants  | <u>6,333,500</u>  |
| Total   | 6,333,500         |
| Source of funds   |                   |
| Transportation fund   | <u>6,333,500</u>  |
| Total   | 6,333,500         |
| Sec. B.912 Transportation - town highway local technical assistance program |                   |
| Personal services   | 363,490           |



|  |                   |
|--|-------------------|
| Operating expenses   | <u>40,224</u>     |
| Total  | 403,714           |
| Source of funds  |                   |
| Transportation fund  | 103,714           |
| Federal funds  | <u>300,000</u>    |
| Total  | 403,714           |
| Sec. B.913 Transportation - town highway class 2 roadway                     |                   |
| Grants   | <u>7,648,750</u>  |
| Total  | 7,648,750         |
| Source of funds  |                   |
| Transportation fund  | <u>7,648,750</u>  |
| Total  | 7,648,750         |
| Sec. B.914 Transportation - town highway bridges                             |                   |
| Personal services  | 3,181,488         |
| Operating expenses   | 8,683,506         |
| Grants   | <u>1,460,000</u>  |
| Total  | 13,324,994        |
| Source of funds  |                   |
| Transportation fund  | 1,490,612         |
| TIB fund   | 547,631           |
| Federal funds  | 10,594,419        |
| Local match  | <u>692,332</u>    |
| Total  | 13,324,994        |
| Sec. B.915 Transportation - town highway aid program                         |                   |
| Grants   | <u>25,982,744</u> |
| Total  | 25,982,744        |
| Source of funds  |                   |
| Transportation fund  | <u>25,982,744</u> |
| Total  | 25,982,744        |
| Sec. B.916 Transportation - town highway class 1 supplemental grants         |                   |
| Grants   | <u>128,750</u>    |
| Total  | 128,750           |
| Source of funds  |                   |
| Transportation fund  | <u>128,750</u>    |
| Total  | 128,750           |
| Sec. B.917 Transportation - town highway: state aid for nonfederal disasters |                   |
| Grants   | <u>1,150,000</u>  |
| Total  | 1,150,000         |

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|   |                  |
|---|------------------|
| Source of funds   |                  |
| Transportation fund   | <u>1,150,000</u> |
| Total   | 1,150,000        |
| Sec. B.918 Transportation - town highway: state aid for federal disasters |                  |
| Grants  | <u>180,000</u>   |
| Total   | 180,000          |
| Source of funds   |                  |
| Transportation fund   | 20,000           |
| Federal funds   | <u>160,000</u>   |
| Total   | 180,000          |
| Sec. B.919 Transportation - municipal mitigation assistance program       |                  |
| Operating expenses  | 200,000          |
| Grants  | <u>8,882,342</u> |
| Total   | 9,082,342        |
| Source of funds   |                  |
| Transportation fund   | 1,240,000        |
| Special funds   | 2,400,000        |
| Federal funds   | <u>5,442,342</u> |
| Total   | 9,082,342        |
| Sec. B.920 Transportation - public assistance grant program               |                  |
| Operating expenses  | 640,000          |
| Grants  | <u>4,419,457</u> |
| Total   | 5,059,457        |
| Source of funds   |                  |
| Transportation fund   | 160,000          |
| Special funds   | 1,419,457        |
| Federal funds   | 3,000,000        |
| Interdepartmental transfers   | <u>480,000</u>   |
| Total   | 5,059,457        |
| Sec. B.921 Transportation board   |                  |
| Personal services   | 235,619          |
| Operating expenses  | <u>35,924</u>    |
| Total   | 271,543          |
| Source of funds   |                  |
| Transportation fund   | <u>271,543</u>   |
| Total   | 271,543          |
| Sec. B.922 Total transportation   |                  |
| Source of funds   |                  |

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|                             |                  |
|-----------------------------|------------------|
| Transportation fund         | 251,072,742      |
| TIB fund                    | 13,202,337       |
| Special funds               | 3,819,457        |
| Federal funds               | 318,917,135      |
| Internal service funds      | 20,684,524       |
| Interdepartmental transfers | 1,053,100        |
| Local match                 | <u>2,131,800</u> |
| Total                       | 610,881,095      |

Sec. B.1000 Debt service

|                       |                   |
|-----------------------|-------------------|
| Operating expenses    | 78,097,467        |
| Total                 | <u>78,097,467</u> |
| Source of funds       |                   |
| General fund          | 72,860,749        |
| Transportation fund   | 1,629,544         |
| ARRA funds            | 1,102,486         |
| TIB debt service fund | <u>2,504,688</u>  |
| Total                 | 78,097,467        |

Sec. B.1001 Total debt service

|                       |                  |
|-----------------------|------------------|
| Source of funds       |                  |
| General fund          | 72,860,749       |
| Transportation fund   | 1,629,544        |
| ARRA funds            | 1,102,486        |
| TIB debt service fund | <u>2,504,688</u> |
| Total                 | 78,097,467       |

Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2019, \$3,055,900 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 \$1,605,400 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of \$1,045,400 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 Strong Internship Program pursuant to 10 V.S.A. § 544.

(B) Adult Career Technical Education Programs. The amount of

\$360,000 is appropriated to the Department of Labor in consultation with the State Workforce Development Board. This appropriation is for the purpose of awarding competitive grants to regional technical centers and high schools to provide adult career 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 \$30,000 as follows:

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

(3) Scholarships and grants. The amount of \$1,420,500 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, with equal emphasis on 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 \$740,000 is appropriated to the Agency of Education for dual enrollment programs and \$36,000 is appropriated to the Agency of Education to be transferred to the Vermont Student Assistance Corporation for need-based stipends pursuant to Sec. E.605.1 of this act.

Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR  
FISCAL YEAR 2020 NEXT GENERATION INITIATIVE  
FUND DISTRIBUTION

(a) The Department of Labor, in coordination with the Agencies of Commerce and Community Development, of Human Services, and of Education, and in consultation with the State Workforce Development Board, shall recommend to the Governor on or before December 1, 2018 how \$3,055,900 from the Next Generation Initiative Fund should be allocated or appropriated in fiscal year 2020 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.

Sec. B.1101 FISCAL YEAR 2019 ONE-TIME APPROPRIATION FROM  
THE ALBERT C. LORD PERMANENT TRUST FUND

(a) The sum of \$86,267 is appropriated from the Albert C. Lord Permanent Trust Fund to the Department of Forests, Parks and Recreation – state parks, for conservation education activities, consistent with the intended purpose of the Fund. These funds will be used to pay the cost of one conservation education position and the cost of publishing conservation education outreach materials.

Sec. B.1102 ONE-TIME CLEAN ENERGY DEVELOPMENT FUND  
APPROPRIATION

(a) In fiscal year 2019, \$200,000 is appropriated from the Clean Energy Development Fund created in 30 V.S.A. § 8015 to the Department of Environmental Conservation to increase the amount available for woodstove change outs to improve air quality and reduce air emissions related to woodstoves.

Sec. C.100 2017 Acts and Resolves No. 85, Sec. E.605 is amended to read:

Sec. E.605 Vermont student assistance corporation

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

\* \* \*

Sec. C.101 REPEAL

(a) 2017 Acts and Resolves No. 85, Sec. E.301.1 (General Fund reversion) is repealed.

Sec. C.102 FISCAL YEAR 2018 MEDICAID AUTHORIZED PAYMENT  
AND CARRY FORWARD REQUIREMENT

(a) In fiscal year 2018, to the extent funds are available within the funds

appropriated in 2017 Acts and Resolves No. 85, Sec. B.301 as amended by 2018 Acts and Resolves No. 87, Sec. 8, as determined by the Secretary of Human Services in consultation with the Commissioner of Finance and Management and the Legislative Chief Fiscal Officer, the Agency of Human Services:

(1) Shall carry forward to fiscal year 2019 a total of \$1,500,000 in General Funds for fiscal year 2019 obligations. The Commissioner of Finance and Management is authorized to adjust fiscal year 2018 Federal Fund and Global Commitment Fund appropriations in the Agency of Human Services and Department of Vermont Health Access to comport with this provision.

(A) The Commissioner of Finance and Management and the Secretary of Human Services shall ensure that the budget proposal submitted for Global Commitment as part of the requirement of 32 V.S.A. § 306 does not rely upon anticipated carry forward General Funds, and appropriates general funds in fiscal year 2020 to the Secretary of Human Services in an amount sufficient to fund the most current official Medicaid forecast adopted for fiscal year 2020 under 32 V.S.A. § 305a(c) adjusted for any recommended changes to policy or operations that impact the official forecast.

(2) Is authorized to spend \$4,500,000 in General Funds to fund a negotiated agreement to settle financial reconciliation of the 2016 year of the Vermont Health Connect operations.

(3) Shall carry forward to fiscal year 2019 a total of \$1,100,000 in General Funds for premium processing by Vermont Health Connect during fiscal year 2019. It is anticipated that premium processing functions will be performed by insurance carriers in the 2020 health insurance year. The Commissioner of Finance and Management is authorized to adjust fiscal year 2018 Federal Fund and Global Commitment Fund appropriations in the Agency of Human Services and Department of Vermont Health Access to comport with this requirement.

Sec. C.103 FISCAL YEAR 2017 ONE-TIME APPROPRIATION CARRY FORWARD

(a) In fiscal year 2018, the sum of \$1,300,000 remaining of the amount appropriated to the Secretary of Administration in 2017 Acts and Resolves No. 85, Sec. C.100(a), shall be carried forward into fiscal year 2019 for distribution to the Department for Children and Families to provide funding for changes in employee classification that were previously approved in accordance with the collective bargaining agreement.

Sec. C.104 [DELETED]

Sec. C.105 FISCAL YEAR 2018 ONE-TIME TRANSFERS FROM THE

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TOBACCO LITIGATION SETTLEMENT FUND

(a) Transfers: Notwithstanding 32 V.S.A. § 435a(a) the following transfers shall be made from the Tobacco Litigation Settlement Fund:

(1) \$13,500,000 is transferred to the General Fund;

(2) \$750,000 is transferred to the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283 for the purpose of conducting an evaluation of cleanup alternatives and, if required, a corrective action plan for PFOA and PFOS releases in the Town of Bennington; and

(3) \$1,000,000 is transferred to the Complex Litigation Special Fund established in 3 V.S.A. § 167a.

Sec. C.105.1 FISCAL YEAR 2018 ONE-TIME APPROPRIATIONS FROM  
THE TOBACCO LITIGATION SETTLEMENT FUND

(a) Appropriations: Notwithstanding 32 V.S.A. § 435a(a), the following appropriations shall be made from the Tobacco Litigation Settlement Fund:

(1) \$1,000,000 to the Department of Buildings and General Services to be used in combination with capital funds appropriated in fiscal year 2019 for renovation and fit-up at the Brattleboro Retreat to provide a minimum of 12 beds, including level-1 beds, to the State for a period determined by the Secretary of Human Services to be in the best interest of the State. The Department of Buildings and General Services shall not expend any funds from this appropriation until the Commissioner of Buildings and General Services and the Secretary of Human Services have notified the Commissioner of Finance and Management and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions that an agreement has been executed between the Brattleboro Retreat and the State.

(2) \$500,000 to the University of Vermont.

(3) \$500,000 to the Vermont State Treasurer to offset costs of interest and principal at the Treasurer's discretion for longer-term State building efficiency investment funding. The Treasurer and the Commissioner of Buildings and General Services shall report to the House and Senate Committees on Appropriations, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions on the use of these funds.

(4) \$1,000,000 to the Agency of Human Services. The use of these funds shall be pursuant to the plan specified by the Tobacco Evaluation and Review Board.

(5) \$200,000 to the Department of Health to conduct two blood draw

clinics in Bennington in calendar year 2018 for current and prior members of the community who may have had long-term exposure to PFOA and PFOS releases in the greater Bennington area.

(6) \$350,000 to the Department of Corrections to design reentry programming that will result in stronger support and reintegration into the community for inmates and lower recidivism.

(7) \$400,000 to the Department of Corrections for Medication-Assisted Treatment as specified in S.166 of 2018.

(8) \$300,000 to the Department of Forests, Parks and Recreation to be granted to the Vermont Youth Conservation Corps in even increments of \$100,000 in fiscal years 2018, 2019, and 2020.

(9) \$100,000 to the Department for Children and Families' Child Development Division to analyze how Vermont's families make early care and education arrangements for their children. These funds shall be used to contract with an independent organization to survey families in Vermont with children under six years of age about their child care arrangements and preferences and what factors may constrain parental choices. The Department shall provide a copy of the survey instrument to the House and Senate Committees on Appropriations, the House Committee on Human Services and the Senate Committee on Health and Welfare prior to finalizing the instrument for survey implementation. The Department shall provide a report on the results of the survey to the General Assembly on January 15, 2019.

(10) \$200,000 to the Department for Children and Families to prepare for the expansion of services to juvenile offenders 18 and 19 years of age pursuant to 33 V.S.A. chapters 52 and 52A as amended in S.234 of 2018 beginning in fiscal year 2021, with any unexpended funds to carry forward.

(11) \$100,000 to the Office of Economic Opportunity in the Department for Children and Families for pass-through grants to the Community Action Agencies to provide funding for the regional Microbusiness Development Programs pursuant to 3 V.S.A. § 3722.

(12) \$100,000 to the Agency of Education for fiscal year 2019 for administration in accordance with the Prekindergarten study required by Sec. E.500.7 of this act.

(13) \$150,000 to the Joint Fiscal Office for the study of Corrections Health Care as specified in Sec. E.127 of this act.

#### Sec. C.106 CHINS CASES SYSTEM-WIDE REFORM

(a) The sum of \$7,000,000 is appropriated from the Tobacco Litigation Settlement Fund to the Judiciary in fiscal year 2018 and shall carry forward for



the uses and based on the allocations set forth in subsections (b) and (c) of this section. The purpose of the funds is to make strategic investments to transform the adjudication of CHINS cases in Vermont.

(b) The sum appropriated from the Tobacco Litigation Settlement Fund in subsection (a) of this section shall be allocated as follows:

(1) \$1,250,000 for fiscal year 2019, which shall not be distributed until the group defined in subsection (c) of this section provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) \$2,500,000 for fiscal year 2020, for which the group shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) \$2,500,000 for fiscal year 2021, for which the group shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both; and

(4) \$750,000 in fiscal year 2022 or after as needed.

(c) During the 2018 legislative interim, the Chief Superior Judge, the Executive Director of State's Attorneys and Sheriffs, the Defender General, and the Commissioner for Children and Families, shall review and propose changes to the system by which CHINS cases are processed and adjudicated. In undertaking this review the group shall evaluate successful models used in other countries, states, or cities. The proposal shall incorporate innovative approaches to holistic reform and strategies to reduce the need for court intervention, and may include the use of regional and mobile models, judicial masters, mediation, dedicated resources, and other alternative dispute resolution options to the CHINS process. The proposal for reform shall:

(1) support and improve child safety;

(2) provide early screening for substance abuse, mental health, and trauma of children and parents;

(3) provide early access to services designed to address screening outcomes;

(4) improve timeliness of adjudication, including timeliness to permanency for children, whether permanency is reunification with parents or termination of parental rights;

(5) ensure due process;

(6) serve the best interests of the affected children;

(7) relieve systemic resource and budget pressures; and

(8) lead to lasting changes.

(d) The Chief Superior Judge, the Executive Director of State's Attorneys and Sheriffs, the Defender General, and the Commissioner for Children and Families shall report on the proposal developed pursuant to subsection (c) of this section, and shall include a recommendation on how to allocate the \$1,250,000 allocated for fiscal year 2019 to reflect the vision for reforming the CHINS docket that achieves the outcomes set forth in subsection (c) of this section:

(1) on or before December 1, 2018 shall report to a combined meeting of the Joint Legislative Justice Oversight Committee and Joint Legislative Child Protection Committee; and

(2) shall report to the House and Senate Committees on Appropriations, the House and Senate Committees on Judiciary, the House Committee on Human Services, and the Senate Committee on Health and Welfare on or before January 15, 2019 as a part of the Judiciary's recommendations for the fiscal year 2020 budget.

Sec. C.106.1 EXPANDING THE VERMONT WORKFORCE FOR  
SUBSTANCE USE DISORDER TREATMENT AND  
MENTAL HEALTH PROFESSIONALS

(a) The sum of \$5,000,000 is appropriated from the Tobacco Litigation Settlement Fund to the Agency of Human Services in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in subsections (b) and (c) of this section. The purpose of the funds is to make strategic investments in order to expand the supply of high-quality substance use disorder treatment and mental health professionals available to Vermont residents in need of their services.

(b) The sum appropriated to the Agency of Human Services in subsection (a) of this section shall be allocated to the Agency as follows:

(1) \$1,500,000 for fiscal year 2019, which shall not be distributed until the Agency provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) \$1,500,000 for fiscal year 2020, for which the Agency shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) \$1,500,000 for fiscal year 2021, for which the Agency shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both; and

(4) \$500,000 which may be provided in fiscal year 2022 or after as

needed to ensure successful and sustainable implementation of the workforce expansion initiatives developed pursuant to this section.

(c)(1) The Secretary of Human Services shall convene a work group composed of representatives of the University of Vermont, the Vermont State Colleges, the Area Health Education Centers (AHEC) program and others including consumers, primary care doctors to select from among all proposals for use of the funds allocated pursuant to subsection (b) of this section those most likely to build capacity in Vermont's substance use disorder treatment and mental health systems in a cost-effective and sustainable manner by cultivating, attracting, recruiting, and retaining high-quality substance use disorder treatment and mental health professionals. The Secretary of Human Services shall present the selected proposals to the General Assembly within the allocations set forth in subsection (b) of this section for approval as part of the applicable budget or budget adjustment process.

(2) Successful proposals for use of the funds allocated pursuant to subsection (b) of this section may include scholarships; loan repayment for high-quality substance use disorder treatment and mental health professionals who commit to practicing in Vermont; hiring bonuses or loan repayment, or both, for faculty and staff at institutions of higher education in Vermont to teach prospective substance use disorder treatment and mental health professionals; strategic bonuses for high-quality substance use disorder treatment and mental health professionals in Vermont's existing workforce; and appropriate continuing education and training for substance use disorder treatment and mental health professionals in Vermont's existing workforce. Loan repayment funds shall be distributed using the AHEC system as appropriate.

#### Sec. C.106.2 SUBSTANCE USE DISORDER RESPONSE INITIATIVES

(a) The sum of \$2,500,000 is appropriated from the Tobacco Litigation Settlement Fund to the Agency of Human Services in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in this section. These funds shall be used to finance time-limited or self-sustaining substance use disorder initiatives including initiatives relating to prevention, intervention, harm reduction, treatment, and recovery.

(b) The sum appropriated to the Agency of Human Services in subsection (a) of this section shall be allocated to the Agency as follows:

(1) \$1,000,000 for fiscal year 2019, which shall not be distributed until the Agency provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) \$750,000 for fiscal year 2020, for which the Agency shall provide

proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) \$750,000 for fiscal year 2021, for which the Agency shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both.

(c) The Secretary of Human Services shall present a plan to fund fiscal year initiatives relating to prevention, intervention, harm reduction, treatment, and recovery for approval at the Joint Fiscal Committee July 2018 meeting.

Sec. C.106.3 [DELETED]

Sec. C.106.4 [DELETED]

Sec. C.106.5 [DELETED]

Sec. C.107 [DELETED]

Sec. C.108 REPEALS

(a) 2018 Acts and Resolves No. 87, Sec. 37 (Temporary General Fund Reserve) is repealed.

(b) 2018 Acts and Resolves No. 87, Sec. 43 (Use of General Fund Balance Reserve) is repealed.

Sec. C.109 FISCAL YEAR 2018 FEDERAL FUNDS CONTINGENT  
APPROPRIATION

(a) In the event a federal infrastructure bill providing additional federal funding to Vermont for transportation-related projects is enacted and takes effect in fiscal year 2018 or fiscal year 2019, such federal funds are appropriated to the Agency of Transportation in fiscal year 2018 or fiscal year 2019 as provided and under the conditions prescribed in Sec. 2 of H.917 of 2018.

Sec. C.110 IMPLEMENTATION OF PRELIMINARY  
RECOMMENDATIONS OF THE VERMONT CLIMATE  
ACTION COMMISSION

(a) On December 29, 2017, the Vermont Climate Action Commission (Commission) created by the Governor through Executive Order No. 12-17 made five preliminary recommendations to advance Vermont's ability to achieve the Comprehensive Energy Plan's goals for 2050 to reduce greenhouse gas (GHG) emissions and increase renewable energy. Those recommendations are implemented by the provisions of this section and those other sections and bills described in this section.

(b) Recommendations of the Commission and actions taken on them

include:

(1) Support advanced wood heat: In Sec. B.1102 of this act \$200,000 shall be dedicated for additional woodstove change outs to improve air quality and reduce air emissions related to woodstoves, funded on a one-time basis;

(2) Increase the pace of weatherization: Two specific actions include:

(A) In H.907 of 2018, the State Treasurer is authorized in fiscal years 2019 and 2020 to invest up to \$5,000,000 of funds from the credit facility established in 10 V.S.A. § 10 for an accelerated weatherization and housing improvement program. The funds shall be used to support efforts for households and multi-family rental homes as specified in H.907 of 2018.

(B) The Department of Buildings and General Services shall work with the Treasurer to maximize use of the credit facility for local investments established in 10 V.S.A. § 10, to fund energy efficiency projects for State buildings. The amount of \$500,000 is appropriated in Sec. C.105.1(a)(3) of this act to the Treasurer to offset costs of interest and principal at the Treasurer's discretion for longer-term State building efficiency investment funding.

(3) Study regulatory and market decarbonization mechanisms: The Joint Fiscal Committee shall contract for independent professional assistance to analyze the costs and benefits for Vermont of adopting and implementing policies to reduce GHG emissions caused by Vermont's consumption of fossil fuels. There is \$120,000 appropriated in Sec. C.1000(a)(1) of this act to the Joint Fiscal Committee for this study.

(A) The analysis shall include the comparative ability or potential of the policies to achieve reductions in GHG emissions; to spur economic development in the State; to encourage innovation in the State; to cause shifts in employment, including job creation, job loss, and sectors affected; and to affect the cost of living in Vermont.

(B) The Joint Fiscal Office and the contractor shall consult with the Climate Commission and the Chairs of the House Committees on Energy and Technology and on Natural Resources, Wildlife, and Water Resources and the Senate Committee on Natural Resources and Energy. On or before January 15, 2019, the Joint Fiscal Office shall submit the analysis to those same standing committees, with a copy to the Climate Commission.

(4) Foster the climate economy: The recommendations in subdivisions (1), (2), (3), and (5) of this subsection should result in added economic activity to foster a climate economy.

(5) Electrify the transportation system: The direction concerning the

use of Environmental Mitigation Trust monies resulting from the Volkswagen litigation set forth in Sec. E.700 of this act is designed to increase electrification of transportation.

Sec. C.111 2017 Acts and Resolves No. 85, Sec. B.502 is amended to read:

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

|                 |                    |                    |
|-----------------|--------------------|--------------------|
| Grants          | <u>180,749,796</u> | <u>188,749,796</u> |
| Total           | <u>180,749,796</u> | <u>188,749,796</u> |
| Source of funds |                    |                    |
| Education fund  | <u>180,749,796</u> | <u>188,749,796</u> |
| Total           | <u>180,749,796</u> | <u>188,749,796</u> |

Sec. C.112 2017 Acts and Resolves No. 85, Sec. B.503 is amended to read:

Sec. B.503 Education – state placed students

|                 |                   |                   |
|-----------------|-------------------|-------------------|
| Grants          | <u>16,700,000</u> | <u>14,700,000</u> |
| Total           | <u>16,700,000</u> | <u>14,700,000</u> |
| Source of funds |                   |                   |
| Education fund  | <u>16,700,000</u> | <u>14,700,000</u> |
| Total           | <u>16,700,000</u> | <u>14,700,000</u> |

Sec. C.113 2017 Acts and Resolves No. 85, Sec. B.504.1 as amended by 2018 Acts and Resolves No. 87, Sec. 32 is further amended to read:

Sec. B.504.1 Education - Flexible Pathways

|                 |                  |                  |
|-----------------|------------------|------------------|
| Grants          | <u>7,850,000</u> | <u>7,100,000</u> |
| Total           | <u>7,850,000</u> | <u>7,100,000</u> |
| Source of funds |                  |                  |
| Education fund  | <u>7,850,000</u> | <u>7,100,000</u> |
| Total           | <u>7,850,000</u> | <u>7,100,000</u> |

Sec. C.114 2017 Acts and Resolves No. 85, Sec. B.516 as amended by 2018 Acts and Resolves No. 87, Sec. 33 is further amended to read:

Sec. B.516 Total general education

|                             |                      |                      |
|-----------------------------|----------------------|----------------------|
| Source of funds             |                      |                      |
| General fund                | 427,964,287          | 427,964,287          |
| Special funds               | 22,238,547           | 22,238,547           |
| Tobacco fund                | 750,388              | 750,388              |
| Education fund              | <u>1,615,538,843</u> | <u>1,620,788,843</u> |
| Federal funds               | 136,958,720          | 136,958,720          |
| Global Commitment fund      | 260,000              | 260,000              |
| Interdepartmental transfers | 4,608,110            | 4,608,110            |
| Pension trust funds         | <u>7,687,431</u>     | <u>7,687,431</u>     |

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|       |                      |               |
|-------|----------------------|---------------|
| Total | <u>2,216,006,326</u> | 2,221,256,326 |
|-------|----------------------|---------------|

Sec. C.115 2017 Acts and Resolves No. 85, Sec. B.514 is amended to read:

Sec. B.514 State teachers' retirement system

|                 |                   |                   |
|-----------------|-------------------|-------------------|
| Grants          | <u>83,809,437</u> | <u>84,109,437</u> |
| Total           | <u>83,809,437</u> | <u>84,109,437</u> |
| Source of funds |                   |                   |
| General fund    | <u>75,912,816</u> | <u>76,212,816</u> |
| Education fund  | <u>7,896,621</u>  | <u>7,896,621</u>  |
| Total           | <u>83,809,437</u> | <u>84,109,437</u> |

Sec. C.116 2017 Acts and Resolves No. 85, Sec. B.515 is amended to read:

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

|                 |                   |                   |
|-----------------|-------------------|-------------------|
| Grants          | <u>27,560,966</u> | <u>27,260,966</u> |
| Total           | <u>27,560,966</u> | <u>27,260,966</u> |
| Source of funds |                   |                   |
| General fund    | <u>27,560,966</u> | <u>27,260,966</u> |
| Education fund  | 0                 |                   |
| Total           | <u>27,560,966</u> | <u>27,260,966</u> |

Sec. C.117 2017 Acts and Resolves No. 85, Sec. E.514 is amended to read:

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 \$88,409,437 of which ~~\$83,809,437~~ \$84,109,437 shall be the State's contribution and ~~\$4,600,000~~ \$4,300,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

\* \* \*

Sec. C.118 2017 Acts and Resolves No. 85, Sec. E.515 is amended to read:

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

(a) In accordance with 16 V.S.A. § 1944b(b)(2), ~~\$27,560,966~~ \$27,260,966 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

Sec. C.119 2017 Acts and Resolves No. 85, Sec. D.101 as amended by 2018 Acts and Resolves No. 87, Sec. 36 is further amended to read:

Sec. D.101 FISCAL YEAR 2018 FUND TRANSFERS, REVERSIONS,  
AND RESERVES

\* \* \*

(c) Notwithstanding any provisions of law to the contrary, in fiscal

year 2018:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

|                       |                                |                       |
|-----------------------|--------------------------------|-----------------------|
| 1210001000            | Legislative Council            | 150,000.00            |
| <del>1210002000</del> | <del>Legislature</del>         | <del>385,000.00</del> |
| 1230001000            | Sergeant at Arms               | 19,000.00             |
| 7120890704            | International Trade Commission | 7,711.88              |
| 1110003000            | Budget & Management            | 27,921.28             |
| 1100010000            | Secretary of Administration    | 100,000.00            |
| 1140070000            | Use Tax Reimbursement Program  | 404.00                |
| 1240001000            | Lieutenant Governor            | 21,424.41             |
| 1250010000            | Auditor of Accounts            | 53,389.23             |
| 2100002000            | Court Diversion                | 24,744.91             |
| 2160010000            | Victims Compensation           | 489.05                |
| 2280001000            | Human Rights Commission        | 10,000.00             |
| 3310000000            | Commission on Women            | 3,040.00              |
| 5100070000            | Education – Education Services | 128.66                |
| 5100060000            | Adult Basic Education          | 1,065.35              |
| 7100000000            | Administration Division        | 3,000.00              |

\* \* \*

Sec. C.1000 FISCAL YEAR 2018 GENERAL FUND ONE-TIME  
APPROPRIATIONS, TRANSFERS, AND REVERSIONS

(a) Appropriations: The following appropriations are made from the General Fund in fiscal year 2018:

(1) To the Joint Fiscal Committee for the decarbonization mechanisms study as prescribed in Sec. C.110(b)(3) of this act. \$120,000

(2) To the Legislature for a legislative staff workforce comparative evaluation specified in Sec. E.126 of this act. \$40,000

(3) To the Agency of Agriculture, Food and Markets to be carried forward and used to increase grants awarded in the Vermont Working Lands Enterprise program in fiscal year 2019. \$106,000

(4) To the Vermont State Colleges for the final State contribution for



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costs of the unification of Johnson and Lyndon State colleges into Northern Vermont University. \$350,000

(5) To the Department of State's Attorneys and Sheriffs to be carried forward and used for transport per diem funding in fiscal year 2019 for Vermont Sheriffs. \$105,776

(6) To the Joint Fiscal Office for the Vermont Tax Structure Commission established in Sec. H.17 of this act. \$500,000

(7) To the Agency of Education in fiscal year 2018 to be carried forward for fiscal year 2019 under 16 V.S.A. § 2969(c) for the Agency to administer the grant program in accordance with Sec. E.500.6 of this act. \$250,000

(8) To the Secretary of State for costs associated with administering primary and general election efforts. \$400,000

(9) To the State's Attorneys for the purchase of a case management system. \$200,000

(10) To the Agency of Agriculture, Food and Markets to be carried forward for Farm to School initiatives in fiscal year 2019. \$50,000

(11) To the Vermont Economic Development Authority (VEDA) to be used by VEDA's agricultural subsidiary the Vermont Agricultural Credit Corporation (VACC) established under 10 V.S.A. § 374a. These funds are for a loss reserve in the 2018 Farm Operating Program which provides Vermont cow dairy farmers with loans to spring operating and related needs including refinancing debt. VEDA shall report to the Emergency Board at its July 2018 meeting on final program design and the use of these funds. \$250,000

(12) To the Agency of Agriculture, Food and Markets to partially offset costs of participation in the Federal Margin Protection Program (MPP) for dairy producers during the 2018 calendar year. Specifically these funds shall be used to provide reimbursement grants to partially offset the premiums for participation in Tier 1 of the MPP program. The Agency of Agriculture, Food and Markets shall request that the Farm Services Agency provide participation information for dairy producers in the margin protection program and other information to assist the Agency to administer the grant program. Dairy producers shall receive a single payment of approximately \$600, not to exceed the premium paid for calendar year 2018, by separate check from the State of Vermont. The Agency shall calculate a single farm payment amount based on the funds appropriated and the actual participation in this program and shall report to the Joint Fiscal Committee on or before November 10, 2019 on the amount of the calculated payment. \$450,000

(13) To the Agency of Agriculture, Food and Markets to be carried forward for a grant to the Vermont Housing and Conservation Board for federal rural development grant writing assistance in fiscal year 2019.

\$75,000

(14) To the Agency of Human Services in fiscal year 2018 for any remaining amount of the Medicaid financial requirements specified in Sec. C.102 of this act that are not available within the funds appropriated in 2017 Acts and Resolves No. 85, Sec. B.301 as amended by 2018 Acts and Resolves No. 87, Sec. 8. The Agency shall expend funds available in this appropriation after meeting the requirements specified in Sec. C.102 of this act to the extent available to maintain critical healthcare services that have lost federal funding and to support substance use disorder activities including needle exchange programs, active case management of opioid addicted persons and the distribution of naloxone. The Agency shall report to the Joint Fiscal Committee at its July and September 2018 meetings on the funds allocated for the purposes allowed by this subdivision.

\$7,100,000

(15) To the Agency of Commerce and Community Development to fund expenses including the refund of subscriptions related to Vermont Life Magazine.

\$350,000

(b) Transfers:

(1) The amount of \$1,790,000 in General Funds shall be transferred and reserved in the 27/53 Reserve in fiscal year 2018. This action is the fiscal year 2019 contribution to the 27th payroll reserve as required by 32 V.S.A. § 308e.

(2) The amount of \$453,292 in General Funds shall be transferred to the Clean Energy Development Fund as a result of final accounting reconciliation for the cost of solar energy tax credits.

(3) The amount of \$9,800,000 in General Funds shall be transferred to the Education Fund to bring the Education Fund reserve to its statutory maximum of five percent at the close of fiscal year 2018 and the close of fiscal year 2019.

(4) The amount of \$3,536,000 in General Funds is transferred to the Vermont Life Magazine Enterprise Fund to address accumulated operational deficits.

(5) The amount of \$20,400,000 in General Funds is transferred from the General Fund to the Education Fund and carried forward to fiscal year 2019.

(6) The amount of \$14,100,000 in General Funds is transferred to the Vermont Teachers' Retirement Fund established pursuant to 16 V.S.A. § 1944.

(c) Reversion: In fiscal year 2018, \$120,000 of the appropriation made in

2017 Acts and Resolves No. 85, Sec. C.100(c), shall revert to the General Fund.

(d) Fund Balance Carried Forward:

(1) \$500,000 shall be reserved in the General Fund to carry forward to be available in fiscal year 2019 to obviate any transfer of funds from the Clean Energy Development Fund to the General Fund in fiscal year 2019.

(e) Contingent Reserves: In fiscal year 2018, to the extent any remaining unreserved and undesignated end-of-fiscal-year General Fund surplus remains after satisfying the requirements of 32 V.S.A. § 308 and prior to the provisions of 2017 Acts and Resolves No. 85, Sec. C.120 as amended by this act:

(1) \$12,000,000 shall be reserved in the General Fund and shall be carried forward to be available in fiscal year 2019 to offset any one-time personal income tax or corporate tax refund liabilities.

(2) Any remaining unreserved and undesignated end-of-fiscal-year General Fund surplus is transferred to the Vermont Teachers' Retirement Fund established pursuant to 16 V.S.A. § 1944.

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 Current Use 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 Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$9,804,840 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 \$9,804,840 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond (10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to the Vermont Housing and Conservation Board (VHCB) and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2019 appropriation of \$9,804,840 to VHCB reflects

the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(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 Digital Services for the Vermont Center for Geographic Information established in 10 V.S.A. § 122.

#### 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: \$3,055,900.

(2) 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: \$1,670,000.

(3) 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.

(4) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund established by 32 V.S.A. § 951a for funding fiscal year 2020 transportation infrastructure bonds debt service: \$2,497,663.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2019:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

|              |   |                     |
|--------------|---|---------------------|
| <u>22005</u> | <u>AHS Central Office earned federal receipts</u> | <u>8,193,326.00</u> |
|--------------|---|---------------------|

|              |                                    |                     |
|--------------|------------------------------------|---------------------|
| <u>50300</u> | <u>Liquor Control Fund</u>         | <u>1,805,000.00</u> |
|              | <u>Caledonia Fair</u>              | <u>5,000.00</u>     |
|              | <u>North Country Hospital Loan</u> | <u>24,250.00</u>    |

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund in fiscal year 2019. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

|              |   |                     |
|--------------|---|---------------------|
| <u>21638</u> | <u>AG-Fees &amp; Reimbursements-Court Order</u> | <u>2,000,000.00</u> |
| <u>21928</u> | <u>Secretary of State Services Fund</u>         | <u>2,607,923.00</u> |
| <u>62100</u> | <u>Unclaimed Property Fund</u>                  | <u>3,415,143.00</u> |

(3) In fiscal year 2019, notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$30,014,057 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (Fund Number 21075), the Captive Insurance Regulatory and Supervision Fund (Fund Number 21085), and the Securities Regulatory and Supervision Fund (Fund Number 21080) shall be transferred to the General Fund.

(A) Any remaining unencumbered balances in these funds in fiscal year 2019 up to the amount of \$6,080,000 shall remain in these funds for transfer to the General Fund in fiscal year 2020 consistent with the intent of 2016 Acts and Resolves No. 172, Sec. E.228. Fiscal year 2019 unencumbered balances above this amount shall be transferred to the General Fund and reserved in the General Fund Balance Reserve (Rainy Day Fund).

(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2019:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

|                   |                                |                   |
|-------------------|--------------------------------|-------------------|
| <u>1130010000</u> | <u>Department of Libraries</u> | <u>234,209.00</u> |
| <u>1210001000</u> | <u>Legislative Council</u>     | <u>113,000.00</u> |
| <u>1210002000</u> | <u>Legislature</u>             | <u>175,000.00</u> |
| <u>1220000000</u> | <u>Joint Fiscal Office</u>     | <u>30,000.00</u>  |

(d) To the extent that the Emergency Board determines at its July 2018 meeting that the fiscal year 2019 available General Fund forecast exceeds \$1,568,200,000 as adjusted by any tax or revenue changes made through the

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2018 legislative session:

(1) Funds carried forward in accordance with the provisions of Sec. C.1000(e) of this act shall be transferred to the Vermont Teachers' Retirement Fund established pursuant to 16 V.S.A. § 1944.

**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 2018 in the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a shall remain for appropriation in fiscal year 2019.

**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 2019 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2019 is not negative shall be transferred in fiscal year 2019 from the Tobacco Trust Fund established by 18 V.S.A. § 9502(a) to the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a.

**Sec. D.104 GLOBAL COMMITMENT TRANSFER**

(a) The fund balance in the Global Commitment Fund, estimated to be up to \$79,846,983 as of June 30, 2018, shall be transferred as follows:

(1) \$1,760,000 shall be transferred to the General Fund and reserved in the 27/53 Reserve under 32 V.S.A. § 308e in order to fund the fiscal year 2019 obligation of the next year in which a 53rd week of Medicaid payments is due, scheduled to occur in fiscal year 2022.

(2) Notwithstanding 32 V.S.A. § 308b, \$64,022,729 shall be transferred to the General Fund and reserved in the Human Services Caseload Reserve and, within that Reserve, specifically reserved in the sub-account for any incurred but not reported Medicaid expenses associated with the current Medicaid Global Commitment waiver, reflecting the estimated amount of the State share of this potential obligation as of June 30, 2017.

(3) Notwithstanding 32 V.S.A. § 308b, up to \$14,064,254 shall be transferred to the General Fund and reserved in the Human Services Caseload Reserve, and within that Reserve, specifically reserved in the sub-account for Medicaid-related pressures related to caseload, utilization, and changes in federal participation in existing human services programs.

Sec. D.104.1 [DELETED]

Sec. D.105 32 V.S.A. § 308b is amended to read:

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§ 308b. HUMAN SERVICES CASELOAD RESERVE

(a) There is created within the General Fund a Human Services Caseload ~~Management~~ Reserve. Expenditures from the Reserve shall be subject to an appropriation by the General Assembly or approval by the Emergency Board. Expenditures from the Reserve shall be limited to Agency of Human Services caseload-related needs primarily in the Departments for Children and Families; of Health; of Mental Health; of Disabilities, Aging, and Independent Living; ~~and of Vermont Health Access; and settlement costs associated with managing the Global Commitment waiver.~~

(b) The Secretary of Administration may transfer to the Human Services Caseload Reserve any General Fund carry-forward directly attributable to Agency of Human Services caseload reductions and the effective management of related federal receipts, with the exclusion of the Department of Corrections.

(c) The Human Services Caseload Reserve shall contain two sub-accounts:

(1) A sub-account for incurred but not reported Medicaid expenses. Each year beginning with fiscal year 2020, the Department of Finance and Management shall adjust the amount reserved for incurred but not reported Medicaid expenses to equal the amount specified in the Comprehensive Annual Financial Report as of June 30th of the prior fiscal year for the estimated amount of incurred but not reported Medicaid expenses associated with the current Medicaid Global Commitment waiver.

(2) A sub-account for Medicaid-related pressures related to caseload, utilization, changes in federal participation in existing human services programs, and settlement costs associated with managing the Global Commitment waiver. Any decrease in the amount of required reserves in subdivision (1) of this subsection shall first be reserved in the 27/53 Reserve under section 308e of this title in order to fund the current fiscal year obligation for the next year in which a 53rd week of Medicaid payments is due, next scheduled to occur in fiscal year 2022. The remainder shall result in an offsetting increase in the account for Medicaid-related pressures, as defined in subdivision (2) of this subsection. Any increase in the amount of required reserve in subdivision (1) of this subsection shall require a corresponding transfer from the funds reserved in subdivision (2) of this subsection, to the extent there are funds available.

Sec. D.106 [DELETED]

Sec. D.107 32 V.S.A. § 308c is amended to read:

§ 308c. GENERAL FUND AND TRANSPORTATION FUND BALANCE  
RESERVES

(a) There is hereby created within the General Fund a General Fund Balance Reserve, also known as the “Rainy Day Reserve.” After satisfying the requirements of section 308 of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve. The General Fund Balance Reserve shall not exceed five percent of the appropriations from the General Fund for the prior fiscal year without legislative authorization.

~~(1) The Emergency Board shall determine annually at its July meeting the amount of available general funds that is greater than the amount of forecasted available general funds most recently adopted by the Board for the current fiscal year adjusted by any legislative action projected to increase General Fund taxes that result in additional revenue in excess of \$1,000,000.00 over the revenue raised without legislative action in the current fiscal year. An amount not to exceed 33 percent of the amount determined in subdivision (1) shall be added to the base amount used to calculate the General Fund transfer under 16 V.S.A. § 4025(a)(2) for the next fiscal year. However, the amount to be added to the base amount used to calculate the General Fund transfer shall also not exceed 33 percent of the total amount which would be reserved in this subsection if not for the requirements of subdivisions (2) and (3) of this subsection. [Repealed.]~~

~~(2) Of the funds that would otherwise be reserved in the General Fund Balance Reserve under this subsection, 25 percent of any such funds shall be transferred from the General Fund to the Education Fund. [Repealed.]~~

(3) Of the funds that would otherwise be reserved in the General Fund Balance Reserve under this subsection, 50 percent of any such funds shall be reserved as necessary and transferred from the General Fund to the Retired Teachers’ Health and Medical Benefits Fund established by 16 V.S.A. § 1944b to reduce any outstanding balance of any interfund loan authorized by the State Treasurer from the General Fund. Upon joint determination by the Commissioner of Finance and Management and the State Treasurer that there is no longer any outstanding balance, no further transfers in accordance with this subdivision shall occur.

\* \* \*

#### Sec. D.108 STATE HEALTH CARE RESOURCES FUND TRANSITION

(a) The Commissioner of Finance and Management may include in the Governor’s proposed fiscal year 2019 budget adjustment report any recommendations and draft legislation necessary to transfer revenues and expenditures as appropriate that make up the State Health Care Resources



Fund to the General Fund by the close of fiscal year 2019.

Sec. D.109 REVIEW OF THE STATUTORY RESERVE LEVELS

(a) On or before October 31, 2018, the Joint Fiscal Office and the Department of Finance and Management shall review the statutory reserve requirements for the General Fund, the Education Fund, and the State Health Care Resources Fund, and make recommendations for changes to the existing statutory requirements, taking into consideration actions taken during the 2018 legislative session.

Sec. D.110 FORECAST CONTINGENT TRANSFER FROM GENERAL FUND TO EDUCATION FUND

(a) If the total sales and use tax forecast adopted by the Emergency Board in July 2018 for fiscal year 2019 (the "adopted forecast") is less than \$403,900,000, then the Commissioner of Finance and Management shall unreserve from the General Fund Balance Reserve (the "Rainy Day Fund") and transfer to the Education Fund an amount equaling the difference between the adopted forecast and \$403,900,000; provided, however, that not more than \$3,000,000 shall be unreserved and transferred. The Commissioner of Finance and Management shall not transfer any funds if the adopted forecast is greater than \$403,900,000.

\* \* \* GENERAL GOVERNMENT \* \* \*

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent classified positions is authorized in fiscal year 2019:

(1) In the Agency of Education – one (1) Finance Administrator II and one (1) School Finance Analyst. The positions established in this subdivision 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.

(b) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2019 as follows:

(1) In the Department of Public Safety – one (1) Financial Administrator II (position #330359) and one (1) Public Assistance Administrator (position #330361).

(2) In the Green Mountain Care Board – one (1) Board Legal Technician (position #270012), one (1) Health Policy Advisor (position #270013), and one (1) Evaluation Manager (position #270017).

(3) In the Agency of Education – one (1) Education Programs

Coordinator I (position #770468).

(c) The conversion of exempt limited service positions to classified permanent status is authorized in fiscal year 2019 as follows:

(1) In the Department of Public Safety – one Public Assistance Officer (position #337013).

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No.172, Sec. E.100.2, and by 2017 Acts and Resolves No. 85, Sec. E.100.1, is further 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 Agency of Transportation, the Department for Children and Families, the Agency of Natural Resources, the Department of Buildings and General Services, the Department of Labor, the Department of Corrections, ~~and~~ the Department of Public Safety, the Department of State's Attorneys and Sheriffs, and the Vermont Veterans' Home shall not be subject to the cap on positions for the duration of the Pilot.

(A) The Department of Corrections is authorized to add only Correctional Officer I and II positions.

(B) The Department of State's Attorneys and Sheriffs is authorized to add only State's Attorney positions.

(C) The Vermont Veterans' Home is authorized to add direct care positions, including part-time positions. Prior to authorizing positions under subdivision (d)(2) of this section, the Secretary of Administration shall be provided the financial analysis from the Vermont Veterans' Home reviewed by the Commissioner of Finance and Management which demonstrates reduction in the cost of overtime expenses or other expenses equal to or greater than the projected cost of the positions for the current and successive fiscal year of operations.

\* \* \*

(7) This Pilot shall sunset on July 1, 2018 2020, unless extended or modified by the General Assembly.

(8) On or before January 15, 2018 2019, the Commissioner of Human

Resources, in coordination with the Vermont State Employees' Association (VSEA), shall provide a report by department on the total number of positions created under the authority of this section to the House and Senate Committees on Appropriations. The Commissioner report shall include in the report a recommendation on whether this program should be expanded and continue and, if so, should it be extended but remain in session law or be made permanent by codification in statute.

Sec. E.100.2 [DELETED]

Sec. E.105 Agency of digital services

(a) Of the internal service funds appropriated in Sec. B.105 of this act, up to \$600,000 is appropriated for a 24/7 cybersecurity operations center. These funds may only be spent upon approval of a budget and a spending plan by the Joint Fiscal Committee at its July 2018 meeting.

(1) The Agency shall consult with the information technology consultant to the Joint Fiscal Office in developing the budget and plan.

(2) The Joint Fiscal Office Information Technology Consultant shall present a report to the Joint Fiscal Committee to accompany the Agency's submission to provide an independent recommendation and review of the proposed budget and plan.

Sec. E.105.1 AGENCY OF DIGITAL SERVICES; REPORT ON STATE INFORMATION TECHNOLOGY EFFICIENCIES

(a) On or before January 15, 2019, the Secretary of Digital Services shall demonstrate in a report to the Senate Committees on Appropriations and on Government Operations and the House Committees on Appropriations and on Energy and Technology that the consolidation of State information technology services under the jurisdiction of the Agency has been at a minimum cost-neutral and shall specifically provide in this report the estimated dates on which the following will occur:

(1) the Agency's internal service fund negative balance will be reduced; and

(2) agency and department information technology charges paid to the Agency will be lowered.

Sec. E.111 Tax – administration/collection

(a) Of this appropriation, \$15,000 is from the Current Use Administration Special Fund established by 32 V.S.A. § 9610(c) and shall be appropriated for programming changes to the CAPTAP software used by municipalities for establishing property values and administering their grand lists.

Sec. E.111.1 2007 Acts and Resolves No. 65, Sec. 282, as amended by 2011 Acts and Resolves No. 63, Sec. C.103, as amended by 2013 Acts and Resolves No. 1, Sec. 65, as amended by 2014 Acts and Resolves No. 95, Sec. 62, as amended by 2018 Acts and Resolves No. 85, Sec. 47, is further amended to read:

Sec. 282. TAX COMPUTER SYSTEM MODERNIZATION FUND

(a) Creation of fund.

(1) There is established the Tax Computer System Modernization Special Fund to consist of:

(A) The tax receipts received as a direct result of the data warehouse project initiated by the Department of Taxes beginning in calendar year 2011; and

(B) Eighty percent of tax receipts received as a direct result of the data sharing and comparison project between the Vermont Department of Labor and the Department of Taxes relative to entity and employee filings at both departments and/or lack thereof; and

(C) The incremental tax receipts received as a direct result of the implementation of the integrated tax system beginning in calendar year 2014, including any additional data warehouse modules. The Commissioner of Finance and Management shall approve baseline tax receipts in order to measure the increment from the new integrated tax system.

(2) Balances in the Fund shall be administered by the Department of Taxes and used for the exclusive purposes of funding: A) ancillary development of information technology systems necessary for implementation and continued operation of the data warehouse project; B) payments due to the vendor under the data warehouse project contract; C) enhanced compliance costs related to the data warehouse project; D) planning for an integrated tax system solution, including present-day analysis of business case and business requirements, requests for proposals and due diligence; E) implementation of tax types and any additional data warehouse modules into the selected integrated tax system solution; F) a micro-simulation model for use by the Department of Taxes and the Joint Fiscal Office; and G) implementation of an ancillary scanning system to enhance the operation of tax types incorporated into the integrated tax system solution. All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund. Interest earned by the Fund shall be deposited into the Fund. This Fund is established in the State Treasury pursuant to 32 V.S.A. chapter 7, subchapter 5.

(b) Appropriation.

(1) There is appropriated in fiscal year 2008 from the Special Fund the sum of up to \$7,800,000 to the Department of Taxes for the purposes described in subdivision (a)(2) of this section. The Commissioner shall anticipate receipts in accordance with 32 V.S.A. § 588(4)(C).

(c) Transfer.

(1) Twenty percent of the tax receipts received pursuant to subdivision (a)(1)(A) of this section after payment to the vendor under the data warehouse contract shall be transferred to the General Fund annually for the duration of that contract. Thereafter, 20 percent of the tax receipts received pursuant to subdivision (a)(1)(A) shall be transferred to the ~~General Fund~~ which would receive the underlying tax receipts annually until the expiration of the Tax Computer System Modernization Fund.

(2) Twenty percent of the incremental tax receipts calculated pursuant to subdivision (a)(1)(C) shall be transferred to the ~~General Fund~~ which would receive the underlying tax receipts annually until the expiration of the Tax Computer Modernization Fund.

(d) Fund to terminate.

(1) This Fund shall terminate on July 1, 2024, provided that all amounts due pursuant to contract with the vendor of an integrated tax solution referenced in subdivision (a)(1)(C) of this section have been paid and any unexpended unencumbered balance in the Fund shall be transferred to the General Fund.

(e) The Commissioner of Taxes shall report to the Joint Fiscal Committee on fund receipts at or prior to the November Joint Fiscal Committee meeting each year until the Fund is terminated.

Sec. E.113 Buildings and general services – engineering

(a) The \$3,432,525 interdepartmental transfer in this appropriation shall be from the fiscal year 2019 General Bond Fund appropriation in the Capital Bill of the 2017 legislative session (2017 Acts and Resolves No. 85, Sec. 2(c)(3)).

Sec. E.114 29 V.S.A. § 169 is amended to read:

§ 169. BROCHURE DISTRIBUTION FEES

\* \* \*

(b) A special fund is established to be administered as provided under 32 V.S.A. chapter 7, subchapter 5 ~~of chapter 7 of Title 32,~~ and to be known as the ~~brochure distribution special fund~~ Brochure Distribution Special Fund for the purposes of ensuring that the fees collected under this section are utilized to fund travel destination promotion, ~~and~~ information at the ~~state's~~ State's

travel information centers, and operations and maintenance of State travel information centers. Revenues to the fund Fund shall be those fees collected for the placement and distribution of brochures of businesses in the state State travel information centers and in other locations deemed appropriate by the department Department.

\* \* \*

Sec. E.126 LEGISLATIVE BRANCH WORKFORCE COMPARATIVE  
EVALUATION

(a) The Speaker of the House and President Pro Tempore of the Senate shall contract with the National Conference of State Legislatures (NCSL) to perform a comprehensive evaluation of compensation, staffing, workload, and organization concerning the staff and offices of the Vermont General Assembly.

(b) NCSL's evaluation shall examine and provide recommendations on the following issues:

(1) Compensation.

(A) Comparison between the salaries and other compensation earned by staff of the Vermont General Assembly and the salaries and compensation earned by employees with similar responsibilities, workload, qualifications, and experience of:

(i) the Executive and Judicial Branches of Vermont State government;

(ii) other state legislatures; and

(iii) the private sector, if appropriate.

(B) Analysis of how states use salary schedules or other systems for determining the salaries of legislative employees.

(2) Staffing and workload.

(A) Analysis of the workload for each job description or category of legislative staff and each office or unit of the General Assembly as compared with employees with similar responsibility, workload, qualifications, and experience in:

(i) the Executive and Judicial Branches of Vermont State government;

(ii) other state legislatures; and

(iii) the private sector, if appropriate.

(B) The analysis of workload pursuant to subdivision (A) of this subdivision (2) shall include a comparison of:

(i) the job posting or job description relevant to each category or position;

(ii) the number of legislative members and committees that employees are responsible for or responsive to;

(iii) the range of responsibilities; and

(iv) the professional background, qualifications, subject matter expertise, or experience required by the job description or necessary to fulfill the position's responsibilities.

(3) Organization and structure.

(A) A comparison to other states of the current organization, structure, and oversight of the offices of the General Assembly, including:

(i) the strengths and weaknesses of the current organization and structure; and

(ii) alternative structures, if any, that may increase efficiency and improve the support and services provided to the members of the General Assembly.

(c) NCSL shall submit a final written report to the Speaker of the House, the President Pro Tempore of the Senate, the Joint Fiscal Committee, the Legislative Council Committee, the Joint Information Technology Oversight Committee, the House Rules Committee, the Senate Rules Committee, and the Joint Rules Committee on or before November 16, 2018.

#### Sec. E.126.1 JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE; SYSTEM-WIDE REVIEW

(a) During the 2018 legislative interim, the Joint Legislative Justice Oversight Committee shall undertake a review of Vermont's justice system, including both State and local functions. With a focus on reducing crime, improving public safety, decreasing recidivism, and increasing accountability and cost-efficiencies, the review shall include evaluating:

(1) the Vermont State Auditor's 2017 report to the General Assembly on State and local spending on public safety;

(2) the existing administrative framework and physical infrastructure for redundancies and inefficiencies;

(3) existing criminal penalties and corrections policies;

(4) the manner by which the justice system utilizes technology; and

(5) strategies to reform the structure of the justice system to ensure consistency and cost-efficiency statewide.

(b) Any resulting recommendations to the General Assembly shall be in the form of proposed legislation.

Sec. E.126.2 2 V.S.A. chapter 18 is added to read:

CHAPTER 18. JOINT INFORMATION TECHNOLOGY  
OVERSIGHT COMMITTEE

§ 614. JOINT INFORMATION TECHNOLOGY OVERSIGHT  
COMMITTEE

(a) Creation. There is created the Joint Information Technology Oversight Committee to oversee investments in and use of information technology in Vermont.

(b) Membership. The Committee shall be composed of six members as follows:

(1) three members of the House of Representatives, not all of whom shall be from the same political party, who shall be appointed by the Speaker of the House; and

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

(c) Powers and duties. The Committee shall oversee, evaluate, and make recommendations on the following:

(1) the State's current deployment, management, and oversight of information technology in the furtherance of State governmental activities, including data processing systems, telecommunications networks, and related technologies, particularly with regard to issues of compatibility among existing and proposed technologies;

(2) issues related to the storage of, maintenance of, access to, privacy of, and restrictions on use of computerized records;

(3) issues of public policy related to the development and promotion of the private, commercial, and nonprofit information infrastructure in the State, its relationship to the State government information infrastructure, and its integration with national and international information networks; and

(4) cybersecurity.

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



(e) Meetings.

(1) The Committee shall elect a chair and vice chair from among its members and shall adopt rules of procedure. The Chair shall rotate biennially between the House and Senate members.

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

(3) The Committee may meet when the General Assembly is not in session or at the call of the Chair.

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

Sec. E.127 REVIEW AND EVALUATION OF DEPARTMENT OF  
CORRECTIONS HEALTH CARE SERVICES

(a) The Joint Fiscal Office (JFO), in coordination with the Office of Legislative Council, shall review and evaluate the policies, contracts, and processes the Department of Corrections (DOC) uses to deliver health care services to assess whether current costs are excessive. The evaluation shall include a review of whether there is potential for the State to achieve savings in providing health care services to inmates and whether the State is contracting for appropriate services.

(b) The JFO is authorized to contract for all or part of the review and evaluation described in subsection (a) of this section. The JFO shall also receive the assistance of the Agency of Human Services and any other relevant State government entity, as needed.

(c) On or before November 1, 2018, the JFO shall submit an update on the review and evaluation described in subsection (a) of this section to the Joint Legislative Justice Oversight Committee. On or before January 15, 2019, the JFO shall submit a final report to the House Committees on Appropriations, on Corrections and Institutions, and on Health Care, and the Senate Committees on Appropriations, on Institutions, and on Health and Welfare.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2019, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 [DELETED]

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

Sec. E.142.1 PILOT SPECIAL FUND PAYMENTS

(a) Total payments from the PILOT Special Fund under 32 V.S.A. § 3709 include the appropriation of \$8,036,000 in Sec. B.142 of this act, the appropriation of \$184,000 for the City of Montpelier in Sec. B.143 of this act, the appropriation of \$40,000 for correctional facilities in Sec. B.144 of this act, and the appropriation of \$146,000 for the supplemental facility payments from the Department of Corrections to the City of Newport and the Town of Springfield in Sec. B.338 of this act.

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.

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.

\* \* \* 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), \$1,390,500 is appropriated in Sec. B.200 of this act.

Sec. E.200.1 3 V.S.A. § 167a is added to read:

§ 167a. COMPLEX LITIGATION SPECIAL FUND

(a) There is established the Complex Litigation Special Fund pursuant to 32 V.S.A. chapter 7, subchapter 5 to be available for expenditure by the Attorney General, as annually appropriated or authorized pursuant to 32 V.S.A. § 511, to pay nonroutine expenses, not otherwise budgeted, incurred in the investigation, prosecution, and defense of complex civil and criminal

litigation. These expenses may include, for example, costs incurred for expert witnesses and for support staff and technology needed to review and manage voluminous documents in discovery and at trial in complex cases.

(b) The Fund shall consist of:

(1) Such sums as may be appropriated or transferred by the General Assembly.

(2) Settlement monies other than consumer restitution collected by the Office of the Attorney General, except for those recoveries that by law are transferred or appropriated for other uses pursuant to 9 V.S.A. § 2458(b)(4), and subject to the Fund balance cap in subsection (c) of this section.

(c) The unencumbered Fund balance shall not exceed \$1,000,000.00.

(d) The Attorney General shall submit a report of the amount and purpose of expenditures from the Fund at the close of each fiscal year to the Joint Fiscal Committee annually on or before September 1. As part of the annual budget submission, the Attorney General shall include a projection of the Fund balance for the current fiscal year and upcoming fiscal year and may recommend appropriations as needed consistent with the purpose of the Fund.

Sec. E.200.2 3 V.S.A. § 152 is amended to read:

#### § 152. SCOPE OF AUTHORITY

The Attorney General may represent the State in all civil and criminal matters as at common law and as allowed by statute. The Attorney General shall also have the same authority throughout the State as a State's Attorney. The Attorney General shall represent members of the General Assembly in all civil matters arising from or relating to the performance of legislative duties.

Sec. E.200.3 3 V.S.A. § 157 is amended to read:

#### § 157. APPEARANCE FOR STATE

The Attorney General shall appear for the State in the preparation and trial of all prosecutions for homicide and civil or criminal causes in which the State is a party or is interested when, in his or her judgment, the interests of the State so require. The Attorney General shall represent members of the General Assembly in all civil causes arising from or relating to the performance of legislative duties.

#### Sec. E.200.4 ATTORNEY GENERAL POSITION

(a) The establishment of one (1) permanent classified position - IT Specialist II - is authorized in fiscal year 2019.

#### Sec. E.204 JUDICIAL BRANCH POSITIONS

(a) The establishment of seven (7) new permanent exempt positions is authorized in fiscal year 2019 as follows: five (5) Docket Clerk B and two (2) Law Clerk.

Sec. E.207 INMATE TRANSPORTATION WORK GROUP

(a) There is established an Inmate Transportation Work Group to study Vermont's system of transporting inmates for court appearances and make recommendations for improving the system's processes and efficiency and reducing its cost.

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

(1) The Secretary of Administration or designee.

(2) The Chief Superior Judge or designee.

(3) The Executive Director of the Department of State's Attorneys and Sheriffs or designee.

(4) The President of the Vermont Sheriffs' Association or designee.

(5) The Defender General or designee.

(6) The Commissioner of Corrections or designee.

(7) The Commissioner of Mental Health or designee.

(8) The Commissioner for Children and Families or designee.

(c) The Work Group shall study how to develop and implement a system that ensures inmates are transported to court when necessary in the most cost-effective and efficient manner possible. The study shall include:

(1) any recommendations for process improvements to the current inmate transport system;

(2) recommendations for methods to ensure that transport deputies are available when needed;

(3) analysis of whether transport should be provided by the Judiciary, the Executive, or a statewide entity; and

(4) consideration of whether transported inmates should be permitted to be scheduled first in court proceedings in order to reduce transport deputy costs.

(d) On or before November 1, 2018, the Work Group shall submit a report to the Senate and House Committees on Appropriations and Judiciary, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions containing its recommendations, including any proposals for legislative action.

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Sec. E.208 Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a 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.

(b) Up to \$86,000 of any funds appropriated in 2017 Acts and Resolves No. 85, Sec. C.100(e) may be carried forward to fiscal year 2019 and used for the purchase of Taser electroshock weapons by the State Police.

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.

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.

Sec. E.215 Military – administration

(a) The amount of \$474,000 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856 and § 2857 as established in this act. Of this amount, \$324,000 shall be general funds appropriated in Sec. B.215 and \$150,000 shall be Next Generation special funds, as appropriated in Sec. B.1100(a)(3)(B) of this act.

Sec. E.215.1 16 V.S.A. § 2857 is added to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT

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PROGRAM

(a) Program creation. The Vermont National Guard Tuition Benefit Program (Program) is created, under which a member of the Vermont National Guard (member) who meets the eligibility requirements in subsection (c) of this section is entitled to the following tuition benefit for up to full-time attendance:

(1) For courses at either campus of the Northern Vermont University (NVU), the University of Vermont and State Agricultural College (UVM), or at the Community College of Vermont (CCV), the benefit shall be the in-state residence tuition rate for the relevant institution.

(2) For courses at a Vermont State College other than NVU, or at any eligible Vermont private postsecondary institution, the benefit shall be the in-state tuition rate charged by NVU.

(3) For courses at an eligible training institution offering nondegree, certificate training, or continuing education programs, the benefit shall be the lower of the institution's standard tuition or the in-state tuition rate charged by NVU.

(b) The tuition benefit provided under the Program shall be paid on behalf of the member by the Vermont Student Assistance Corporation (VSAC), subject to the appropriation of funds by the General Assembly specifically for this purpose. An eligible Vermont postsecondary institution that accepts or receives the tuition benefit on behalf of a member shall charge the member the tuition rate for an in-state student. The amount of tuition for a member who attends an educational institution under the Program on less than a full-time basis shall be reduced to reflect the member's course load in a manner determined by VSAC under subdivision (f)(1) of this section. The tuition benefit shall be conditioned upon the member's executing a promissory note obligating the member to repay the member's tuition benefit, in whole or in part, if the member fails to complete the period of Vermont National Guard service required in subsection (d) of this section, or if the member's benefit is terminated pursuant to subdivision (e)(1) of this section.

(c) Eligibility. To be eligible for the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be an active member of the Vermont National Guard;

(2) have successfully completed basic training;

(3) be enrolled at UVM, a Vermont State College, or any other college or university located in Vermont in a program that leads to an undergraduate certificate or degree or at an eligible training institution in a program that leads

to a certificate or other credential recognized by VSAC;

(4) have not previously earned an undergraduate bachelor's degree;

(5) continually demonstrate satisfactory academic progress as determined by criteria established by the Vermont National Guard and VSAC, in consultation with the educational institution at which the individual is enrolled under the Program;

(6) have exhausted any post-September 11, 2001 tuition benefits and other federally funded military tuition assistance; provided, however, that this subdivision shall not apply to Montgomery GI Bill benefits, post-September 11, 2001 educational program housing allowances, federal educational entitlements, National Guard scholarship grants, loans under section 2856 of this title, and other nontuition benefits; and

(7) have submitted a statement of good standing to VSAC signed by the individual's commanding officer within 30 days prior to the beginning of each semester.

(d) Service commitment.

(1) For each full academic year of attendance under the Program, a member shall be required to serve two years in the Vermont National Guard in order to receive the full tuition benefit under the Program.

(2) If a member's service with the Vermont National Guard terminates before the member fulfills this two-year service commitment, other than for good cause as determined by the Vermont National Guard, the individual shall reimburse VSAC a pro rata portion of the tuition paid under the Program pursuant to the terms of an interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

(3) For members participating in the Program on a less than full-time basis, the member's service commitment shall be at the rate of one month of Vermont National Guard service commitment for each credit hour, not to exceed 12 months of service commitment for a single semester.

(e)(1) Termination of tuition benefit. The Office of the Vermont Adjutant and Inspector General may terminate the tuition benefit provided an individual under the Program if:

(A) the individual's commanding officer revokes the statement of good standing submitted pursuant to subdivision (c)(7) of this section as a result of an investigation or disciplinary action that occurred after the statement of good standing was issued;

(B) the individual is dismissed from the educational institution in

which the individual is enrolled under the Program for academic or disciplinary reasons; or

(C) the individual withdraws without good cause from the educational institution in which the individual is enrolled under the Program.

(2) If an individual's tuition benefit is terminated pursuant to subdivision (1) of this subsection, the individual shall reimburse VSAC for the tuition paid under the Program, pursuant to the terms of an interest-free reimbursement promissory note signed by the individual at the time of entering the Program; shall be responsible on a pro rata basis for the remaining tuition cost for the current semester or any courses in which the individual is currently enrolled; and shall be ineligible to receive future tuition benefits under the Program.

(3) If an individual is dismissed for academic or disciplinary reasons from any postsecondary educational institution before receiving tuition benefits under the Program, the Office of the Adjutant and Inspector General may make a determination regarding the individual's eligibility to receive tuition benefits under the Program.

(f)(1) Adoption of policies, procedures, and guidelines. VSAC, in consultation with the Office of the Adjutant and Inspector General, shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section, which shall include eligibility, application, and acceptance requirements, pro-ration of service requirements for academic semesters or attendance periods shorter than one year, data sharing guidelines, and the criteria for determining "good cause" as used in subdivisions (d)(2) and (e)(1)(C) of this section.

(2) Each educational institution participating in the Program shall adopt policies and procedures for the enrollment of members under the Program. These policies and procedures shall be consistent with the policies, procedures, and guidelines adopted by VSAC under subdivision (1) of this subsection.

(g) Reports.

(1) On or before November 1 of each year, the President, Chancellor, or equivalent position of each educational institution that participated in the Program during the immediately preceding school year shall report to the Vermont National Guard and VSAC regarding the number of members enrolled at its institution during that school year who received tuition benefits under the Program and, to the extent available, the courses or program in which the members were enrolled.

(2) On or before January 15 of each year, the Vermont National Guard and VSAC shall report these data and other relevant performance factors,



including information pertaining to the achievement of the goals of this entitlement program and the costs of the program to date, to the Governor, the House and Senate Committees on Education, and the House Committees on Appropriations and on General, Housing, and Military Affairs. The provisions of 2 V.S.A. § 20(d), expiration of reports, shall not apply to the reports to be made under this subsection.

#### Sec. E.215.2 REPEAL

(a) 16 V.S.A. § 2856 (educational assistance; interest free loans) is repealed on July 1, 2022.

#### Sec. E.215.3 TRANSITION

(a) The benefits under 16 V.S.A. § 2856, the Vermont National Guard Educational Assistance Program, shall only be available through December 31, 2018, except as provided in this subsection.

(1) A member who is, as of December 31, 2018, pursuing a graduate degree under that Program may continue to receive a loan under the Program through June 30, 2020, provided that the member continues to satisfy the eligibility requirements of 16 V.S.A. § 2857(c).

(b) A member of the Vermont National Guard who received a loan on or before January 1, 2019 under 16 V.S.A. § 2856 shall be entitled to the benefits under the Vermont National Guard Tuition Benefit Program if the member satisfies the eligibility criteria under that Program.

(c) The Vermont Student Assistance Corporation (VSAC), in consultation with the Office of the Adjutant and Inspector General, shall adopt guidelines for participants transitioning from the Vermont National Guard Educational Assistance Program under 16 V.S.A. § 2856 to the benefits under the Vermont National Guard Tuition Benefit Program.

(d) If, on or before July 1, 2022, a loan provided to a Vermont National Guard member under 16 V.S.A. § 2856 has gone into repayment pursuant to the terms of the loan, the member shall repay the loan in accordance with its terms unless and to the extent canceled or forgiven by the Corporation.

#### Sec. E.215.4 EXCESS COST; SERVICE REQUIREMENT

(a) If the cost to the State under the Vermont National Guard Tuition Benefit Program exceeds \$2,000,000 annually, then the General Assembly intends to amend 16 V.S.A. § 2857 to require, for each full academic year of attendance at the University of Vermont and State Agricultural College, three years of service in the Vermont National Guard in order to receive the full tuition benefit under the Program.

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Sec. E.219 Military – veterans’ affairs

(a) Of this appropriation, \$1,000 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 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.

Sec. E.220 Center for crime victim services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victim Services shall transfer \$43,923 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.

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

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$594,000 in general funds is appropriated for expenditure by the Vermont Working Lands Enterprise Board established in 6 V.S.A. § 4606 for investments in food and forest system businesses and service providers pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5, as amended by 2014 Acts and Resolves No. 179, Sec. E.224.1.

Sec. E.233 ENERGY PLANNING SUPPORT; ALLOCATION OF COSTS

(a) During fiscal year 2019, the Commissioner of Public Service, in consultation with the Commissioner of Housing and Community Development, shall award the amount of \$300,000 to regional planning commissions established under 24 V.S.A. chapter 117 and to municipalities for the purpose of providing training under 2016 Acts and Resolves No. 174.

(b) In awarding funds under this section, the Commissioners shall consider the need and size of a municipality or region and the availability, if any, of other assistance, expertise, or funds to a municipality or region to implement 2016 Acts and Resolves No. 174.

(c) The Commissioner of Public Service shall allocate costs under subsection (a) of this section to the electric distribution utilities subject to its supervision under Title 30 of the Vermont Statutes Annotated based on their pro rata share of total Vermont retail kilowatt-hour sales for the previous fiscal

year. Each of these utilities shall pay its allocation into the State Treasury at such time and in such manner as the Commissioner may direct.

Sec. E.233.1 SUSTAINABLE FUNDING FOR THE PUBLIC UTILITY  
COMMISSION AND THE DEPARTMENT OF PUBLIC  
SERVICE; STUDY

(a) The Commissioner of Public Service, in consultation with the Public Utility Commission, shall study and make findings and recommendations regarding the gross operating revenue tax on public utilities imposed under 30 V.S.A. § 22, as well as the assessments imposed under 30 V.S.A. §§ 20 and 21. The purpose of the study is to determine whether the existing statutory mechanisms for financing utility regulation in Vermont are appropriate and, if not, how they might be improved to achieve a sustainable general gross receipts tax fund position and to better serve the public interest.

(1) With respect to the gross operating revenue tax, the Commissioner shall consider:

(A) the total amount collected by each category of companies described under 30 V.S.A. § 22;

(B) how that amount correlates with the regulatory activities of the Commission and the Department with respect to those companies;

(C) whether there is cross-subsidization of regulatory activities and, if so, to what extent;

(D) the gross operating revenue trends of companies subject to the tax and the factors influencing those trends;

(E) the projected fund balance in the General Gross Receipts Tax Fund;

(F) the allocation of funds between the Public Utility Commission and the Department of Public Service and whether the 40/60 percentage allocation is appropriate;

(G) whether adjustments should be made to the tax rates; and

(H) any other matters deemed relevant by the Commissioner.

(2) With respect to the assessments imposed under 30 V.S.A. §§ 20 and 21 (the bill-back provisions):

(A) whether there are persons involved in particular proceedings who are not subject to the assessment for State expenses incurred as a result of those proceedings;

(B) the amount of expenses incurred for which there is no applicable

bill-back provision, resulting in expenses for additional personnel being reimbursed from the General Gross Receipts Tax Fund; and

(C) any other matters deemed relevant by the Commissioner.

(b) The Commissioner shall hold two regional public hearings seeking input with regard to the study and report required by this section, and shall present an interim status report on his or her findings and recommendations at the September 2018 meeting of the Joint Fiscal Committee.

(c) On or before November 15, 2018, after consultation with the Joint Fiscal Office, the Commissioner shall report his or her findings and recommendations to the Senate Committees on Finance and on Appropriations and the House Committees on Ways and Means and on Energy and Technology.

**Sec. E.233.2 SHORT-TERM EMERGENCY FUNDING TO MAINTAIN  
CRITICAL WIRELESS E-911 SERVICE; STUDY**

(a) It is the purpose of this section to provide the Commissioner of Public Service with discretionary authority to allocate short-term emergency funding to any provider who has a lease agreement with the State to operate a mobile wireless network comprising microcell equipment owned by the State. The funding authorized pursuant to this section is intended to support the health and safety needs of the general public by maintaining critical microcell wireless E-911 service in rural areas of the State that would otherwise be without such service, consistent with the objectives of prior State investments in microcell network infrastructure.

(b) Beginning in fiscal year 2018 and continuing until December 31, 2018, the Commissioner of Public Service is authorized to spend up to \$50,000 from the Connectivity Fund established under 30 V.S.A. § 7516 to support E-911 geolocation service charges incurred by any provider that has a lease agreement with the State to operate a mobile wireless network comprising microcell equipment owned by the State. Funds awarded pursuant to this subsection shall be on a reimbursement basis only, and shall be awarded only to providers who comply with or submit to the Commissioner of Public Service's written agreement to comply with subsection (d) of this section.

(c) Beginning on January 1, 2019 and continuing until June 30, 2019, the Commissioner of Public Service is authorized to spend up to an additional \$50,000 from the Connectivity Fund as specified in subsection (b) of this section, provided the Commissioner obtains the prior approval of the Joint Fiscal Committee.

(d) As a condition to the receipt of funds pursuant to this section and for the purpose of ensuring that State-owned assets are sufficiently protected and

used in a manner that serves the public interest, on or before September 1, 2018, in a form and manner specified by the Commissioner of Public Service, any provider that has a lease agreement with the State to operate a mobile wireless network comprising State-owned microcell equipment shall submit to the Department of Public Service a business plan. All financial information, trade secrets, or other information customarily regarded as confidential business information submitted to the Commissioner pursuant to this subsection shall be exempt from inspection and copying under the Public Records Act and shall not be released.

(e) On or before December 1, 2018, the Commissioner of Public Service shall submit a report to the Senate Committees on Finance and on Institutions and the House Committees on Energy and Technology and on Corrections and Institutions regarding E-911 compliant microcell service in Vermont. The report shall include findings and recommendations related to:

(1) the financial viability of operating and maintaining a microcell network in Vermont using existing 2G technology as well as 4G technology;

(2) whether changes to State regulatory policy are needed to facilitate the availability of wireless E-911 service in Vermont;

(3) whether the State should subsidize E-911 geolocation service charges incurred by microcell service providers on a permanent basis;

(4) the costs of completing a statewide propagation coverage analysis and whether such an analysis is needed to inform State policy, planning, and investment with respect to wireless service in Vermont;

(5) the estimated costs of providing microcell service in Vermont, including rates and charges related to electric, backhaul, and geolocation services, pole rental fees, backup-power requirements, colocation requirements, and any other costs deemed relevant by the Commissioner; and

(6) any other matters deemed relevant by the Commissioner.

Sec. E.234 E-911 SYSTEM; PUBLIC UTILITY COMMISSION; REPORT

(a) On or before September 1, 2018, the Public Utility Commission shall submit a memorandum to the Joint Fiscal Committee detailing its regulatory authority with respect to Vermont's Enhanced 911 network, with specific reference to the regulatory authority of both the E-911 Board and the Federal Communications Commission. The memorandum shall include the Commission's recommendations, if any, for ensuring comprehensive regulatory oversight and enforcement of matters pertaining to the E-911 network.

Sec. E.235 E-911 SYSTEM; RESILIENCY AND REDUNDANCY;

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REPORT

(a) On or before September 1, 2018, the Executive Director of the Enhanced 911 Board shall submit a report to the Joint Fiscal Committee detailing the level of resiliency and redundancy within the E-911 system and explaining any plans for ensuring operational integrity in the event of critical software or hardware failures. The report shall include, with explanation, identification of the locations and services deemed most vulnerable to system outages or call failures, as determined by the Board. The report also shall include a cost estimate for making any recommended system upgrades.

Sec. E.238 UNLAWFUL ALCOHOLIC BEVERAGE TRADE PRACTICES;  
REPORT

(a) On or before January 15, 2019, the Commissioner of Liquor Control shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the occurrence in Vermont of unfair trade practices at wholesale, including unlawful financial interests in retail licensees, price discrimination between retail licensees, and inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others. In particular, the report shall include:

(1) a description of the State and federal laws and regulations restricting:

(A) certain types of financial interests between wholesale and retail licensees;

(B) price discrimination between retail licensees by wholesale dealers and packagers; and

(C) the giving of free alcoholic beverages, monetary payments, or any other thing of value in order to induce or persuade a retail licensee to purchase or contract to purchase a certain brand or kind of alcoholic beverage to the exclusion of others, or to refrain from purchasing or contracting to purchase a certain brand or kind of alcoholic beverage;

(2) a description of the Department of Liquor Control's efforts to enforce the laws and regulations related to unlawful financial interests in retail licensees, price discrimination between retail licensees, and inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others, including:

(A) the number of complaints received by the Department;

(B) the number of investigations performed by the Department;

(C) the number of alleged violations prosecuted by the Department; and

(D) the result of any prosecutions carried out by the Department; and

(3) any suggestions for legislative action to strengthen or improve the enforcement of Vermont's laws restricting unlawful financial interests in retail licensees, price discrimination between retail licensees, and inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others.

Sec. E.238.1 DEPARTMENT OF LIQUOR CONTROL; UNFAIR TRADE PRACTICES; ANONYMOUS REPORTING

(a) On or before November 15, 2018, the Commissioner of Liquor Control shall develop and follow a protocol to allow licensees and members of the public to submit to the Department confidential and anonymous reports of unfair trade practices, including unlawful financial interests in retail or wholesale licensees, price discrimination between retail licensees, and the inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others.

(b) On or before January 15, 2019, the Commissioner shall report to the House Committees on Appropriations and on General, Housing, and Military Affairs and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs regarding how the Department receives reports of unfair trade practices and ensures confidentiality. The report shall also be included in the Department's presentation of its budget to the House and Senate Committees on Appropriations.

\* \* \* HUMAN SERVICES \* \* \*

Sec. E.300.1 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2019 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.2 FUNDING FOR THE OFFICE OF THE HEALTH CARE ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

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

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.103 of this act 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 \$26,413,016 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$23,336,050 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$27,163,950 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. 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) \$3,076,966 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

#### Sec. E.301.1 Secretary's office – Global Commitment

(a) An amount up to \$16,800,000 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Section B.301 – Secretary's office – global commitment of this act.

#### Sec. E.301.2 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2019, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2019 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.



Sec. E.306 ALTERNATIVE FORMS OF COST-SHARING ASSISTANCE;  
REPORT

(a)(1) The Secretary of Human Services, in consultation with the Green Mountain Care Board, the Office of the Health Care Advocate, and other interested stakeholders, shall research, analyze, and recommend alternatives to the cost-sharing assistance established in 33 V.S.A. § 1812 for eligible individuals enrolled in Exchange plans.

(2) The alternatives to be considered may include:

(A) creation of a fund to reimburse eligible individuals who experience high out-of-pocket health care costs;

(B) creation of an uncompensated care pool; and

(C) other strategies for reducing the out-of-pocket exposure of individuals and families with income between 200 and 300 percent of the federal poverty level who purchase silver-level qualified health benefit plans through the Vermont Health Benefit Exchange.

(b) On or before January 15, 2019, the Secretary of Human Services shall report its findings and recommendations for alternative forms of cost-sharing assistance to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare, on Finance, and on Appropriations. The report shall also include the Secretary's recommendations for ways to assist individuals purchasing qualified health benefit plans during open enrollment periods in making informed choices.

Sec. E.306.1 FISCAL YEAR 2019 BUDGET ADJUSTMENT;  
REALLOCATION; RESEARCH STUDY ON EFFECTS OF  
INCREASED ACCESS TO ACUPUNCTURE CARE

(a) As part of its fiscal year 2019 budget adjustment proposal, the Agency of Human Services shall recommend the specific reallocation of funds remaining in the Evidence-Based Education and Advertising Fund in fiscal year 2019 in order to provide \$100,000 to the Department of Vermont Health Access to conduct the first year of a two-year research study into the effects of increased access to acupuncture care on utilization of and expenditures on other medical services for individuals enrolled in Medicaid and commercial health insurance in Vermont. The Agency shall manage the Fund during fiscal year 2019 in a manner consistent with this purpose.

(b) As part of its fiscal year 2019 budget adjustment proposal, the Agency of Human Services shall also report on the financial status of the Fund, including anticipated fiscal year 2020 revenue and the allocation of an additional \$100,000 for the second year of the study described in subsection

(a) of this section.

Sec. E.306.2 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to state and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2019, but only in the event that new state or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.307 PRIMARY CARE FUNDING

(a) Of the funds appropriated in Sec. B.307 of this act, \$2,166,000 shall be used to increase the amount of the per-member per-month payment through the Blueprint for Health to each patient-centered medical home in fiscal year 2019.

Sec. E.308 33 V.S.A. chapter 76 is added to read:

CHAPTER 76. CHOICES FOR CARE

§ 7601. DEFINITIONS

As used in this chapter:

(1) "Commissioner" means the Commissioner of Disabilities, Aging, and Independent Living.

(2) "Department" means the Department of Disabilities, Aging, and Independent Living.

(3) "Savings" means the difference remaining at the conclusion of each fiscal year between the amount of funds appropriated for Choices for Care and the sum of expended and obligated funds, less an amount equal to one percent of that fiscal year's total Choices for Care expenditure. The one percent shall function as a reserve to avoid implementing a High Needs wait list due to unplanned Choices for Care budget pressures throughout the fiscal year.

§ 7602. CALCULATING AND ALLOCATING SAVINGS

(a)(1) The Department shall calculate savings and investments in Choices for Care and report the amount of savings to the Joint Fiscal Committee and the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare by

September 15 of each year. The Department shall not reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year.

(2) After reporting the savings in accordance with subdivision (1) of this subsection, the Commissioner shall determine how to allocate available Choices for Care program savings in accordance with this section.

(b) Savings shall be one-time investments or shall be used in ways that are sustainable into the future. Use of savings shall be based on the assessed needs of Vermonters as identified by the Department and its stakeholders. Priority for the use of any identified savings after the needs of all individuals meeting the terms and conditions of the waiver have been met shall be given to home- and community-based services. As used in this chapter, “home- and community-based services” includes all home-based services and Enhanced Residential Care.

(c) Savings may be used to:

(1) increase Choices for Care home- and community-based provider rates;

(2) increase Choices for Care self-directed service budgets;

(3) expand Choices for Care capacity to accommodate additional enrollees;

(4) expand Choices for Care home- and community-based service options;

(5) address Choices for Care quality improvement outcomes; and

(6) fund investments to serve older Vermonters and Vermonters with disabilities outside Choices for Care, understanding non-Medicaid services are not eligible for a federal match.

(d) Savings shall not be used to:

(1) increase nursing home rates already addressed pursuant to section 905 of this title; or

(2) pay for budget pressures related to the Collective Bargaining Agreement for independent direct support workers.

Sec. E.308.1 [DELETED]

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2019 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 not 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 2019, 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 syringe exchange programs; 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. Not 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.

(5) In fiscal year 2019, the Department of Health shall provide grants in the amount of \$150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of

Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2019. Grant reporting shall include outcomes and results.

Sec. E.312.1 IMPROVING OUTCOMES FOR PREGNANT WOMEN

(a) To improve outcomes for pregnant women the Commissioner of Health shall:

(1) Prioritize funding for tobacco cessation to address the rates of smoking among pregnant women by utilizing evidence-based best practices. Not less than \$50,000 of the funding for tobacco cessation and prevention activities in fiscal year 2019 shall be used to implement or expand evidence-based interventions intended to reduce tobacco use among pregnant women.

(2) Continue to implement an outreach plan developed in 2017 to Vermonters who are eligible but not enrolled in the Women, Infants and Children (WIC) program.

Sec. E.312.2 WOMEN, INFANTS AND CHILDREN (WIC)  
STAKEHOLDER SUMMIT AND REPORT

(a) The Department of Health shall convene a community stakeholder summit to discuss innovative methods of increasing WIC program enrollment in Vermont by November 1, 2018. The Department shall solicit input on methods of increasing WIC enrollment from current and former WIC participants, as well as WIC-eligible nonparticipants, and the Department for Children and Families through interviews and surveys. The Department shall present recommended actions to the Senate Committee on Health and Welfare and the House Committee on Human Services on or before April 1, 2019.

Sec. E.314 DESIGNATED AGENCY STAFF RETENTION

(a) To address the compensation gap between the designated agency system and other providers in the health care delivery system the funds appropriated in this section are to enable the Department of Mental Health to increase payments to the Designated Agencies in fiscal year 2019 in a manner to work toward this goal.

(b) Of the funds appropriated in Sec. B.314 of this act, \$4,328,689 shall be used to provide increased payments to the Mental Health Designated Agencies in fiscal year 2019. The Department may allocate up to 20 percent of these funds to be used to address the compensation gap through value-based incentive payments focusing on quality and outcomes. The remaining funds shall be allocated to the base rates for providers. Of these funds, up to 50 percent may be targeted for direct services that are provided by master's level clinicians and other staff with high levels of credentials and experience to

reduce the compensation gap for this staff. These targeted funds shall be used to increase recruitment and retention of these levels of professional staff. The Designated Agencies shall assist the Department by providing baseline data.

(c) The Department shall report to the Joint Fiscal Committee in September 2018 on the implementation of this section.

(d) Representatives of the Designated Agencies shall report to the Joint Fiscal Committee in September 2018 on the impacts of these resources on recruitment and retention of master's level clinicians and other staff with high levels of credentials and experience.

Sec. E.316 ECONOMIC SERVICES DIVISION; INNOVATION IN  
DELIVERY OF SERVICES

(a) For the purpose of exploring innovative approaches to the administration of programs within the Department for Children and Families' Economic Services Division, the Commissioner may authorize pilot programs within specific regions of the State that waive Division rules adopted pursuant to 3 V.S.A. chapter 25 in a manner that does not impact program eligibility or benefits. Temporarily waiving some existing rules for a prescribed period of time shall enable the Division to test innovative ideas for improving the delivery of services with the specific goal of achieving more responsive client services and operational efficiencies.

(b) During fiscal year 2019, the Division may propose pilot programs in accordance with the goals described in subsection (a) of this section to the Commissioner for approval. Each proposal shall outline the targeted service area, efficiencies sought, rules to be waived, duration of the program, and evaluation criteria. Notice shall be given to clients affected by a pilot program and to the Chairs of the House Committee on Human Services and the Senate Committee on Health and Welfare prior to the commencement of the pilot program, including a description of how benefit delivery will be affected, length of the program, and right to a fair hearing.

(c) On or before January 15, 2019, the Commissioner shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare summarizing the pilot programs implemented pursuant to this section and any findings and recommendations. In the event a particular pilot program is successful at improving the delivery of services to clients, the Commissioner may seek to amend the Division's rules in conformity with the approach used by the pilot program pursuant to 3 V.S.A. chapter 25.

Sec. E.316.1 3 V.S.A. § 1101 is amended to read:

§ 1101. OBLIGATION OF STATE TO DEFEND EMPLOYEES;  
DEFINITION

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(b) As used in this chapter, “State employee” includes any elective or appointive officer or employee within the Legislative, Executive, or Judicial Branch of State Government or any former such employee or officer. The term includes:

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(10) administrative reviewers whose services are contracted by the State pursuant to 33 V.S.A. § 4916a(f).

Sec. E.317 PARENT CHILD CENTER NETWORK; EVALUATION OF MASTER GRANT

(a) The Agency of Human Services, in consultation with the parent child center network, shall calculate the true value of the services delivered through the network’s master grant. The Agency shall present these findings as part of its fiscal year 2020 budget presentation.

Sec. E.318 EARLY CARE AND CHILD DEVELOPMENT PROGRAM GRANT

(a) In fiscal year 2019 and thereafter, the Department for Children and Families shall award 70 percent of funds designated for the Early Care and Child Development Program Grants to center-based child care and preschool programs participating in the Step Ahead Recognition System (STARS) and 30 percent of the designated funds to family child care homes participating in STARS in accordance with the formula described in subsection (b) of this section.

(b) The Department’s Child Development Division shall calculate eligibility for Early Care and Child Development Program Grants on a quarterly basis. In determining eligibility, the Division shall consider:

(1) the percent of enrollees receiving a Child Care Financial Assistance Program (CCFAP) subsidy as compared to a center-based child care and preschool program or a family child care home’s licensed capacity at a weight of 70 percent;

(2) the average number of enrollees at a center-based child care and preschool program or family child care home receiving a CCFAP subsidy at a weight of 15 percent; and

(3) the average number of infants and toddlers enrolled in a center-based child care and preschool program or family child care home at a weight of 15 percent.

(c) The Division shall provide Early Care and Child Development Program

Grants to eligible child care and preschool programs or family child care homes as funds allow. Center-based child care and preschool programs or family child care homes receiving Early Care and Child Development Program Grants shall remain in compliance with the Department's rules, continue to participate in STARS, and maintain high enrollment of children receiving a CCFAP subsidy.

Sec. E.318.1 CHILD CARE FINANCIAL ASSISTANCE PROGRAM  
ADJUSTMENTS

(a) Of the funds appropriated in Sec. B.318 of this act, \$738,511 is allocated consistent with provisions related to the Child Care Financial Assistance Program in any legislation enacted in 2018 pertaining to Vermont's minimum wage, to allow the Commissioner for Children and Families to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with the increase in minimum wage to \$10.50 as of July 1, 2018 and to \$11.10 as of January 1, 2019, to ensure that the benefit percentage at each new minimum wage level remains the same as the percentage applied under the former minimum wage; and

(2) adjust the market rate used to inform the fee scale in a manner that offsets the estimated increased cost of child care in Vermont resulting from the increase in minimum wage to \$10.50 as of July 1, 2018 and to \$11.10 as of January 1, 2019.

(b) In November 2018 and each year thereafter until 2021, the Department shall report to the Joint Fiscal Committee regarding the projected cost to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with a statutorily required increase in the minimum wage for January 1, 2020 and for each year thereafter until 2023 that ensures that the benefit percentage at a new minimum wage level remains the same as the percentage applied under the former minimum wage; and

(2) adjust the market rate used to inform the fee scale in a manner that offsets the estimated increased cost of child care in Vermont resulting from a statutorily required increase in the minimum wage for January 1, 2020 and for each year thereafter until 2023.

Sec E.318.2 CHILD CARE FUNDING ALLOCATIONS

(a) Of the funds appropriated in Sec. B.318 of this act:

(1) \$247,388 may be used to fill licensing staff positions; and

(2) a minimum of \$2,451,000 shall be used to increase the infant and toddler rate used in the Child Care Financial Assistance Program. In the event



there is no statutorily required increase in the minimum wage on January 1, 2019, the funds allocated in Sec. E.318.1(a) of this act shall also be used to increase the infant and toddler rate.

Sec. E.318.3 CHILD CARE AND PREKINDERGARTEN CAPACITY  
BASELINE REPORT

(a) In order to better understand the relationship between the pre-kindergarten system and the impact on child care and early education facilities not operated by public school districts, the Joint Fiscal Office shall research and assemble the following for each of the last five years:

(1) The demographic information of Vermont children zero to five years of age, by town, county, or region and to the extent possible by family household income.

(2) Array by town, county, or region the known capacity or “slots” at licensed child care facilities, registered child care providers, and pre-kindergarten programs operated by school districts for each age group between zero and five years of age.

(3) To the extent possible, an analysis of the age composition of enrolled children at licensed providers who have ceased doing business in each of the last five years.

(b) The Joint Fiscal Office shall have the assistance and cooperation of the Department for Children and Families as well the Agency of Education and shall report to the Senate and House Committees on Appropriations and on Education not later than November 15, 2018.

Sec. E.321 GENERAL ASSISTANCE HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2019 may be used for temporary housing in catastrophic situations and for vulnerable populations, as defined in rules adopted by the Agency. The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.321.1 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY  
PROGRAM; COMMUNITY-BASED ALTERNATIVES TO  
GENERAL ASSISTANCE TEMPORARY HOUSING

(a) For fiscal year 2019, the Agency of Human Services may continue to fund housing assistance programs within the General Assistance program to create flexibility to provide General Assistance benefits, as well as grants to support the establishment of community-based alternatives for temporary housing as part of the effort to reduce the number of individuals temporarily

housed by the General Assistance program. The purpose of these housing assistance programs and community-based alternatives is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. Eligible activities shall include, among other things, 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. Where such housing assistance programs and grants are provided and community-based programs are established, the General Assistance rules shall not apply. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The housing assistance and community-based programs 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 housing assistance programs and community-based alternatives to General Assistance temporary housing.

Sec. E.323 2016 Acts and Resolves No. 172, Sec. E.100.9 is amended to read:

Sec. E.100.9 REPORTING UNFUNDED BUDGET PRESSURES

(a) In an effort to better understand the current services obligations, as part of the budget report required under 32 V.S.A. § 306(a)(1), the Governor shall include an itemization of current services liabilities, including the total obligations and the amount estimated for full funding in the current year in which an amortization schedule exists. These shall include the following liabilities projected for the start of the budget fiscal year:

\* \* \*

(4) Reach Up funding full benefit obligations, including the standard of need for the current fiscal year, prior to any rateable reductions made pursuant to 33 V.S.A. § 1103(a) which ensure that the expenditures for the programs shall not exceed appropriations;

\* \* \*

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 Sec. E.324 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).

Sec. E.324.1 33 V.S.A. § 2602b is added to read:

§ 2602b. LIHEAP AND WEATHERIZATION

Notwithstanding section 2501 of this title, the Secretary of Human Services may transfer up to 15 percent of each federal fiscal year's Low Income Home Energy Assistance Program (LIHEAP) block grant to the Home Weatherization Assistance Program to be used for weatherization projects and program administration allowable under LIHEAP in the same State fiscal year. At the same time, an equivalent transfer shall be made to the Low Income Home Energy Assistance Program from the Home Weatherization Assistance Fund to provide home heating fuel benefits and program administration in the same State fiscal year.

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.

Sec. E.325.1 33 V.S.A. § 1123 is amended to read:

§ 1123. INDIVIDUAL DEVELOPMENT SAVINGS PROGRAM

(a) As used in this section:

\* \* \*

(6) "Eligible uses" means education, training that leads to employment, the purchase or improvement of a home, the purchase or repair of a vehicle necessary to participate in an employment-related activity, or participation in or development of an entrepreneurial activity.

\* \* \*

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.

Sec. E.329 ADULT DAY CERTIFICATION

(a) Certification of new adult day providers seeking to be Medicaid funded shall require a demonstration that the new program is filling an unmet need for adult day services in a given geographic region, and does not have an adverse impact on existing adult day services. In the process of approval for certifying any new adult day program, the Department of Disabilities, Aging, and Independent Living shall consider review and comment from the Vermont Association of Adult Day Services as to whether the new program:

- (1) meets adult day standards;
- (2) fills an unmet service need in that geographic area; and
- (3) does not have an adverse impact on existing adult day services.

Sec. E.330 PARTICIPANT DIRECTED ATTENDANT CARE (PDAC) PROGRAM

(a) The Department of Disabilities, Aging, and Independent Living shall continue to operate the participant directed attendant care program and shall not reduce an enrolled individual's level of services in fiscal year 2019. The Agency of Human Services shall ensure that adequate funding is available to the Department for the operation of this program for fiscal year 2019 and shall report to the Joint Fiscal Committee in November 2018 any necessary funding transfers from within the Agency needed to meet this requirement.

(b) The Department shall make a determination regarding the clinical and financial eligibility of each currently enrolled individual for the Medicaid Choices for Care program or any other program that could provide the necessary attendant care services. The Department shall report to the Joint Fiscal Committee in September 2018 on the status of these determinations.

Sec. E.335 CORRECTIONS APPROPRIATIONS; TRANSFER; REPORT

(a) In fiscal year 2019, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services and for correctional services out-of-state beds. 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 scheduled meeting.

Sec. E.338 Corrections - correctional services

(a) The special funds appropriation of \$146,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.338.1 [DELETED]

Sec. E.343 [DELETED]

Sec. E.344 Retired senior volunteer program

(a) Funds appropriated pursuant to Sec. B.344 of this act shall be administered by the Agency of Human Services and distributed by SerVermont to each local program to be used to match the Corporation for National and Community Service's approved expenditures.

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.

\* \* \* LABOR \* \* \*

Sec. E.400 2018 Acts and Resolves No. 189, Sec. 22 is amended to read:

Sec. 22. EFFECTIVE DATE DATES

This act shall take effect July 1, 2018, except that Sec. 13 (FY 2018 appropriation for Vermont Returnship Program) shall take effect upon passage.

\* \* \* K-12 EDUCATION \* \* \*

Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in this section shall be used for physician claims for determining medical necessity of Individualized Education Program (IEPs). It is the goal of these services to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.1 UNIFORM CHART OF ACCOUNTS

(a) Not later than July 1, 2020, all Vermont supervisory unions, supervisory districts, school districts, and independent tech center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

(b) The Agency shall work with participating supervisory unions to:

(1) conform to a uniform chart of accounts as outlined in 2014 Acts and Resolves No. 179, Secs. E.500.1-E.500.3 as amended by 2015 Acts and Resolves No. 58, Sec. E.500.1;

(2) improve the comparability, consistency, and timeliness of school financial data;

(3) enhance the abilities of the General Assembly, Agency of Education, supervisory unions, and supervisory districts to better understand and manage cost centers and related school expenditures; and

(4) categorize expenditures in a way that draws a distinction between direct educational expenses and expenses that are primarily human or social services expenses.

(c) Notwithstanding subsection (a) of this section, supervisory unions with districts that are merging into a new governance structure as of July 1, 2018 and that have executed a contract on or before May 1, 2018 to acquire a new school finance and financial data system other than the management system selected by the Agency of Education to serve the merged system may delay adoption of the system selected by the Agency until July 1, 2021.

(d) Notwithstanding subsection (a) of this section, a supervisory union or a supervisory district that entered into a contract for a school finance and financial data management system on or after July 1, 2017, may delay adoption of the system selected by the Agency until July 1, 2021 or upon expiration of the current contract, whichever is earlier.

Sec. E.500.2 16 V.S.A. § 242(4) is amended to read:

(4)(A) Provide data and information required by the Secretary. and by using a format approved by the Secretary to:

(i) Report budgetary data for the subsequent school year and fiscal year.

(B)(ii) Report all financial operations within the supervisory union to the Secretary and State Board for the preceding school year on or before August 15 of each year, using a format approved by the Secretary.

(C)(iii) Report all financial operations for each member school district to the Secretary and State Board for the preceding school year on or before August 15 of each year, using a format approved by the Secretary.

(D)(B) Prepare for each district an itemized report detailing the portion of the proposed supervisory union budget for which the district would be assessed for the subsequent school year identifying the component costs by category and explaining the method by which the district's share for each cost

was calculated; and provide the report to each district at least 14 days before a budget, including the supervisory union assessment, is voted on by the electorate of the district.

#### Sec. E.500.3 INTERSTATE SCHOOL DISTRICT

(a) The General Assembly supports the study by the board of the Stamford school district of the formation of an interstate school district that would combine the Stamford school district with the Clarksburg, Massachusetts school district. On or before December 15, 2018, the board of the Stamford school district shall report its findings and recommendations to the General Assembly.

#### Sec. E.500.4 EDUCATOR LICENSURE REQUIREMENTS

(a) The Vermont Standards Board for Professional Educators shall consider whether the educator licensure and endorsement requirements are appropriate or should be updated. As part of its review, the Board shall consider whether the use by a school of a school-based teacher quality and performance measurement program approved by the New England Association of Schools and Colleges, or examinations offered by the Smarter Balanced Assessment Consortium, should be used as criteria to qualify for licensure and endorsement. On or before December 1, 2018, the Board shall report its findings and recommendations to the House and Senate Committees on Education.

(b) As part of its review under subsection (a) of this section, the Vermont Standards Board for Professional Educators shall consider whether the educator licensure and endorsement requirements for teachers in career technical education centers are appropriate or should be updated. After the House and Senate Committees on Education have concluded their consideration of the report of the Vermont Standards Board for Professional Educators under subsection (a) of this section, the Vermont Standards Board for Professional Educators and the State Board of Education shall either update their educator licensure and endorsement rules for teachers in career technical education centers or issue a report to the House and Senate Committees on Education that they do not intend to update these rules. Until the date upon which these updated rules are implemented or the report is issued, teachers employed by career technical centers who were hired before April 1, 2018 and who do not have the licensure or endorsement that is required under applicable rules shall be exempt from these rules and any requirement to pursue licensure or endorsement under these rules.

(c) Notwithstanding subsection (b) of this section and any provision of law to the contrary, an employee in an approved area career technical center

located in an approved independent school who was hired before April 1, 2018 and who did not have the licensure or endorsement that is required under applicable rules governing career technical centers shall be exempt from these rules. An employee hired on or after April 1, 2018 shall be subject to these rules, and an employee hired before April 1, 2018 who complied with these rules shall maintain his or her licensure and endorsements as required by these rules.

Sec. E.500.5 RESTORATIVE JUSTICE PRINCIPLES FOR RESPONDING TO SCHOOL DISCIPLINE PROBLEMS

(a) On or before July 1, 2019, the Agency of Education shall issue guidance to all public school boards and boards of approved independent schools that sets out restorative justice principles for responding to school discipline problems. Each public school board and each board of an approved independent school shall consider this guidance and whether to adopt a policy on the use of restorative justice principles for responding to school discipline problems. The restorative justice principles contained in the Agency guidance shall be designed to:

(1) decrease the use of exclusionary discipline;

(2) ensure that disciplinary measures are applied fairly and do not target students based on race, ethnicity, gender, family income level, sexual orientation, immigration status, or disability status; and

(3) provide students with the opportunity to make academic progress while suspended or expelled.

Sec. E.500.6 IMPLEMENTATION OF RESTORATIVE JUSTICE PRINCIPLES; GRANT PROGRAM

(a) The Agency of Education shall use funding under 16 V.S.A. § 2969(c) to assist public and approved independent schools with the adoption and implementation of restorative justice principles for responding to school discipline problems. The Agency shall determine the eligibility criteria for receiving a grant and determining the grant amount, and shall monitor the use of grant monies.

(b) On or before December 1, 2018, 2019, and 2020, the Secretary of Education shall submit a written report to the House Committees on Education and on Judiciary and the Senate Committees on Education and on Judiciary describing the eligibility criteria for receiving a grant and for determining the grant amount, identifying the grant recipients and the amounts they received in grant monies, and the use of grant monies by the recipients.

Sec. E.500.7 PREKINDERGARTEN EDUCATION; REPORT



(a) The Agency of Education, in consultation with the Agency of Human Services, shall commission an independent study to recommend how to more effectively and efficiently provide prekindergarten education that considers:

(1) whether the current delivery and funding models are working effectively to provide prekindergarten education services, and if not, the issues with the current models and recommendations to enhance the quality and effectiveness of these models;

(2) how Vermont families make early care and education arrangements for their children under six years of age, including what factors may constrain parental choices;

(3) how well the prekindergarten system is operating to provide prekindergarten education to all eligible Vermont children and how to provide equitable access to prekindergarten education for children from economically deprived backgrounds;

(4) how to identify ways that the prekindergarten education system may create undesirable outcomes for prekindergarten students, their parents or guardians, or providers of prekindergarten education services or child care services and steps to mitigate them; and

(5) how to simplify regulatory oversight and administration of prekindergarten education.

(b)(1) On or before March 15, 2019, the Agency of Education shall report on the status of the independent study to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare.

(2) On or before July 1, 2019, the Agency of Education shall report the results of the independent study to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare.

#### Sec. E.500.8 ELECTIONS; UNIFIED UNION SCHOOL DISTRICT

(a) Notwithstanding any provision of law to the contrary, the election of a director to the board of a unified union school district who is to serve on the board after the expiration of the term for an initial director shall be held at the unified union school district's annual meeting unless otherwise provided in the district's articles of agreement.

(b) Notwithstanding any provision of law to the contrary, if a vacancy occurs on the board of a unified union school district, and the vacancy is in a seat that is allocated to a specific town, the clerk of the unified union school district shall immediately notify the selectboard of the town. Within 30 days

after the receipt of that notice, the unified union school district board, in consultation with the selectboard, shall appoint a person who is otherwise eligible to serve as a member of the unified union school district board to fill the vacancy until an election is held at an annual or special meeting, unless otherwise provided in accordance with the unified union school district's articles of agreement.

(c) This section is repealed on July 1, 2020.

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 \$3,665,521 shall be used by the Agency of Education in fiscal year 2019 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).

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.

Sec. E.504.1 Education – flexible pathways

(a) Of this appropriation, \$3,916,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$740,000 is available for dual enrollment programs and the amount of \$36,000 is available for use pursuant to Sec. E.605.1(a)(2) of this act;

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

(3) \$200,000 is available for secondary school reform grants; and

(4) \$450,000 is available for the Vermont Academy of Science and Technology and \$1,870,000 for Early College pursuant to 16 V.S.A. § 946.

Sec. E.505 REIMBURSEMENT FOR NEWBURY SCHOOL DISTRICT

(a) Notwithstanding any other provision of law, in addition to the education payment due to the Newbury School District for fiscal year 2019, the Agency of Education shall pay \$44,471 from the Education Fund to the Newbury School District to compensate the district for a pre-K census error in fiscal years 2016 and 2017.

Sec. E.513 [DELETED]

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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 \$105,640,777 of which \$99,940,777 shall be the State's contribution and \$5,700,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$8,081,768 is the "normal contribution," and \$97,559,009 is the "accrued liability contribution."

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

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$31,639,205 will be contributed to the Retired Teachers' Health and Medical Benefits Fund.

Sec. E.515.1 16 V.S.A. § 1942(p) is amended to read:

(p) The Board shall enter into insurance arrangements to provide health and medical benefits for retired members and their dependents. The State is legally responsible for the costs of the health and medical benefits provided in this chapter in the amounts specified in section 1944e of this chapter. The Board may enter into insurance arrangements to provide dental coverage for retired members and their dependents, provided the State or the System has no legal obligation to pay any portion of the dental benefit premiums.

Sec. E.515.2 16 V.S.A. § 1944d is amended to read:

§ 1944d. EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH CARE

(a) The Beginning on July 1, 2018, the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015 shall pay an annual assessment for those teachers' health and medical benefits of \$1,275.00 for each such teacher to the Benefits Fund.

(b) The assessment shall be the value, Beginning on July 1, 2019, and each year thereafter, the annual assessment shall be adjusted to account for inflation, as approved annually by the Board of Trustees based on the actuary's recommendation, of the portion of future retired teachers' health and medical benefits attributable to those teachers for each year of service in the State Teachers' Retirement System of Vermont. The equivalent number for the June 30, 2013 valuation is \$1,072.00.

Sec. E.515.3 EVALUATION OF EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH CARE; REPORT

(a) On or before January 15, 2023, the State Treasurer, in consultation with

representatives from the Vermont-National Education Association and Vermont Association of School Business Officers, shall evaluate and prepare a report on the impact of repealing the employer annual charge for teacher health care.

(b) The State Treasurer shall submit the report described in subsection (a) of this section to the House and Senate Committees on Appropriations.

Sec. E.515.4 REPEAL OF EMPLOYER ANNUAL CHARGE FOR  
TEACHER HEALTH CARE

(a) The employer annual charge for teacher health care, established in 16 V.S.A. § 1944d, is repealed on July 1, 2023.

\* \* \* 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 shall 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 uninsured or underinsured persons, or both, in Vermont and across the nation.

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.

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 that 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.

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) Of this appropriation, not more than \$200,000 may be used by the Vermont Student Assistance Corporation for a student aspirational pilot initiative to serve one or more high schools.

(c) Of the appropriated amount remaining after accounting for subsections (a) and (b) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(d) 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.

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

(a) The sum of \$72,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) as follows:

(1) \$36,000 from Sec. B.1100(a)(3)(C) (Next Generation funds appropriated for dual enrollment and need-based stipend purposes).

(2) \$36,000 pursuant to Sec. E.504.1(a)(1) (flexible pathways 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. § 946 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 Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2019.

\* \* \* NATURAL RESOURCES \* \* \*

Sec. E.700 VOLKSWAGEN LITIGATION; ENVIRONMENTAL  
MITIGATION TRUST FOR STATE BENEFICIARIES

(a) As used in this section:

(1) “Appendix D-2” means Appendix D-2 to the Environmental Mitigation Trust, entitled “Eligible Mitigation Actions and Mitigation Action Expenditures.”

(2) “Environmental Mitigation Trust” or “Trust” means the Environmental Mitigation Trust Agreement for State Beneficiaries filed on October 2, 2017 in In re: Volkswagen “Clean Diesel” Marketing, Sales Practices, and Products Liability Litigation, 3:16-CV-00295-CRB, MDL No. 2672 CRB (JSC) (N.D. Cal.).

(3) “Mobile source” means any vehicle, freight switcher, ferry, tug, vessel, or equipment that qualifies under an eligible mitigation action listed in Appendix D-2.

(b) The Secretary of Natural Resources shall administer Environmental Mitigation Trust monies pursuant to 10 V.S.A. § 554(15) and, in administering the Trust monies appropriated under Sec. B.710 of this act, shall:

(1) Dedicate at least 15 percent of those monies for the purchase of light duty electric supply equipment and associated allowable administrative costs in accordance with Appendix D-2.

(2) Dedicate the remainder of the monies to the replacement of mobile sources that consume fossil fuels with all-electric mobile sources or the repowering of mobile sources that consume fossil fuels with all-electric engines, or both, and associated allowable administrative costs. The expenditures shall be in accordance with the requirements of Appendix D-2.

Sec. E.700.1 [DELETED]

Sec. E.700.2 2017 Acts and Resolves No. 47, Sec. 2 is amended to read:

Sec. 2. COMMISSION ON ACT 250: THE NEXT 50 YEARS; REPORT

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\* \* \*

(i) Reimbursement.

(A) For attendance at no more than ~~40~~ 14 Commission meetings during adjournment of the General Assembly, legislative members of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

(B) There shall be no reimbursement for attendance at subcommittee meetings or more than ~~40~~ 14 Commission meetings.

\* \* \*

\* \* \* COMMERCE AND COMMUNITY DEVELOPMENT \* \* \*

Sec. E.800 2018 Acts and Resolves No. 197, Sec. 24 is amended to read:

Sec. 24. EFFECTIVE DATE DATES

This act shall take effect July 1, 2018, except that Sec. 4 (FY 2018 appropriations for the New Remote Worker Grant Program, the ThinkVermont Innovation Initiative, and for economic development marketing) shall take effect upon passage.

Sec. E.802 Housing & community development

(a) Of the General Funds appropriated in Sec. B.802 of this act, the sum of \$100,000 of General Funds is intended to support planning and implementation of a community development program targeting outdoor recreation, in consultation with the Department of Forests, Parks and Recreation.

Sec. E.808 Vermont council on the arts

(a) The Vermont Council on the Arts shall pay its full lease charge as assessed by the Department of Buildings and General Services.

\* \* \* TRANSPORTATION \* \* \*

Sec. E.900 FISCAL YEAR 2019 TRANSPORTATION FUND  
CONTINGENT APPROPRIATION

(a) In the event contingent spending authority of transportation funds is increased to the statewide district leveling program or the maintenance program as provided and under the terms prescribed in Sec. 8 of H.917 of 2018, the appropriation of transportation funds in, respectively, Sec. B.903, Program Development, and Sec. B.905, Maintenance, of this act are increased in the same amount.

\* \* \* MISCELLANEOUS AND TECHNICAL CORRECTIONS \* \* \*

Sec. F.100 10 V.S.A. § 128 is amended to read:

§ 128. VERMONT CENTER FOR GEOGRAPHIC INFORMATION  
SPECIAL FUND

(a) A Special Fund is created for the operation of the Vermont Center for Geographic Information in the Agency of ~~Commerce and Community Development~~ Digital Services. The Fund shall consist of revenues derived from the charges by the Agency of ~~Commerce and Community Development~~ Digital Services pursuant to subsection (c) of this section for the provision of Geographic Information products and services, interest earned by the Fund, and sums which from time to time may be made available for the support of the Center and its operations. The Fund shall be established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the Agency to support activities of the Center.

(b) The receipt and expenditure of monies from the Special Fund shall be under the supervision of the Secretary of ~~Commerce and Community Development~~ Digital Services.

(c) Notwithstanding 32 V.S.A. § 603, the Secretary of ~~Commerce and Community Development~~ Digital Services is authorized to impose charges reasonably related to the costs of the products and services of the Vermont Center for Geographic Information, including the cost of personnel, equipment, supplies, and intellectual property.

Sec. F.101 10 V.S.A. § 122 is amended to read:

§ 122. VERMONT CENTER FOR GEOGRAPHIC INFORMATION,  
INCORPORATED; ESTABLISHMENT

\* \* \*

(b) In order to develop and implement that strategy, and to ensure that all data gathered by State agencies that is relevant to the VGIS shall be in a form that is compatible with, useful to, and shared with that geographic information system, there is hereby established as a division under the Agency of ~~Commerce and Community Development~~ Digital Services the Vermont Center for Geographic Information (the Center).

\* \* \* EFFECTIVE DATES Secs. A.100-G.100 \* \* \*

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2018 technical correction, VSAC), C.101 (fiscal year 2018 General Fund reversion repeal), C.102 (fiscal year 2018 Medicaid carry forward requirement), C.103 (fiscal year 2018 carry forward of fiscal year 2017 one-time appropriation), C.105-C.105.1 (fiscal



year 2018 tobacco litigation settlement fund receipts, transfers, and appropriations), C.106 (fiscal year 2018 CHINS cases system strategic reform), C.106.1 (fiscal year 2018 substance use disorder, mental health workforce expansion), C.106.2 (fiscal year 2018 substance use disorder response initiatives), C.108 (fiscal year 2018 budget adjustment repeals), C.109 (fiscal year 2018 federal funds contingent appropriation), C.110 (fiscal year 2018 climate commission implementation), C.111-C.114 (fiscal year 2018 Agency of Education adjustments), C.115-C.118 (fiscal year 2018 teachers' retirement system and health care and medical benefits adjustments), C.119 (fiscal year 2018 fund transfers, reversions and reserves), C.1000 (fiscal year 2018 one-time transfers and reversions), D.102 (Tobacco Litigation Settlement Fund balance), E.126 (Legislative Branch workforce comparative evaluation), E.126.1 (Vermont justice system review), E.126.2 (Joint Information Technology Oversight Committee), E.127 (JFO review and evaluation of Corrections health care services), E.233.2 (short-term emergency funding to maintain critical wireless E-911 service), E.308 (Choices for Care), E.400 (effective date amendment to Vermont Returnship Program), and E.800 (effective date amendment to New Remote Worker Grant Program) shall take effect on passage, provided that if the date of passage of this act is after June 30, 2018, then notwithstanding 1 V.S.A. § 214, this section and all other sections listed in this subsection shall take effect on passage and shall apply retroactively to June 30, 2018.

(b) Notwithstanding 1 V.S.A. § 214, Sec. E.111.1 (Tax Computer System Modernization Fund) shall take effect on passage and apply retroactively to July 1, 2017.

(c) Secs E.215.1- E.215.4 of this act shall take effect on July 1, 2018 and the tuition benefits established under the Vermont National Guard Tuition Benefit Program shall be available to eligible Vermont National Guard members enrolled in institutions under the Program starting on or after January 1, 2019, provided that if the date of passage of this act is after July 1, 2018, then notwithstanding 1 V.S.A. § 214, Secs E.215.1- E.215.4 shall take effect on passage and shall apply retroactively to July 1, 2018.

(d) All remaining A-G sections shall take effect on July 1, 2018, provided that if the date of passage of this act is after July 1, 2018, then notwithstanding 1 V.S.A. § 214, all remaining sections shall take effect on passage and shall apply retroactively to July 1, 2018.

\* \* \* Personal Income Tax Changes \* \* \*

\* \* \* Taxable Income \* \* \*

Sec. H.1 32 V.S.A. § 5811 is amended to read:

---

§ 5811. DEFINITIONS

\* \* \*

(21) “Taxable income” means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

\* \* \*

(B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

(i) income from U.S. government obligations;

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend income: either the first \$5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable income; ~~and~~

(iii) recapture of State and local income tax deductions not taken against Vermont income tax; and

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; and

(C) Decreased by the following exemptions and deductions:

(i) the amount of personal exemptions taken at the federal level a personal exemption of \$4,150.00 per person for the taxpayer, for the spouse or the deceased spouse of the taxpayer whose filing status under section 5822 of this chapter is married filing a joint return or surviving spouse, and for each individual qualifying as a dependent of the taxpayer under 26 U.S.C. § 152, provided that no exemption may be claimed for an individual who is a dependent of another taxpayer;

(ii) for taxpayers who do not itemize at the federal level, the

amount of the a standard deduction taken at the federal level determined as follows:

(I) for taxpayers whose filing status under section 5822 of this chapter is unmarried (other than surviving spouses or heads of households) or married filing separate returns, \$6,000.00;

(II) for taxpayers whose filing status under section 5822 of this chapter is head of household, \$9,000.00;

(III) for taxpayers whose filing status under section 5822 of this chapter is married filing joint return or surviving spouse, \$12,000.00; and

(iii) for taxpayers who itemize at the federal level:

(I) the amount of federally itemized deductions for medical and dental expenses and charitable contributions;

(II) the total amount of federally itemized deductions, other than deductions for State and local income taxes, medical and dental expenses, and charitable contributions, deducted from federal adjusted gross income for the taxable year, but in no event shall the amount under this subdivision exceed two and one-half times the federal standard deduction allowable to the taxpayer; and

(III) in no event shall the total amount of deductions allowed under subdivisions (I) and (II) of this subdivision (21)(C)(iii) reduce the total amount of itemized deductions below the federal standard deduction allowable to the taxpayer an additional deduction of \$1,000.00 for each federal deduction under 26 U.S.C. § 63(f) that the taxpayer qualified for and received; and

(iv) the dollar amounts of the personal exemption allowed under subdivision (i) of this subdivision (21)(C), the standard deduction allowed under subdivision (ii) of this subdivision (21)(C), and the additional deduction allowed under subdivision (iii) of this subdivision (21)(C) shall be adjusted annually for inflation by the Commissioner of Taxes beginning with taxable year 2018 by using the Consumer Price Index and the same methodology as used for adjustments under 26 U.S.C. § 1(f)(3); provided, however, that as used in this subdivision, "consumer price index" means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

\* \* \*

\* \* \* Personal Income Tax Rates \* \* \*

## Sec. H.2 PERSONAL INCOME TAX RATES

(a) 2009 Spec. Sess. Acts and Resolves No. 2, Sec. 20 is repealed.

(b) For taxable year 2018 and after, income tax rates under 32 V.S.A. § 5822(a)(1)-(5), after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows:

(1) taxable income that without the passage of this act would have been subject to a rate of 3.55 percent shall be taxed at the rate of 3.35 percent instead;

(2) taxable income that without the passage of this act would have been subject to a rate of 6.80 percent shall be taxed at the rate of 6.60 percent instead;

(3) taxable income that without the passage of this act would have been subject to a rate of 7.80 percent shall be taxed at the rate of 7.60 percent instead;

(4) taxable income that without the passage of this act would have been subject to a rate of 8.80 percent or 8.95 percent shall be taxed at the rate of 8.75 percent instead; the tax brackets for taxable income taxed at 8.80 percent and 8.95 percent in taxable year 2017 shall be combined to be taxed at a rate of 8.75 percent for taxable year 2018 and after.

(c) When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall revise the tables in 32 V.S.A. § 5822(a)(1)-(5) to reflect the changes to the tax rates and tax brackets made in this section.

\* \* \* Charitable Credit; Earned Income Tax Credit; Social Security Income;  
Other Adjustments \* \* \*

Sec. H.3 32 V.S.A. § 5822 is amended to read:

§ 5822. TAX ON INCOME OF INDIVIDUALS, ESTATES, AND TRUSTS

(a) A tax is imposed for each taxable year upon the taxable income earned or received in that year by every individual, estate, and trust, subject to income taxation under the laws of the United States, in an amount determined by the following tables, and adjusted as required under this section:

\* \* \*

(b) As used in this section:

(1) “Married individuals,” “surviving spouse,” “head of household,” “unmarried individual,” “estate,” and “trust” have the same meaning as under the Internal Revenue Code.

(2) The amounts of taxable income shown in the tables in this section shall be adjusted annually for inflation by the Commissioner of Taxes, using the Consumer Price Index adjustment percentage, in the manner prescribed for

inflation adjustment of federal income tax tables for the taxable year by the Commissioner of Internal Revenue, beginning with taxable year 2003; provided, however, notwithstanding 26 U.S.C. § 1(f)(3), that as used in this subdivision, “consumer price index” means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

\* \* \*

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer’s federal income tax for the taxable year as follows: credit for people who are elderly or permanently totally disabled, investment tax credit attributable to the Vermont-property portion of the investment, and child care and dependent care credits.

\* \* \*

(3) Individuals shall receive a nonrefundable charitable contribution credit against the tax imposed under this section for the taxable year. The credit shall be five percent of the first \$20,000.00 in charitable contributions made during the taxable year that are allowable under 26 U.S.C. § 170. This credit shall be available irrespective of a taxpayer’s election not to itemize at the federal level.

\* \* \*

Sec. H.4 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be ~~32~~ 36 percent of the earned income tax credit granted to the individual under the laws of the United States, multiplied by the percentage ~~which~~ that the individual’s earned income that is earned or received during the period of the individual’s residency in this State bears to the individual’s total earned income.

Sec. H.5 32 V.S.A. § 5830e is added to read:

§ 5830e. SOCIAL SECURITY INCOME

The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or qualifying widow or widower:

(A) If the federal adjusted gross income of the taxpayer is less than

or equal to \$45,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$45,000.00 but less than \$55,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$45,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$55,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$55,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$60,000.00, all federally taxable benefits received under the Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$60,000.00 but less than \$70,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$60,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$70,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$70,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

Sec. H.6 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

\* \* \*

(w) The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security benefits.

(x) The statutory purpose of the charitable contribution credit in subdivision 5822(d)(3) of this title is to reduce the tax liability for Vermonters who contribute to charitable causes.

Sec. H.7 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect ~~for taxable year 2016~~ on December 31, 2017, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

\* \* \* Allocation of Education Funds \* \* \*

Sec. H.8 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) ~~All~~ all revenue paid to the State from the statewide education tax on nonresidential and homestead property under 32 V.S.A. chapter 135;

(2) ~~For each fiscal year, the amount of the general funds appropriated and transferred to the Education Fund shall be \$305,900,000.00, to be increased annually beginning for fiscal year 2018 by the consensus Joint Fiscal Office and Administration determination of the National Income and Product Accounts (NIPA) Implicit Price Deflator for State and Local Government Consumption Expenditures and Gross Investment as reported by the U.S. Department of Commerce, Bureau of Economic Analysis through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent. [Repealed.]~~

(3) ~~Revenues~~ revenues from State lotteries under 31 V.S.A. chapter 14, and from any multijurisdictional lottery game authorized under that chapter;

(4) 25 percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225;

(5) ~~One-third~~ one-third of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);

(6) ~~Thirty-six percent of the~~ revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233; and

(7) Medicaid reimbursement funds pursuant to subsection 2959a(f) of this title.

(b) Monies in the Education Fund shall be used for the following:

(1) To make payments to school districts and supervisory unions for the support of education in accordance with the provisions of section 4028 of this title, other provisions of this chapter, ~~and the provisions of 32 V.S.A. chapter 135, to make payments to carry out programs of adult education in accordance with section 945 of this title, and to provide funding for the community high school of Vermont and the Flexible Pathways Initiative established by section 941 of this title, but excluding adult education and literacy programs under section 945 of this title.~~

\* \* \*

(3) To make payments required under 32 V.S.A. § 6066(a)(1) ~~and (2)~~ and only that portion attributable to education taxes, as determined by the Commissioner of Taxes, of payments required under 32 V.S.A. § 6066(a)(3) and ~~6066(b)~~. The State Treasurer shall withdraw funds from the Education Fund upon warrants issued by the Commissioner of Finance and Management based on information supplied by the Commissioner of Taxes. The Commissioner of Finance and Management may draw warrants for disbursements from the Fund in anticipation of receipts. All balances in the Fund at the end of any fiscal year shall be carried forward and remain a part of the Fund. Interest accruing from the Fund shall remain in the Fund.

\* \* \*

(c) ~~An equalization and reappraisal account is established within the Education Fund. Monies from this account are to be used by the Division of Property Valuation and Review to assist towns with maintenance or reappraisal on a case-by-case basis; and for reappraisal and grand list maintenance assistance payments pursuant to 32 V.S.A. §§ 4041a and 5405(f). [Repealed.]~~

\* \* \*

Sec. H.9 32 V.S.A. § 435(b) is amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

\* \* \*



(7) ~~Meals 75 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;~~

\* \* \*

(11) ~~64 percent of the revenue from sales and use taxes levied pursuant to chapter 233 of this title; [Repealed.]~~

\* \* \*

Sec. H.9a REPORT

(a) On or before January 1, 2024, the Joint Fiscal Office shall report to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance on the impact of the changes in Secs. H.8 and H.9 of this act reallocating the revenues generated for the General Fund and Education Fund.

\* \* \* Yield and Nonresidential Rate for Fiscal Year 2019 \* \* \*

Sec. H.10 PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONRESIDENTIAL RATE FOR FISCAL YEAR 2019

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the property dollar equivalent yield shall be \$10,220.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the income dollar equivalent yield shall be \$12,380.00.

(c) Notwithstanding any other provision of law, the nonresidential rate for fiscal year 2019 shall be \$1.58 per \$100.00 of equalized education property value under 32 V.S.A. § 5402(a)(1).

\* \* \* Property Tax Adjustments \* \* \*

Sec. H.11 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF ADJUSTMENT

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to an adjustment amount determined as follows:

(1)(A) For a claimant with household income of \$90,000.00 or more:

(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;

(ii) minus (if less) the sum of:

(I) the income percentage of household income for the taxable

year; plus

(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$250,000.00~~ \$225,000.00.

(B) For a claimant with household income of less than \$90,000.00 but more than \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus (if less) the sum of:

(i) the income percentage of household income for the taxable year; plus

(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$500,000.00~~ \$400,000.00.

(C) For a claimant whose household income does not exceed \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus the lesser of:

(i) the sum of the income percentage of household income for the taxable year plus the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$500,000.00~~ \$400,000.00; or

(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year reduced by \$15,000.00.

\* \* \*

Sec. H.12 32 V.S.A. § 6066 is amended to read:

#### § 6066. COMPUTATION OF ADJUSTMENT

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to an adjustment amount determined as follows:

\* \* \*

(3) A claimant whose household income does not exceed \$47,000.00 shall also be entitled to an additional adjustment amount from the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year which that began in the taxable year upon the claimant's housesite, reduced by the adjustment amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:

|   |  |
|---|--|
| If household income (rounded to the nearest dollar) is: | then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income: |
| \$0.00 - 9,999.00                                       | 2.0 <u>1.50</u>  |
| \$10,000.00 - 24,999.00                                 | 4.5  |
| \$25,000.00 - 47,000.00                                 | 5.0  |
| <u>\$10,000.00 - 47,000.00</u>                          | <u>3.00</u>  |

(4) A claimant whose household income does not exceed \$47,000.00 shall also be entitled to an additional adjustment amount from the claimant's statewide education tax for the upcoming fiscal year that is equal to the amount by which the education property tax for the municipal fiscal year that began in the taxable year upon the claimant's housesite, reduced by the adjustment amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:

|  |   |
|--|---|
| <u>If household income (rounded to the nearest dollar) is:</u> | <u>then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:</u> |
| <u>\$0.00 - 9,999.00</u>                                       | <u>0.5</u>  |
| <u>\$10,000.00 - 24,999.00</u>                                 | <u>1.5</u>  |
| <u>\$25,000.00 - 47,000.00</u>                                 | <u>2.0</u>  |

(5) In no event shall the credit provided for in subdivision (3) or (4) of this subsection exceed the amount of the reduced property tax. The adjustments under subdivisions (3) and (4) of this subsection shall be calculated considering only the tax due on the first \$400,000.00 in equalized housesite value.

\* \* \*

Sec. H.13 32 V.S.A. § 6067 is amended to read:

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a benefit under this chapter. An individual who received a homestead exemption or adjustment with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive an adjustment under this chapter. No taxpayer shall receive an adjustment under subsection 6066(b) of this title in excess of \$3,000.00. No taxpayer shall receive total adjustments under this chapter in excess of \$8,000.00 related to any one property tax year an adjustment under subdivision 6066(a)(3) of this title greater than \$2,400.00 or cumulative adjustment under subdivisions 6066(a)(1)-(2) and (4) of this title

greater than \$5,600.00.

\* \* \* Statewide Education Property Tax Bills \* \* \*

Sec. H.14 32 V.S.A. § 5402(b) is amended to read:

(b) The statewide education tax shall be calculated as follows:

\* \* \*

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonresidential property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.

\* \* \*

Sec. H.15 32 V.S.A. § 6066a(f) is amended to read:

(f) Property tax bills.

(1) For taxpayers and amounts stated in the notice to towns on July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Nothing in this subdivision, however, shall be interpreted as altering the requirement under subdivision 5402(b)(1) of this title that the statewide education homestead tax be billed in a manner that is stated clearly and separately from any other tax. Municipalities shall apply the amount allocated under this chapter to current-year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the November 1 notice sent by the Commissioner under subsection (a) of this section, issuance of ~~such~~ the corrected new bill does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid ~~current year~~ current-year taxes, interest, or penalties and no ~~past-year~~ past-year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

\* \* \*

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\* \* \* Staff-to-Student Ratios Task Force \* \* \*

Sec. H.16 STAFF-TO-STUDENT RATIOS TASK FORCE

(a) Creation. There is created the Staff-to-Student Ratios Task Force, a collaborative effort among government, nonprofit organizations, research experts, and other education stakeholders, that will strive best to ensure education quality while simultaneously ensuring fiscal efficiency in the context of the State's declining student population. Specifically, the Task Force is charged with:

(1) reviewing current staff-to-student count ratios for specific categories of schools and school district configurations, and establishing optimal target ratios for different school district configurations;

(2) identifying barriers that hamper staffing flexibility at the local level, including whether aspects of the regulatory environment, including mandatory staffing requirements and collective bargaining or other contractual obligations, contribute to lower staff-to-student ratios;

(3) aligning to the greatest extent possible the work of the Task Force with existing research findings and reports, based on studies conducted either nationally or in New England, concerning optimal classroom practices and resources, class and school sizes for successful learning outcomes, and the impact of population decline on rural schools;

(4) attending to compliance with federal rules and regulations, so as to avoid jeopardizing the State's federal funding;

(5) determining a mechanism or mechanisms that account for the effects of familial and community-level poverty and human services need, including student experiences of trauma and familial or community-level addiction, on staffing ratios;

(6) considering the impact on staff-to-student ratios due to students' enrollment with independent schools; and

(7) developing recommended strategies for districts to help them meet targets.

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

(1) the Secretary of Education or designee;

(2) the Executive Director of the Vermont Superintendents Association or designee;

(3) the Executive Director of the Vermont School Boards Association or

designee;

(4) the Executive Director of the Vermont Principals' Association or designee;

(5) the Executive Director of the Vermont-National Education Association or designee;

(6) one member selected by the Vermont Association of School Business Officials;

(7) two to four members from Vermont postsecondary institutions, selected by the Task Force, who have expertise in areas among the following: multi-age classrooms and teaching strategies, interdisciplinary instruction, school realignment and reconfiguration, and the impact of community poverty, trauma, or addiction on education staffing; and

(8) a national expert in rural education, selected by the Task Force.

(c) Assistance. The Task Force shall have technical assistance from the Agency of Education.

(d) Report. On or before December 15, 2018, the Task Force shall present to the House and Senate Committees on Education its findings concerning optimum staff-to-student ratios, including optimum ratios for a variety of school and school district sizes and configurations. The Task Force shall include in its report a recommendation as to whether staff-to-student target ratios should be included in statute for fiscal year 2021.

(e) Meetings.

(1) The Secretary of Education or designee shall call the first meeting of the Task Force to occur on or before July 1, 2018.

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

(3) The Task Force shall cease to exist on December 31, 2018.

(f) Compensation and reimbursement. Members of the Task Force who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than ten meetings. These payments shall be made from monies appropriated to the Agency of Education.

(g) Appropriation. The sum of \$7,320.00 is appropriated from the General Fund to the Agency of Education to provide funding for the purposes set forth in this section.

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\* \* \* Vermont Tax Structure Commission \* \* \*

Sec. H.17 VERMONT TAX STRUCTURE COMMISSION

(a) There is hereby established the Vermont Tax Structure Commission composed of three to five members to be selected as follows:

(1) the Speaker of the House, the President Pro Tempore of the Senate, and the Governor shall each appoint one member; and

(2) the three members appointed pursuant to subdivision (1) of this subsection may select one or two additional members, based on a majority vote.

(b) The Commission shall be appointed as soon as possible after the effective date of this act. The Commission shall elect a chair and a vice chair from among its members.

(c) The Commission shall prepare a structural analysis of the State's revenue system and offer recommendations for improvements and modernization and provide a long-term vision for the tax structure. The Commission's analysis shall include a review of Vermont's income taxes, consumption-based taxes, the education financing system, tax expenditures, and property and asset-based taxes. The Commission shall have as its goal a tax system that provides sustainability, appropriateness, and equity. For guidance, the Commission may use the Principles of a High-Quality State Revenue System as prepared by the National Conference of State Legislatures. A high-quality revenue system:

(1) Comprises elements that are complementary, including the finances of both state and local governments.

(2) Produces revenue in a reliable manner. Reliability involves stability, certainty, and sufficiency.

(3) Relies on a balanced variety of revenue sources.

(4) Treats individuals equitably. Minimum requirements of an equitable system are that it imposes similar tax burdens on people in similar circumstances, it minimizes regressivity, and it minimizes taxes on individuals with low income.

(5) Facilitates taxpayer compliance. It is easy to understand and minimizes compliance costs.

(6) Promotes fair, efficient, and effective administration. It is as simple as possible to administer, raises revenue efficiently, is administered professionally, and is applied uniformly.

(7) Is responsive to interstate and international economic competition.

(8) Minimizes its involvement in spending decisions and makes any such involvement explicit.

(9) Is accountable to taxpayers.

(d) It is the intent of the General Assembly that the work of the Commission not supplant or delay the normal Legislative and Executive Branch review and alteration of tax and revenue issues under State law.

(e) The Commission shall begin its work by:

(1) updating and incorporating the relevant work of the Blue Ribbon Tax Structure Commission created by 2009 Spec. Sess. Acts and Resolves No. 1;

(2) updating and incorporating work from the existing studies of Vermont's education finance system since the enactment of 1998 Acts and Resolves No. 60 and 2004 Acts and Resolves No. 68;

(f) The Commission shall submit a two-year work plan and budget to the Joint Fiscal Committee, the Senate Committee on Finance, and the House Committee on Ways and Means on or before February 15, 2019. The work plan shall outline the work the Commission intends to complete in its review of Vermont's income taxes, consumption-based taxes, education financing system, tax expenditures, and property and asset-based taxes. The final report of the Commission shall be made to the General Assembly on or before January 15, 2021.

(g) The Commission shall receive technical support from the Department of Taxes, the legislative Joint Fiscal Office, and consultants.

(h) The Joint Fiscal Office with the assistance of the Legislative Council and the Department of Taxes may contract with one or more consultants or hire a limited service position to provide assistance with achieving the goals for the Commission. The consultants shall have extensive experience with state tax systems and shall have participated in at least one other study of a state tax system.

(i) Members of the Commission shall be entitled to compensation as provided under 32 V.S.A. § 1010.

\* \* \* Public School Employee Health Benefits \* \* \*

Sec. H.18 16 V.S.A. chapter 61 is added to read:

CHAPTER 61. COMMISSION ON PUBLIC SCHOOL EMPLOYEE  
HEALTH BENEFITS



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§ 2101. DEFINITIONS

As used in this chapter:

(1) “Participating employee” means a school employee who is eligible for and has elected to receive health benefit coverage through a school employer.

(2) “School employee” means:

(A) an individual employed by a supervisory union or school district as a teacher or administrator as defined in section 1981 of this title; or

(B) a municipal school employee as defined in 21 V.S.A. § 1722.

(3) “School employer” means a supervisory union or school district as those terms are defined in section 11 of this title.

§ 2102. COMMISSION ON PUBLIC SCHOOL EMPLOYEE HEALTH BENEFITS CREATED

(a) Commission created. There is created an independent commission to be called the Commission on Public School Employee Health Benefits (Commission) to determine, in accordance with section 2103 of this chapter, the amounts of the premiums and out-of-pocket expenses for school employee health benefits that shall be borne by school employers and by participating employees.

(b) Composition and appointment.

(1) The Commission shall have 10 members, of whom five shall be representatives of school employees and five shall be representatives of school employers.

(2)(A) The representatives of school employees shall be appointed as follows:

(i) four members appointed by the labor organization representing the greatest number of teachers, administrators, and municipal school employees in this State; and

(ii) one member appointed by the labor organization representing the second-greatest number of teachers, administrators, and municipal school employees in this State.

(B) The five representatives of school employers shall be appointed by the organization representing the majority of the public school boards in this State.

(C) The appointing authorities shall select appointees who have an understanding of health care and employer-employee relations and who

demonstrate a willingness to work collaboratively.

(D) The term of each member of the Commission shall be six years, provided that of the members first appointed by the labor organization described in subdivision (A)(i) of this subdivision (2), one appointee shall serve a term of two years and one appointee shall serve a term of four years, and of the members first appointed by the organization representing the majority of the public school boards in this State, one appointee shall serve a term of two years and one appointee shall serve a term of four years.

(3) In the event of a vacancy, the appointing authority of the member whose seat becomes vacant shall appoint a successor to serve out the remainder of the member's term.

(c) Chairs. The Commission shall be chaired jointly by one member selected biennially by the representatives of school employees and one member selected biennially by the representatives of school employers.

(d) Removal of Commission members. Members of the Commission may be removed only for cause. The Commission shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(e) Decisions. All decisions of the Commission shall require the votes of a majority of the representatives of school employees and a majority of the representatives of school employers.

(f) Compensation. Commission members shall be entitled to receive per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

(g) Staffing and expenses. The Commission may hire staff as it deems necessary to carry out its duties under this chapter. Compensation for Commission staff and administrative expenses of the Commission shall be shared equally by school employers and school employees. The representatives of school employers and the representatives of school employees shall equitably apportion their share of the costs of compensation and administrative expenses among their members.

(h) Rulemaking. The Commission may adopt rules or procedures, or both, pursuant to 3 V.S.A. chapter 25 as needed to carry out its duties under this chapter.

#### § 2103. DUTIES OF THE COMMISSION

(a) The Commission shall determine the percentage of the premium for individual, two-person, parent-child, and family coverage under a health benefit plan that shall be borne by each school employer and the percentage that shall be borne by participating employees.

(1) The premium responsibility percentages shall remain in effect for the entire plan year.

(2) Each school employer shall be responsible for paying, on behalf of all of its participating school employees, the applicable percentages of premium costs as determined by the Commission.

(3) The premium responsibility percentages for each plan tier shall be the same for all participating employees.

(b)(1) The Commission shall determine the amount of school employees' out-of-pocket expenses for which the school employer and the school employees shall be responsible, and whether school employers shall establish a health reimbursement arrangement, a health savings account, both, or neither, for their participating employees.

(2) The Commission also shall determine the extent to which the employer or employee shall bear first dollar responsibility for out-of-pocket expenses if using a health reimbursement arrangement and whether the balance in a participating employee's health reimbursement arrangement shall roll over from year to year.

(3) The school employers' and school employees' responsibilities for out-of-pocket expenses for each plan tier shall be the same for all participating employees.

(c) The Commission may make recommendations regarding health benefit plan design to any intermunicipal insurance association that offers health benefit plans to entities providing educational services pursuant to 24 V.S.A. chapter 121, subchapter 6.

(d) The Commission shall not make any determinations regarding school employer or school employee responsibilities with respect to stand-alone vision or dental benefits.

#### § 2104. NEGOTIATION; TIME TO BEGIN; GOOD FAITH; WRITTEN AGREEMENT

(a)(1) The Commission shall commence negotiation of the matters set forth in subsections 2103(a) and (b) of this chapter not later than April 1 of the year before the existing agreement pursuant to this section is set to expire.

(2) The Commission shall meet together at reasonable times at the call of the Chairs and shall negotiate in good faith on all matters set forth in subsections 2103(a) and (b) of this chapter.

(3)(A) The Commission shall select a person to serve as a fact finder to assist it in resolving any matters remaining in dispute in the event that the

Commission is unable to reach an agreement by August 1. The fact finder shall be selected by a vote of a majority of the representatives of school employees and of a majority of the representatives of school employers. If the Commission cannot agree on a fact finder by April 5, the American Arbitration Association shall be asked to appoint the fact finder.

(B)(i) The Commission shall mutually agree on an arbitrator by April 5 to decide all matters remaining in dispute if it is unable to reach an agreement within 30 days after receiving the fact finder's report.

(ii) If the Commission is unable to mutually agree on an arbitrator, it shall form a three-member panel of arbitrators to be selected as follows:

(I) One arbitrator shall be selected by the representatives of school employees from a list prepared by the American Arbitration Association.

(II) One arbitrator shall be selected by the representatives of school employers from a list prepared by the American Arbitration Association.

(III) The Commission shall request the services of the American Arbitration Association for the appointment of the third arbitrator.

(b)(1) The Commission shall enter into a written agreement incorporating all matters agreed to in negotiation.

(2) The terms of the agreement shall be incorporated by reference into all collective bargaining agreements for school employees.

(c) The term of each agreement shall be negotiated by the Commission but shall not be less than two years.

#### § 2105. DISPUTE RESOLUTION

(a)(1) If the Commission is unable to reach agreement by August 1, the Commission shall meet with the fact finder selected pursuant to section 2104 of this chapter not later than August 15.

(2) The fact finder may schedule and hold additional meetings with the Commission as necessary. The Commission shall furnish the fact finder with all records, papers, and information in its possession pertaining to any matter remaining in dispute.

(3) The fact finder shall, before issuing his or her decision, attempt to mediate the matters remaining in dispute.

(4) If the mediation fails to produce an agreement, the fact finder shall,

on or before September 15, submit a written report to the Commission recommending a reasonable basis for the settlement of the matters remaining in dispute.

(b)(1) If the Commission is unable to resolve all matters remaining in dispute within 30 days after receiving the fact finder's report, the Commission shall submit the matters remaining in dispute to the arbitrator or arbitrators selected pursuant to section 2104 of this chapter for resolution.

(2) The representatives of school employees and the representatives of school employers shall submit to the arbitrator or arbitrators their last best offer on all issues remaining in dispute. The arbitrator or arbitrators shall select one of the last best offers in its entirety without amendment.

(3)(A) The arbitrator or arbitrators shall hold a hearing on or before November 15 at which the Commission members shall submit all relevant evidence, documents, and written material, and each member may submit oral or written testimony in support of his or her position on any undecided issue that is subject to arbitration.

(B) In reaching a decision, the arbitrator or arbitrators shall give weight to the evidence, documents, written material, and arguments presented, as well as the following factors:

(i) the interests and welfare of the public;

(ii) the financial ability of the Education Fund and school districts across the State to pay for the costs of health care benefits and coverage;

(iii) comparisons of the health care benefits of school employees with the health care benefits of similar employees in the public and private sectors in Vermont;

(iv) the average consumer prices for goods and services commonly known as the cost of living; and

(v) prior and existing health care benefits and coverage for school employees.

(4) The arbitrator or arbitrators shall issue their decision within 30 days after the hearing. The decision of the arbitrator or arbitrators shall be final and binding upon the Commission and all school employees and school employers. The decision shall not be subject to ratification.

(5) Upon the petition of a Commission member within not more than 15 days following the arbitration decision, a Superior Court shall vacate the decision if:

(A) it was procured by corruption, fraud, or other undue means;

(B) there was evident partiality or prejudicial misconduct by the arbitrator or arbitrators;

(C) the arbitrator or arbitrators exceeded their power or rendered a decision requiring a person to commit an act or engage in conduct prohibited by law; or

(D) there is an absence of substantial evidence on the record as a whole to support the decision.

(6) At any time prior to the issuance of a decision by the arbitrator or arbitrators, the Commission may notify the arbitrator or arbitrators of any additional issues on which a majority of the representatives of school employees and of the representatives of school employers have reached agreement.

(7) If any provision of this subsection is inconsistent with any other provision of law governing arbitration, this subsection shall govern.

(c) The arbitrator or arbitrators shall have the authority to address complaints that either party has engaged in or is engaging in unfair bargaining practices, including a refusal to bargain in good faith. If the arbitrator or arbitrators find upon a preponderance of the evidence that a party has engaged in or is engaging in any unfair bargaining practice, the arbitrator or arbitrators may include in the decision a remedy for the unfair bargaining practice that is consistent with the provisions of 21 V.S.A. § 1727(d).

#### § 2106. STRIKES AND CONTRACT IMPOSITION PROHIBITED

(a) School employees and the representatives of school employees shall be prohibited from engaging in a strike, as defined by 21 V.S.A. § 1722(16), in relation to the negotiation of an agreement pursuant to this chapter.

(b) The representatives of school employers shall be prohibited from imposing the terms of the agreement that is subject to this chapter.

#### § 2107. RATIFICATION OF AGREEMENT

(a) The representatives of school employers and the representatives of school employees shall each develop procedures by which their members shall ratify the agreement entered into by the Commission pursuant to this chapter within 30 days after the date of the agreement; provided, however, that if the agreement is determined by arbitration pursuant to subsection 2105(b) of this chapter, the agreement shall not be subject to ratification.

(b) In the event that either the school employers or school employees, or both, fail to ratify the agreement, the following provisions shall apply:

(1) If the Commission has not engaged in mediated fact-finding

pursuant to subsection 2105(a) of this chapter during the current negotiation cycle, the Commission shall meet with the fact finder pursuant to the provisions of that subsection to settle all matters remaining in dispute. If the Commission is able to reach a new agreement, that agreement shall be submitted to the bargaining units for ratification. If, after mediated fact-finding, the Commission is unable to reach a new agreement, the Commission shall proceed to arbitration pursuant to subsection 2105(b) of this chapter.

(2) If the Commission has already engaged in mediated fact-finding pursuant to subsection 2105(a) of this chapter during the current negotiation cycle, the Commission shall proceed to arbitration pursuant to subsection 2105(b) of this chapter.

#### § 2108. DUTIES OF SCHOOL EMPLOYERS

Each school employer shall:

(1) deduct from the gross wages of each participating employee a sum equal to the percentage of the premium determined by the Commission to be the employee's responsibility for the applicable tier of coverage;

(2) remit to the administrator of the health benefit plan the amount determined by the Commission to be the employers' premium responsibility for each participating employee, along with the amount deducted from the employee's wages for the employee's premium share;

(3) contribute toward the out-of-pocket expenses of each participating employee in the amounts and manner determined by the Commission to be the employer's responsibility; and

(4) participate in any health reimbursement arrangement or health savings account, or both, in the amounts and to the extent determined by the Commission.

Sec. H.19 16 V.S.A. § 2004 is amended to read:

#### § 2004. AGENDA

(a) The school board, through its negotiations council, shall, upon request, negotiate with representatives of the teachers' or administrators' organization negotiations council on matters of salary, related economic conditions of employment, the manner in which it will enforce an employee's obligation to pay the agency fee, procedures for processing complaints and grievances relating to employment, and any mutually ~~agreed-upon~~ agreed-upon matters not in conflict with the statutes and laws of the State of Vermont.

(b) As used in this section, the terms "salary" and "related economic conditions of employment" shall not include health care benefits or coverage

other than stand-alone vision and dental benefits. Health care benefits and health coverage, excluding stand-alone vision and dental benefits but including health reimbursement arrangements and health savings accounts, shall not be subject to collective bargaining pursuant to this chapter, but shall be determined pursuant to chapter 61 of this title.

Sec. H.20 16 V.S.A. § 2005 is amended to read:

§ 2005. WRITTEN AGREEMENT

The negotiations councils for the school board and the teachers' or administrators' organization shall enter into a written agreement or agreements incorporating therein matters agreed to in negotiation. The written agreement shall incorporate by reference the terms of the agreement entered into pursuant to chapter 61 of this title.

Sec. H.21 21 V.S.A. § 1722 is amended to read:

§ 1722. DEFINITIONS

As used in this chapter:

\* \* \*

(12) "Municipal employee" means any employee of a municipal employer, including a municipal school employee or a professional employee as defined in subdivision 1502(11) of this title, except:

\* \* \*

(17) "Wages, hours, and other conditions of employment" means any condition of employment directly affecting the economic circumstances, health, safety, or convenience of employees but excluding matters of managerial prerogative as defined in this section. For collective bargaining related to municipal school employees, "wages, hours, and other conditions of employment" shall not include health care benefits or coverage other than stand-alone vision and dental benefits.

\* \* \*

(21) "Municipal school employee" means an employee of a supervisory union or school district who is not otherwise subject to 16 V.S.A. chapter 57 (labor relations for teachers and administrators) and who is not otherwise excluded pursuant to subdivision (12) of this section.

Sec. H.22 21 V.S.A. § 1725 is amended to read:

§ 1725. COLLECTIVE BARGAINING PROCEDURE

(a)(1) For the purpose of collective bargaining, the representatives of the municipal employer and the bargaining unit shall meet at any reasonable time



and shall bargain in good faith with respect to wages, hours, and conditions of employment, and shall execute a written contract incorporating any agreement reached; provided, however, that neither party shall be compelled to agree to a proposal nor to make a concession, nor to bargain over any issue of managerial prerogative.

(2)(A) For the purpose of collective bargaining related to municipal school employees, “wages, hours, and conditions of employment” shall not include health care benefits or coverage other than stand-alone vision and dental benefits. Health care benefits and coverage, excluding stand-alone vision and dental benefits but including health reimbursement arrangements and health savings accounts, shall not be subject to collective bargaining by municipal school employees pursuant to this chapter, but shall be determined pursuant to 16 V.S.A. chapter 61.

(B) All written contracts executed in relation to municipal school employees shall incorporate by reference the terms of the agreement entered into pursuant to 16 V.S.A. chapter 61.

\* \* \*

#### Sec. H.23 HEALTH CARE BENEFIT TRANSITION; LEGISLATIVE INTENT

(a) In recognition of the existing disparities in health care benefits between different supervisory unions and school districts and between different categories of employees within the same supervisory unions and school districts, it is the intent of the General Assembly that the Commission on Public School Employee Health Benefits endeavor to transition school employees and school employers to more equitable health care coverage statewide in a manner that is fair and practicable for all parties involved.

(b) Notwithstanding any provision of 16 V.S.A. § 2103 to the contrary, for the agreement for school employee health benefits to take effect on July 1, 2020, the Commission may agree to establish, or the arbitrator’s decision may provide for, one set of contribution levels toward premiums and out-of-pocket expenses for teachers and administrators and a different set of contribution levels for municipal school employees.

#### Sec. H.24 TERM OF INTERIM COLLECTIVE BARGAINING AGREEMENTS; COMMENCEMENT OF COMMISSION NEGOTIATIONS

(a) All collective bargaining agreements between a supervisory union or school district and school employees that take effect between July 1, 2018 and June 30, 2020 shall expire between July 1, 2020 and September 1, 2020.

(b) The initial agreement negotiated by the Commission on Public School

Employee Health Benefits shall be for incorporation by reference into collective bargaining agreements between a supervisory union or school district and school employees that take effect on or after July 1, 2020. The Commission shall, pursuant to 16 V.S.A. § 2104, commence negotiations for the initial agreement on or before April 1, 2019.

Sec. H.25 24 V.S.A. § 4947 is amended to read:

§ 4947. INDEPENDENT SCHOOLS; ELIGIBLE TO PARTICIPATE HEALTH BENEFIT PLANS OFFERED TO ENTITIES PROVIDING EDUCATIONAL SERVICES

(a) As used in this section:

(1) “Health benefit association” means an association that offers one or more health benefit plans to school employers for coverage of their school employees.

(2) “School employee” shall have the same meaning as in 16 V.S.A. § 2101.

(3) “School employer” shall have the same meaning as in 16 V.S.A. § 2101.

(b) A health benefit association shall offer the same plan or plans to all school employers.

(c) A health benefit association shall solicit the input of the Commission on Public School Employee Health Benefits established in 16 V.S.A. § 2102 regarding the design of the health benefit plan or plans to be offered to school employers for coverage of their school employees.

(d) The governing board of a health benefit association shall be composed of the following six members:

(1) three members appointed by the organization representing the majority of the public school boards in this State, who shall not be employees of the organization; and

(2) three members appointed by the labor organization representing the greatest number of public school employees in the State, who shall not be employees of the organization.

(e) AN A health benefit association that offers hospital, surgical and medical benefits insurance to entities that are providing educational services under this subchapter, may shall make such insurance all health benefit plans that it offers available to approved or recognized independent schools operating in Vermont. Participation shall be on the same terms and conditions that apply to municipalities and shall not create joint and several liability as a

result of any act or omission of any other school, municipality, or association. Schools that participate under this section shall be provided with copies of the annual audit. The provisions of ~~section 16 V.S.A. § 166 of Title 16~~ shall apply for purposes of determining whether a school qualifies as an “approved or recognized independent school.”

Sec. H.26 DEPARTMENT OF FINANCIAL REGULATION;  
RULEMAKING

(a) The Department of Financial Regulation shall amend its rules pursuant to 3 V.S.A. chapter 25 as needed to conform to the provisions of 24 V.S.A. § 4947 as amended by this act, and a health benefit association shall amend its governing documents accordingly.

Sec. H.27 VERMONT EDUCATION HEALTH INITIATIVE PLANS;  
BOARD TRANSITION

(a)(1) A health benefit association offering health benefit plans pursuant to 24 V.S.A. § 4947 on July 1, 2018 shall continue to make the same health benefit plans available to public school employers and approved or recognized independent school employers, and their participating employees, until the expiration of the first agreement entered into by the Commission on Public School Employee Health Benefits. A health benefit association may modify its plan designs or plan offerings, or both, beginning with the health benefit plans to be offered in the first plan year to which the Commission’s second agreement applies.

(2) Nothing in subdivision (1) of this subsection shall be construed to limit or modify the requirement that a health benefit association file annual, actuarially sound, proposed premium rates with the Department of Financial Regulation in amounts sufficient to ensure the continued solvency of the association and its health benefit plans.

(b)(1) The composition of the board of a health benefit association, as defined in 24 V.S.A. § 4947(a), that is in place on the date of passage of this act may continue in the same form until October 1, 2018. On October 1, 2018, the terms of all board members then serving shall expire.

(2) Beginning on October 1, 2018, the board of a health benefit association shall conform to the composition specified in 24 V.S.A. § 4947(d) and the terms of all new board members shall begin on that date. Board members serving immediately prior to October 1, 2018 shall be eligible for reappointment to the extent permitted by the board’s bylaws.

Sec. H.28 NO IMPACT ON HEALTH BENEFITS FOR RETIRED SCHOOL  
EMPLOYEES

(a) Nothing in this act shall be construed to modify the health benefits or health benefit plans offered to retired school employees.

\* \* \* Administrative Changes \* \* \*

Sec. H.29 32 V.S.A. § 5402b(a)(4) is amended to read:

(4) the percentage change in the ~~median~~ average education tax bill applied to nonresidential property, and the percentage change in the ~~median~~ average education tax bill of homestead property, and the percentage change in the ~~median~~ average education tax bill for taxpayers who claim an adjustment under subsection 6066(a) of this title are equal.

Sec. H.30 24 V.S.A. § 1892(g) is amended to read:

(g) ~~Beginning in 2019 and annually 2021 and every four years thereafter,~~ on or before January 15 of ~~each year,~~ the Joint Fiscal Office, with the assistance of the consulting Legislative Economist, the Department of Taxes, and the Agency of Commerce and Community Development in consultation with the Vermont Economic Progress Council, shall examine the recommendations and conclusions of the tax increment financing capacity study and report created pursuant to subsection (e) of this section, and shall submit to the Emergency Board and to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance an updated summary report that includes:

\* \* \*

\* \* \* Effective Dates Secs. H.1–H.31; Transition \* \* \*

Sec. H.31 EFFECTIVE DATES AND TRANSITION

(a) Notwithstanding any other provision of this act, this section and Secs. H.1-H.30 shall take effect on passage, except:

(1) Notwithstanding 1 V.S.A. § 214, Secs. H.1–H.6 (income tax changes) shall take effect retroactively on January 1, 2018 and apply to taxable year 2018 and after.

(2) Notwithstanding 1 V.S.A. § 214, Sec. H.7 (income tax link to the federal tax statutes) shall take effect retroactively on January 1, 2018 and apply to taxable years beginning on January 1, 2017 and after.

(3) Secs. H.8–H.9 (General Fund and Education Fund revenues) and H.10 (yield and nonresidential rate for fiscal year 2019) shall take effect on July 1, 2018, and apply to fiscal year 2019 and after; provided that if the date of passage of this act is after July 1, 2018, then notwithstanding 1 V.S.A. § 214, Secs. H.8–H.9 and H.10 shall take effect retroactively on July 1, 2018

and apply to fiscal year 2019 and after.

(4) Notwithstanding 1 V.S.A. § 214, Sec. H.11 (calculation of property tax adjustments) shall take effect retroactively to the taxable year starting on January 1, 2017 and apply to property tax adjustment claims filed for fiscal year 2019 (claim year 2018) and after.

(5) Secs. H.12–H.13 (municipal and education super-circuitbreaker and credit limits) and H.14–H.15 (property tax bill requirements) shall take effect on July 1, 2019 and apply to fiscal year 2020 and after.

(6) Secs. H.19-H.22 (subjects for collective bargaining) shall take effect on January 1, 2020 and shall apply to all collective bargaining agreements between a supervisory union or school district and school employees that take effect on or after that date.

\* \* \* Relating to Vital Records \* \* \*

Sec. I.1 2017 Acts and Resolves No. 46, Sec. 63 is amended to read:

Sec. 63. EFFECTIVE DATES

(a) This section; in Sec. 3, 18 V.S.A. § 5000(e)(8) and (f) (rulemaking authority); and in Sec. 39, 18 V.S.A. § 5131(a)(2) (marriage license application form) shall take effect on passage.

(b) All other sections of this act shall take effect on July 1, ~~2018~~ 2019.

Sec. I.2 REPEAL

(a) The following sections of 2017 Acts and Resolves No. 46 are repealed:

- (1) Sec. 9, amending 18 V.S.A. § 5007;
- (2) Sec. 17, adding 18 V.S.A. § 5016;
- (3) Sec. 22, amending 18 V.S.A. § 5073;
- (4) Sec. 24, amending 18 V.S.A. § 5075;
- (5) Sec. 29, amending 15A V.S.A. § 3-802;
- (6) Sec. 30, amending 18 V.S.A. § 5078; and
- (7) Sec. 52, amending 18 V.S.A. § 5202a.

Sec. I.3 18 V.S.A. § 5000(c)(2) is added to read:

(2) On and after July 1, 2019:

(A) upon registration of a birth or death in the Statewide Registration System, the System shall automatically notify the town clerk of the town of occurrence and the town clerk of residence of the registrant;

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(B) upon the correction or amendment of a birth or death certificate registered in the System, or upon issuance of a new birth certificate to replace a birth certificate registered in the System, the System shall automatically notify the town clerk of the town of occurrence and the town clerk of residence of the registrant.

Sec. I.4 18 V.S.A. § 5007 is amended to read:

§ 5007. PRESERVATION OF DATA RECORDS

A town clerk shall receive, number, and file for record certificates of births, marriages, civil unions, and deaths, and shall preserve such certificates together with the and burial-transit and removal permits returned to the clerk, in a fireproof vault or safe, as provided by 24 V.S.A. § 1178. A town clerk shall permanently preserve at the office of the clerk birth and death certificates registered prior to July 1, 2019 and marriage and civil union certificates.

Sec. I.5 18 V.S.A. § 5016 is added to read:

§ 5016. BIRTH AND DEATH CERTIFICATES; COPIES; INSPECTION

(a) Access and issuance generally.

(1) Except as provided in subdivisions (2) and (3) of this subsection:

(A) only the State Registrar and issuing agents may issue certified copies of birth and death certificates registered before July 1, 2019, and such certificates shall only be issued from the Statewide Registration System; and

(B) only the State Registrar and issuing agents may issue certified or noncertified copies of birth and death certificates registered on or after July 1, 2019, and such certificates shall only be issued from the Statewide Registration System.

(2) Copies of birth and death certificates registered prior to January 1, 1909 shall not be issued from the Statewide Registration System. Any town clerk may issue a certified copy of a pre-1909 birth or death certificate, provided he or she fulfills the requirements of subsection (b) of this section and such additional requirements as the State Registrar may prescribe as necessary to track antifraud paper used to produce such copies.

(3) A certified or noncertified birth or death certificate shall only be issued as authorized and prescribed in this section, except that in either of the following circumstances, a public agency may issue a noncertified copy even if it does not follow the requirements of this section governing noncertified copies:

(A) if the public agency is an agency other than the Office of Vital Records, the Vermont State Archives and Records Administration, or the

office of a town or county, and the public agency has custody of a birth or death certificate acquired in the course of its business; or

(B) if the birth or death certificate was filed in the records of a town or county office, such as land records, for a reason unrelated to its official role under law as a repository of registered birth or death certificates.

(4) The word "illegitimate" shall be redacted from any certified or noncertified copy of a birth certificate.

(5) If necessary to prevent fraud, the State Registrar may limit the issuance of a certified or noncertified copy of a certificate of live birth for a foreign born child in the same manner as copies of birth certificates are limited under this section.

(b) Certified copies.

(1) The State Registrar and issuing agents may issue certified copies of birth and death certificates only upon receipt of a complete application accompanied by a form of identification prescribed in rules adopted by the State Registrar. The State Registrar and issuing agents shall record in a database maintained by the State Registrar any application received.

(2) Only the following persons shall be eligible for a certified copy of a birth or death certificate:

(A) the registrant or his or her spouse, child, parent, sibling, grandparent, or guardian; a person petitioning to open a decedent's estate; a court-appointed executor or administrator; or the legal representative of any of these;

(B) a specific person pursuant to a court order finding that a noncertified copy is not sufficient for the applicant's legal purpose and that a certified copy of the birth or death certificate is needed for the determination or protection of a person's right; or

(C) in the case of a death certificate only, additionally to:

(i) the individual with authority for final disposition as provided in section 5227 of this title or a funeral home or crematorium acting on the individual's behalf;

(ii) the Social Security Administration;

(iii) the U.S. Department of Veterans Affairs; or

(iv) the deceased's insurance carrier, if such carrier provides benefits to the decedent's survivors or beneficiaries.

(3) Certified copies of birth and death certificates shall be issued only on unique paper with antifraud features approved by the State Registrar.

(4) A certified copy of a birth or death certificate shall be prima facie evidence of the facts stated therein.

(c) Noncertified copies.

(1) Form. A noncertified copy of a birth or death certificate issued from the Statewide Registration System shall indicate the term "Noncertified" on its face and shall not be issued on antifraud paper.

(2) Legal effect. A noncertified copy of a birth or death certificate shall not serve as prima facie evidence of the facts stated therein, except that it may be recorded in the land records of a municipality to establish the date of birth or death of a person with an ownership interest in property.

(d) Inspection. In addition to the provisions of the Public Records Act, the State Registrar may prescribe procedures governing the inspection of birth and death certificates if necessary to protect the integrity of the certificates or to prevent fraud.

Sec. I.6 18 V.S.A. § 5073 is amended to read:

§ 5073. ~~AMENDMENT OF MINOR ERRORS ON BIRTH CERTIFICATE~~  
~~CORRECTIONS, COMPLETIONS~~

(a)(1) ~~Within~~ Except as otherwise provided in subdivision (2) of this subsection, within six months after the date of birth, ~~amendment of obvious errors, transpositions of letters in words of common knowledge, or omissions, may be made by the town clerk either upon his or her own observation or~~ the State Registrar may correct or complete a birth certificate in the Statewide Registration System upon ~~request~~ application of a parent, the hospital, ~~in which the birth occurred, or the certifying attendant, or the Supervisor of Vital Records Registration.~~

(2) At any time after the date of birth, the State Registrar may complete a birth certificate to add the name of a parent only upon request of the registrant or his or her parent or guardian and upon the receipt of:

(A) a properly executed voluntary acknowledgment of parentage; or

(B) a decree of a court or administrative agency of competent jurisdiction adjudicating parentage.

(3) Within six months after the date of birth, the State Registrar may complete or change the name of a child upon joint application of the parents or upon application of the parent if only one parent is listed on the birth certificate. A court order shall not be required, except for completions or



changes of name more than six months after the date of birth.

(b) If the State Registrar determines that a correction or completion requested under this section is unwarranted, he or she may deny an application, in which case the applicant may petition the Probate Division of the Superior Court. The court shall review the petition and relevant evidence de novo to determine if the correction or completion is warranted. The court shall transmit a decree ordering a correction or completion to the State Registrar, who shall correct or complete the certificate in accordance with the decree.

~~(c) The amended A corrected or completed certificate shall be free of any evidence of such correction except that the clerk shall make a notation as to the change and shall not be marked "Amended." However, the State Registrar shall record and maintain in the Statewide Registration System the source of the information, together with his or her name the nature and content of the change, the identity of the person making the change, and the date the change was made, on the margin of the certificate. This notation shall not be included on any certified copy of the certificate issued except as specified in subsection (b) of this section. The certificate shall not be marked "Amended."~~

~~(b) The town clerk shall send a certified copy of any certificate amended under subsection (a) of this section to the Commissioner and also to the clerk of any town to whom a copy of the original record was sent under the provisions of section 5009 of this title, and shall enclose with that copy, but not endorsed thereon, a notation identifying the copy to be replaced. The copy shall show the notations specified in subsection (a) of this section. The Commissioner shall file this return or copy by attaching the same to the original return or copy.~~

(d) If the State Registrar corrects or completes a certificate that was registered prior to July 1, 2019, he or she shall notify the town clerk or clerks with custody of the certificate, who shall replace and dispose of the uncorrected certificate and update indexes as directed by the State Registrar. Corrected or completed originals shall not be marked "Amended."

Sec. I.7 18 V.S.A. § 5075 is amended to read:

§ 5075. ISSUANCE OF NEW OR CORRECTED AMENDED OR DELAYED BIRTH CERTIFICATE BY PROBATE DIVISION OF THE SUPERIOR COURT APPLICATION

(a) After Except as otherwise provided in subdivision 5073(a)(2) of this title, after six months from the date of birth, any alteration of the birth certificate of a person born in this state may be amended only by the decree of the Probate Division of the Superior Court of the district in which such birth occurred State shall be deemed an amendment. A petition for such

~~amendment may be brought by the person, the person's~~ Upon application by the registrant, his or her parent or guardian, the hospital in which the birth occurred, or the certifying attendant, or custodian setting forth the reason for such petition and the correction or amendment desired and the reason for it, the State Registrar may amend the birth certificate if the application and relevant evidence, if any, show that the amendment is warranted.

(b) ~~A person born in this State for whom no certificate of birth was filed during the first year following birth, or his or her parent or guardian, may petition the Probate Division of the Superior Court of the district in which such person was born apply to the State Registrar to determine the facts with respect to this the birth and to order the issuance of issue a delayed certificate of birth.~~

~~(b) Birth certificates issued under this section for minor errors as defined in subsection 5073(a) of this title shall be corrected without payment of a fee.~~

(c) If the State Registrar denies an application under this section, the applicant may petition the Probate Division of the Superior Court, which shall review the application and relevant evidence de novo to determine if the amendment or issuance of a delayed certificate is warranted. The court shall transmit a decree ordering an amendment or issuance of a delayed certificate to the State Registrar, who shall amend or issue the certificate in accordance with the decree.

(d) The State Registrar shall make any amendment and register any delayed certificate in the Statewide Registration System. Any amended birth certificate issued from the System shall indicate the word "Amended" and the date of amendment, and any delayed certificate issued from the System shall indicate the word "Delayed" and the date of registration. The State Registrar shall record and maintain in the System the identity of the person requesting the amendment or delayed certificate, the nature and content of the change made in the System, the person who made the amendment or registered the delayed certificate in the System, and the date of the amendment or registration.

(e) If the State Registrar amends a certificate that was registered prior to July 1, 2019, he or she shall notify the town clerk or clerks with custody of the certificate, who shall replace and dispose of the unamended certificate and update indexes as directed by the State Registrar.

Sec. I.8 18 V.S.A. § 5078 is amended to read:

§ 5078. ADOPTION; NEW AND AMENDED BIRTH CERTIFICATE

~~(a) The Supervisor of Vital Records Registration shall establish a new birth certificate for a person born in the State when the Supervisor~~ When the State

Registrar receives a record report of adoption, a report of an amended adoption, or a report that an adoption has been set aside as provided in 15 V.S.A. § 449 15A V.S.A. § 3-801, or a record of adoption prepared and filed in accordance with the laws of another state or foreign country, he or she shall proceed as prescribed in 15A V.S.A. § 3-802.

~~(b) The new birth certificate shall be on a form prescribed by the Commissioner of Health. The new birth certificate shall include:~~

~~(1) the actual place and date of birth;~~

~~(2) the adoptive parents as though they were natural parents;~~

~~(3) If prior to July 1, 2019 a new birth certificate was issued following an adoption that contains a notation that it was issued by authority of this chapter, contains the filing dates of the original and the new birth certificate, or otherwise contains information that facially distinguishes it from an original, the adoptive parent or the adoptee if 14 years of age or older may apply to the State Registrar to issue a replacement birth certificate that does not contain distinguishing information. The State Registrar shall issue the replacement and notify any town clerk with custody of the version that contains distinguishing information, who shall substitute the latter with the replacement birth certificate. The town clerk shall send the version that contains distinguishing information to the State Registrar, who shall keep it confidential.~~

~~(c) The new birth certificate shall not contain a statement whether the adopted person was illegitimate. [Repealed.]~~

~~(d) The new certificate, and sufficient information to identify the original certificate, shall be transmitted to the clerk of the town of birth to be filed according to the procedures in 15 V.S.A. § 451. [Repealed.]~~

~~(e) The Supervisor of Vital Records Registration shall not establish a new birth certificate if the supervisor receives, accompanying the record of adoption, a written request that a new certificate not be established:~~

~~(1) from the adopted person if 18 years or older; or~~

~~(2) from the adoptive parent or parents if the adopted person is under 18 years of age. [Repealed.]~~

~~(f) When the Supervisor of Vital Records Registration receives a record of adoption for a person born in another state, the Supervisor shall forward a certified copy of the record of adoption to the state registrar in the state of birth, with a request that a new birth certificate be established under the laws of that state. [Repealed.]~~

Sec. I.9 18 V.S.A. § 5202a is amended to read:

§ 5202a. CORRECTION, COMPLETION, OR AMENDMENT OF DEATH CERTIFICATE

(a) Corrections, completions. Within six months after the date of death, the ~~town clerk~~ State Registrar may correct or complete a death certificate upon application by the certifying ~~physician~~ licensed health care professional, medical examiner, hospital, nursing home, or funeral director, if the application and relevant evidence, if any, show that the correction or completion is warranted. ~~The town clerk may correct or complete the certificate accordingly and shall certify thereon that such correction or completion was made pursuant to this section, with the date thereof. In his or her discretion, the town clerk may refuse an application for correction or completion, in which case, the applicant may petition the Probate Division of the Superior Court for such correction or completion.~~

(b)(1) Amendments. After six months from the date of death, any alteration of a death certificate may only be corrected or amended pursuant to decree of the Probate Division of the Superior Court in which district the original certificate is filed shall be deemed an amendment. Upon application by a person specified in subsection (a) of this section, the State Registrar may amend the death certificate if the application and relevant evidence, if any, show that the amendment is warranted.

~~(2) The Probate Division of the Superior Court to which such application is made shall set a time for hearing thereon and, if such court deems necessary, cause notice of the time and place thereof to be given by posting the same in the Probate Division of the Superior Court office and, after hearing, shall make such findings, with respect to the correction of such death certificate as are supported by the evidence. The court shall thereupon issue a decree setting forth the facts as found and transmit a certified copy of such decree to the Supervisor of Vital Records Registration. The Supervisor of Vital Records Registration~~

(c) Appeal. If the State Registrar denies an application for a correction, completion, or amendment under this section, the applicant may petition the Probate Division of the Superior Court, which shall review the application and relevant evidence de novo to determine if the requested action is warranted. The court shall transmit a decree ordering a correction, completion, or amendment to the State Registrar, who shall take action in accordance with the decree.

(d) Documentation of changes. The State Registrar shall make corrections, completions, and amendments in the Statewide Registration System. A

corrected or completed certificate issued from the System shall be free of any evidence of the alteration and shall not be marked "Amended." Any amended death certificate issued from the System shall indicate the word "Amended" and the date of amendment. The State Registrar shall enter into and maintain in the System the identity of the person requesting the correction, completion, or amendment, the nature and content of the change, the identity of the person making the change in the System, and the date the change was made.

(e) Original certificates. If the State Registrar corrects, completes, or amends a certificate that was registered prior to July 1, 2019, he or she shall transmit the same to the appropriate town clerk to amend notify the town clerk or clerks with custody of the original or issue a new certificate, who shall replace and dispose of the original and update indexes, as directed by the State Registrar. The words "Court Amended" shall be typed, written, or stamped at the top of the new or amended certificates with the date of the decree and the name of the issuing court.

(e)(f) Provided, however, that only the medical examiner or the certifying physician may apply to Cause of death. The State Registrar shall only correct or, complete the certificate as to, or amend the medical certification of the cause of death upon application by the medical examiner or certifying licensed health care professional.

Sec. I.10 15A V.S.A. § 3-802 is amended to read:

§ 3-802. ISSUANCE OF NEW, AMENDED BIRTH CERTIFICATE

(a) Except as otherwise provided in subsection (d) of this section, upon receipt of a report of adoption prepared pursuant to ~~section 3-804~~ subsection 3-801(a) of this title, a report of adoption prepared in accordance with the law of another state or country, a certified copy of a decree of adoption together with information necessary to identify the adoptee's original birth certificate and to issue a new certificate, or a report of an amended adoption prepared pursuant to subsection 3-801(b) of this title, the ~~supervisor of vital records~~ State Registrar shall either:

(1) ~~issue a new birth certificate~~ for an adoptee born in this state State, update the Statewide Registration System in accordance with the decree, and furnish a certified copy of the a new birth certificate to the adoptive parent and to an adoptee who ~~has attained~~ is 14 years of age or older;

(2) ~~forward a certified copy of a report of adoption~~ for an adoptee born in another state, forward a certified copy of the report of adoption to the ~~supervisor of vital records~~ appropriate office of the state of birth;

(3) ~~issue a certificate of foreign birth~~ for an adoptee adopted in this state ~~and~~ State who was born outside the United States and was not a citizen of the

United States at the time of birth, create and register in the Statewide Registration System a “certificate of live birth for a foreign born child” upon request and in the form specified in 18 V.S.A. § 5078a, and furnish a certified copy of the certificate to the adoptive parent and to an adoptee who has attained is 14 years of age or older;

~~(4) notify an adoptive parent of the procedure for obtaining a revised birth certificate through the U.S. Department of State for an adoptee born outside the United States who was a citizen of the United States at the time of birth, notify the adoptive parent of the procedure for obtaining a revised birth certificate through the U.S. Department of State; or~~

~~(5) in the case of an amended decree of adoption, issue an amended birth certificate according to either update the Statewide Registration System in accordance with the decree and follow the procedure in subdivision (a)(1) or (3) of this section, or follow the procedure in subdivision (2) or (4) of this section.~~

(b) Unless otherwise specified by the court, a new birth certificate or certificate of live birth for a foreign born child issued pursuant to subdivision (a)(1) or (3) or an amended certificate issued pursuant to subdivision (a)(5) of this section shall:

(1) be signed by the ~~supervisor of vital records~~ State Registrar;

(2) include the date, time, and place of birth of the adoptee;

(3) substitute the name of the adoptive parent for the name of the person listed as the adoptee’s parent on the original birth certificate;

~~(4) include the filing date of the original birth certificate and the filing date of the new birth certificate; [Repealed.]~~

(5) contain any other information prescribed by the ~~supervisor of vital records~~ State Registrar.

~~(c) The supervisor of vital records, and any other custodian of such records, In the case of birth certificates registered prior to July 1, 2019 that are to be replaced or amended pursuant to subdivision (a)(1) or (5) of this section, the State Registrar shall notify the town clerk or clerks with custody of the certificate, who shall substitute the new or amended birth certificate for the original birth certificate. The original certificate and all copies of the certificate in the files shall be sealed and shall not be subject to inspection or copying until 99 years after the adoptee’s date of birth, except as provided by this title.~~

(d) If the court, the adoptive parent, or an adoptee who ~~has attained is~~ 14 years of age or older requests that a new or amended birth certificate not be

~~issued, the supervisor of vital records may~~ State Registrar shall not issue a new or amended certificate for an adoptee pursuant to subsection (a) of this section, ~~but.~~ Nonetheless, for an adoptee born in another state, the State Registrar shall forward a certified copy of the report of adoption or of an amended decree of adoption for an adoptee who was born in another state to the appropriate office in the adoptee's state of birth.

(e) Upon receipt of a report that an adoption has been ~~vacated~~ set aside, the ~~supervisor of vital records~~ State Registrar shall:

(1) ~~restore the original birth certificate for a person born in this state to its place in the files, State for whom a new birth certificate was issued, update the Statewide Registration System to reflect the original birth certificate data and, in the case of an original birth certificate registered prior to July 1, 2019, notify the town clerk or clerks with custody of the certificate, who shall seal any new or amended birth certificate issued pursuant to subsection (a) of this section, restore the original, update indexes as directed by the State Registrar, and not allow inspection or copying of a~~ the sealed certificate except upon court order or as otherwise provided in this title;

(2) ~~forward the report with respect to~~ for a person born in another state, ~~forward the report to the appropriate office in the state of birth; or~~

(3) for an adoptee born outside the United States who was not a citizen of the United States at the time of birth for whom a certificate of live birth for a foreign born child was issued, update the Statewide Registration System to reflect that the adoption was set aside; or

(4) ~~notify the person who is granted legal custody of a former adoptee after an adoption is vacated of the procedure for obtaining an original birth certificate through the U.S. Department of State for a former adoptee born outside the United States who was a citizen of the United States at the time of birth, notify the person who is granted legal custody of a former adoptee after an adoption is set aside of the procedure for obtaining an original birth certificate through the U.S. Department of State.~~

(f) Upon request by a person who was listed as a parent on an adoptee's original birth certificate and who furnishes appropriate proof of the person's identity, the ~~supervisor of vital records~~ State Registrar shall give the person a noncertified copy of the original birth certificate.

\* \* \* EFFECTIVE DATES Secs. I.1-I.11 \* \* \*

#### Sec. I.11 EFFECTIVE DATES

(a) This section and Secs. I.1 (Act 46 effective dates) and I.2 (repeal of Act 46 sections) shall take effect on passage.

(b) Sec. I.3 (18 V.S.A. § 5000(c)(2)) shall take effect on July 1, 2019 and shall supersede amendments to 18 V.S.A. § 5000(c)(2) made by 2017 Acts and Resolves No. 46, Sec. 3.

(c) Secs. I.4-I.10 shall take effect on July 1, 2019.

After passage, the title of the bill is to be amended to read:

An act relating to making appropriations for the support of government, financing education and vital records.

Which proposal of amendment was considered. Pending the question, Will the House concur in the Senate Proposal of Amendment?

### **Recess**

At eight o'clock and thirteen minutes in the evening, the Speaker declared a recess until eight o'clock and forty-five minutes in the evening.

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

### **Consideration Resumed; Senate Proposal of Amendment Concurred in With a Further Amendment Thereto**

#### **H. 16**

Consideration resumed on House bill, entitled

An act relating to vital records

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

First: In Sec. C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), in subdivision (b)(6), by striking out “\$14,100,000” and inserting in lieu thereof “\$15,000,000”

Second: In Sec C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), in subdivision (e)(1) by striking out “\$12,000,000” and inserting in lieu thereof “\$10,000,000”

Third: By inserting a new section to be Sec. H.10a to read as follows:

Sec. H.10a 32 V.S.A. § 5402b(b) is amended to read:

(b) For each fiscal year, ~~the General Assembly shall set a property dollar equivalent yield and an income dollar equivalent yield, consistent with the definitions in the chapter~~ the property dollar equivalent yield and the income dollar equivalent yield shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.



Pending the question Shall the House concur in the Senate proposal of amendment with a further amendment thereto as offered by Rep. Toll of Danville? **Rep. Browning of Arlington** moved to substitute an amendment for the amendment offered by Rep. Toll of Danville, as follows:

First: In Sec. C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), in subdivision (b)(6), by striking out “\$14,100,000” and inserting in lieu thereof “\$15,000,000”

Second: In Sec C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), in subdivision (e)(1) by striking out “\$12,000,000” and inserting in lieu thereof “\$10,000,000”

Third: In Sec. C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), by striking out subdivision (e)(2) in its entirety and inserting in lieu thereof a new subdivision (e)(2) to read as follows:

(2) Any remaining unreserved and undesignated end-of-fiscal-year General Fund surplus is transferred equally to the Vermont Teachers’ Retirement Fund established pursuant to 16 V.S.A. § 1944 and to the Education Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July 2018 meeting on the amounts transferred to each fund as a result of this provision.

Fourth: By inserting a new section to be Sec. H.10a to read as follows:

Sec. H.10a 32 V.S.A. § 5402b(b) is amended to read:

(b) For each fiscal year, ~~the General Assembly shall set a property dollar equivalent yield and an income dollar equivalent yield, consistent with the definitions in the chapter~~ the property dollar equivalent yield and the income dollar equivalent yield shall be the same as in the prior fiscal year unless set otherwise by the General Assembly.

Pending the question, Shall the amendment offered by Rep. Browning of Arlington and others be substituted for the amendment offered by Rep. Toll of Danville? **Rep. Browning of Arlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the amendment offered by Rep. Browning of Arlington and others be substituted for the amendment offered by Rep. Toll of Danville? was decided in the negative. Yeas, 42. Nays, 68.

Those who voted in the affirmative are:

|                       |                       |                       |
|-----------------------|-----------------------|-----------------------|
| Bancroft of Westford  | Keefe of Manchester   | Pajala of Londonderry |
| Brennan of Colchester | LaClair of Barre Town | Quimby of Concord     |
| Browning of Arlington | Lawrence of Lyndon    | Read of Fayston       |

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|-------------------------|-------------------------|---------------------------|
| Burditt of West Rutland | Lefebvre of Newark      | Rosenquist of Georgia     |
| Canfield of Fair Haven  | Lewis of Berlin         | Savage of Swanton         |
| Cupoli of Rutland City  | Marcotte of Coventry    | Scheuermann of Stowe      |
| Donahue of Northfield   | Mattos of Milton        | Shaw of Pittsford         |
| Fagan of Rutland City   | McCoy of Poultney       | Smith of Derby            |
| Feltus of Lyndon        | McFaun of Barre Town    | Strong of Albany          |
| Frenier of Chelsea      | Morrissey of Bennington | Sullivan of Dorset        |
| Gage of Rutland City    | Murphy of Fairfax       | Terenzini of Rutland Town |
| Gamache of Swanton      | Myers of Essex          | Till of Jericho           |
| Graham of Williamstown  | Nolan of Morristown     | Turner of Milton *        |
| Jickling of Randolph    | Norris of Shoreham      | Wright of Burlington      |

Those who voted in the negative are:

|                                |                          |                                 |
|--------------------------------|--------------------------|---------------------------------|
| Ancel of Calais                | Forguites of Springfield | Noyes of Wolcott                |
| Bartholomew of Hartland        | Gannon of Wilmington     | Ode of Burlington               |
| Beck of St. Johnsbury          | Gardner of Richmond      | Partridge of Windham            |
| Belaski of Windsor             | Giambatista of Essex     | Poirier of Barre City           |
| Bissonnette of Winooski        | Gonzalez of Winooski     | Potter of Clarendon             |
| Bock of Chester                | Haas of Rochester        | Pugh of South Burlington        |
| Botzow of Pownal               | Head of South Burlington | Scheu of Middlebury             |
| Briglin of Thetford            | Hooper of Montpelier     | Sharpe of Bristol               |
| Brumsted of Shelburne          | Hooper of Randolph       | Squirrell of Underhill          |
| Christensen of Weathersfield   | Howard of Rutland City   | Sullivan of Burlington          |
| Christie of Hartford           | Jessup of Middlesex      | Taylor of Colchester            |
| Cina of Burlington             | Joseph of North Hero     | Toleno of Brattleboro           |
| Colburn of Burlington          | Kimbell of Woodstock     | Toll of Danville                |
| Conlon of Cornwall             | Krowinski of Burlington  | Townsend of South<br>Burlington |
| Connor of Fairfield            | Lanpher of Vergennes     | Trieber of Rockingham           |
| Conquest of Newbury            | Lippert of Hinesburg     | Troiano of Stannard             |
| Copeland-Hanzas of<br>Bradford | Long of Newfane          | Walz of Barre City              |
| Corcoran of Bennington         | Macaig of Williston      | Weed of Enosburgh               |
| Dakin of Colchester            | Masland of Thetford      | Wood of Waterbury               |
| Donovan of Burlington          | McCormack of Burlington  | Yacovone of Morristown          |
| Dunn of Essex                  | McCullough of Williston  | Young of Glover                 |
| Emmons of Springfield          | Miller of Shaftsbury     |                                 |
| Fields of Bennington           | Morris of Bennington     |                                 |
|                                | Mrowicki of Putney       |                                 |

Those members absent with leave of the House and not voting are:

|  |                           |                           |
|--|---------------------------|---------------------------|
| Ainsworth of Royalton                      | Grad of Moretown          | Parent of St. Albans Town |
| Baser of Bristol                           | Harrison of Chittenden    | Pearce of Richford        |
| Batchelor of Derby                         | Hebert of Vernon          | Rachelson of Burlington   |
| Beyor of Highgate                          | Helm of Fair Haven        | Sheldon of Middlebury     |
| Buckholz of Hartford                       | Higley of Lowell          | Sibilia of Dover          |
| Burke of Brattleboro                       | Hill of Wolcott           | Smith of New Haven        |
| Carr of Brandon                            | Houghton of Essex         | Stevens of Waterbury      |
| Chesnut-Tangerman of<br>Middletown Springs | Juskiewicz of Cambridge   | Stuart of Brattleboro     |
| Condon of Colchester                       | Keenan of St. Albans City | Van Wyck of Ferrisburgh   |
|  | Kitzmiller of Montpelier  | Viens of Newport City     |

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|---------------------------------|-----------------------------|---------------------------|
| Deen of Westminster             | Lalonde of South Burlington | Webb of Shelburne         |
| Devereux of Mount Holly         | Lucke of Hartford           | Willhoit of St. Johnsbury |
| Dickinson of St. Albans<br>Town | Martel of Waterford         | Yantachka of Charlotte    |
|                                 | O'Sullivan of Burlington    |                           |

**Rep. Turner of Milton** explained his vote as follows:

“Madam Speaker:

I vote ‘yes.’ A deal is a deal. We had compromised on this provision earlier today. I’m very disappointed that we’re not voting on it tonight. Thank you.”

Pending the question will the House concur in the Senate proposal of amendment with a further amendment thereto as offered by Rep. Toll of Danville? **Rep. Scheuermann of Stowe** moved to amend the amendment as offered by **Rep. Toll of Danville** as follows:

In Sec. C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), by striking out subdivision (e)(2) in its entirety and inserting in lieu thereof a new subdivision (e)(2) to read as follows:

(2) Any remaining unreserved and undesignated end-of-fiscal-year General Fund surplus is distributed as follows:

(A) One-third shall be reserved in the General Fund for the fiscal year 2020 budget and shall be unreserved in fiscal year 2020.

(B) One-third is transferred to the Vermont Teachers’ Retirement Fund established pursuant to 16 V.S.A. § 1944.

(C) One-third is transferred to the Education Fund.

(D) The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July 2018 meeting on the amounts distributed under this subdivision (2).

Pending the question, Will the amendment offered by Rep. Toll of Danville be amended as offered by Rep. Scheuermann of Stowe? **Rep. Scheuermann of Stowe** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Will the amendment offered by Rep. Toll of Danville be amended as offered by Rep. Scheuermann of Stowe? was decided in the negative. Yeas, 46. Nays, 61.

Those who voted in the affirmative are:

|                       |                       |                       |
|-----------------------|-----------------------|-----------------------|
| Bancroft of Westford  | Keefe of Manchester   | Quimby of Concord     |
| Beck of St. Johnsbury | LaClair of Barre Town | Read of Fayston       |
| Brennan of Colchester | Lawrence of Lyndon    | Rosenquist of Georgia |

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|                         |                         |                           |
|-------------------------|-------------------------|---------------------------|
| Browning of Arlington   | Lefebvre of Newark      | Savage of Swanton         |
| Brumsted of Shelburne   | Lewis of Berlin         | Scheuermann of Stowe      |
| Burditt of West Rutland | Marcotte of Coventry    | Shaw of Pittsford         |
| Corcoran of Bennington  | Mattos of Milton        | Strong of Albany          |
| Cupoli of Rutland City  | McCoy of Poultney       | Sullivan of Dorset        |
| Donahue of Northfield   | McFaun of Barre Town    | Terenzini of Rutland Town |
| Fagan of Rutland City   | Morrissey of Bennington | Till of Jericho           |
| Feltus of Lyndon        | Murphy of Fairfax       | Turner of Milton          |
| Frenier of Chelsea      | Myers of Essex          | Wright of Burlington *    |
| Gamache of Swanton      | Nolan of Morristown     | Yacovone of Morristown    |
| Gannon of Wilmington    | Norris of Shoreham      | Young of Glover           |
| Graham of Williamstown  | Pajala of Londonderry   |                           |
| Jickling of Randolph    | Poirier of Barre City   |                           |

Those who voted in the negative are:

|                              |                          |                              |
|------------------------------|--------------------------|------------------------------|
| Ancel of Calais              | Forguites of Springfield | Morris of Bennington         |
| Bartholomew of Hartland      | Gardner of Richmond      | Mrowicki of Putney *         |
| Belaski of Windsor           | Giambatista of Essex     | Noyes of Wolcott             |
| Bissonnette of Winooski      | Gonzalez of Winooski     | Ode of Burlington            |
| Bock of Chester              | Haas of Rochester        | Partridge of Windham         |
| Botzow of Pownal             | Head of South Burlington | Potter of Clarendon          |
| Briglin of Thetford          | Hooper of Montpelier     | Pugh of South Burlington     |
| Christensen of Weathersfield | Hooper of Randolph       | Scheu of Middlebury          |
| Christie of Hartford         | Howard of Rutland City   | Sharpe of Bristol            |
| Cina of Burlington           | Jessup of Middlesex      | Squirrell of Underhill       |
| Colburn of Burlington        | Joseph of North Hero     | Sullivan of Burlington       |
| Conlon of Cornwall           | Kimbell of Woodstock     | Taylor of Colchester         |
| Connor of Fairfield          | Krowinski of Burlington  | Toleno of Brattleboro        |
| Conquest of Newbury          | Lanpher of Vergennes     | Toll of Danville             |
| Copeland-Hanzas of Bradford  | Lippert of Hinesburg     | Townsend of South Burlington |
| Dakin of Colchester          | Long of Newfane          | Trieber of Rockingham        |
| Donovan of Burlington        | Macaig of Williston      | Troiano of Stannard          |
| Dunn of Essex                | Masland of Thetford      | Walz of Barre City           |
| Emmons of Springfield        | McCormack of Burlington  | Weed of Enosburgh            |
| Fields of Bennington         | McCullough of Williston  | Wood of Waterbury            |
|                              | Miller of Shaftsbury     |                              |

Those members absent with leave of the House and not voting are:

|   |                           |                           |
|---|---------------------------|---------------------------|
| Ainsworth of Royalton                   | Gage of Rutland City      | Parent of St. Albans Town |
| Baser of Bristol                        | Grad of Moretown          | Pearce of Richford        |
| Batchelor of Derby                      | Harrison of Chittenden    | Rachelson of Burlington   |
| Beyor of Highgate                       | Hebert of Vernon          | Sheldon of Middlebury     |
| Buckholz of Hartford                    | Helm of Fair Haven        | Sibilia of Dover          |
| Burke of Brattleboro                    | Higley of Lowell          | Smith of Derby            |
| Canfield of Fair Haven                  | Hill of Wolcott           | Smith of New Haven        |
| Carr of Brandon                         | Houghton of Essex         | Stevens of Waterbury      |
| Chesnut-Tangerman of Middletown Springs | Juskiewicz of Cambridge   | Stuart of Brattleboro     |
| Condon of Colchester                    | Keenan of St. Albans City | Van Wyck of Ferrisburgh   |
|   | Kitzmiller of Montpelier  | Viens of Newport City     |

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|                                 |                             |                           |
|---------------------------------|-----------------------------|---------------------------|
| Deen of Westminster             | Lalonde of South Burlington | Webb of Shelburne         |
| Devereux of Mount Holly         | Lucke of Hartford           | Willhoit of St. Johnsbury |
| Dickinson of St. Albans<br>Town | Martel of Waterford         | Yantachka of Charlotte    |
|                                 | O'Sullivan of Burlington    |                           |

**Rep. Mrowicki of Putney** explained his vote as follows:

“Madam Speaker:

Tonight’s Red Sox game started with Sox down 4-0. They came back to 5-4 then fell behind 10-5 before finally winning 14-10. Things change and then change again. Similarly, there have been ups and downs here in the House but we’re on track now to get us to the outcome we want. Just like tonight’s Red Sox win.”

**Rep. Wright of Burlington** explained his vote as follows:

“Madam Speaker:

Thank you to the members of the majority party that cast a courageous and correct yes vote on this amendment. What an incredibly disappointing vote, and day. My faith in this institution has been shaken to its core today.”

Thereupon, the House concurred in the Senate proposal of amendment with a further proposal of amendment as offered by **Rep. Toll of Danville**.

### **Adjournment**

At eleven o'clock and forty-seven minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until Monday, June 25, 2018, at ten o'clock in the forenoon.