

Senate Calendar

WEDNESDAY, MARCH 29, 2017

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ACTION CALENDAR

NEW BUSINESS

Third Reading

S. 95.

An act relating to sexual assault nurse examiners.

Favorable

Committee Bills for Second Reading

S. 127.

An act relating to miscellaneous changes to laws related to vehicles and vessels.

By the Committee on Transportation. (Senator Westman for the Committee.)

Reported favorably by Senator Degree for the Committee on Finance.

(Committee vote: 5-0-2)

Reported favorably by Senator Westman for the Committee on Appropriations.

(Committee vote: 6-1-0)

S. 131.

An act relating to State's Attorneys and sheriffs.

By the Committee on Government Operations. (Senator Pearson for the Committee.)

Reported favorably by Senator Sears for the Committee on Appropriations.

(Committee vote: 7-0-0)

Amendment to S. 131 to be offered by Senators Sears and Starr

Senators Sears and Starr moved to amend the bill by striking out Sec. 9, 13 V.S.A. § 5306, victim advocates, in its entirety and inserting in lieu thereof a new Sec. 9 to read as follows:

Sec. 9. [Deleted.]

**Amendment to S. 131 to be offered by Senators Sears, Ashe, Kitchel,
McCormack, Nitka, Starr and Westman**

Senators Sears, Ashe, Kitchel, McCormack, Nitka, Starr and Westman move to amend the bill by inserting a new section to be numbered Sec. 10a to read as follows:

Sec. 10a. 24 V.S.A. § 367 is amended to read:

§ 367. DEPARTMENT OF STATE'S ATTORNEYS AND SHERIFFS

* * *

(c)(1) The Executive Director shall prepare and submit all budgetary and financial materials and forms ~~which~~ that are required of the head of a department of State government with respect to all State funds appropriated for all of the Vermont State's Attorneys and sheriffs. At the beginning of each fiscal year, the Executive Director, with the approval of the Executive Committee, shall establish allocations for each of the State's Attorneys' offices from the State's Attorneys' appropriation. Thereafter, the Executive Director shall exercise budgetary control over these allocations and the general appropriation for State's Attorneys. The Executive Director shall monitor the sheriff's transport budget and report to the sheriffs on a monthly basis the status of the budget. He or she shall provide centralized support services for the State's Attorneys and sheriffs with respect to budgetary planning, training, and office management, and perform such other duties as the Executive Committee directs. The Executive Director may employ clerical staff as needed to carry out the functions of the Department.

(2) The Executive Director may enter into an agreement with the Commissioner of Human Resources to provide assistance and support in relation to negotiating and administering any collective bargaining agreement with the employees of the State's Attorneys' offices pursuant to 3 V.S.A. chapter 27.

* * *

Committee Resolution for Second Reading

J.R.S. 25.

Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend conservation easements related to the former Hancock Lands and adjacent Averill Inholdings in Essex County and to sell the Bertha Tract in Mendon and the Burch Tract in Killington to the Trust for Public Land.

By the Committee on Institutions. (Senator Flory for the Committee.)

Reported favorably by Senator Nitka for the Committee on Appropriations.

(Committee vote: 7-0-0)

**Favorable with Recommendation of Amendment
Committee Bills for Second Reading**

S. 122.

An act relating to increased flexibility for school district mergers.

By the Committee on Education. (Senator Baruth for the Committee.)

Reported favorably by Senator Lyons for the Committee on Finance.

(Committee vote: 6-0-1)

Reported favorably with recommendation of amendment by Senator McCormack for the Committee on Appropriations.

The Committee recommends that the bill be amended in Sec.10, 2012 Acts and Resolves No. 156, Sec. 9, in subsection (a), by striking out the last sentence in its entirety and inserting in lieu thereof Community outreach materials shall be limited to those that are reasonably designed to inform and educate.

(Committee vote: 7-0-0)

Amendment to S. 122 to be offered by Senators Baruth, Balint, Benning, Bray, Ingram and Mullin

Senators Baruth, Balint, Benning, Bray, Ingram and Mullin move to amend the bill as follows:

First: By striking out Sec. 7 in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

Sec. 7. 2015 Acts and Resolves No. 46, Sec. 9 is amended to read:

Sec. 9. SELF-EVALUATION, MEETINGS, AND PROPOSAL

(a) ~~On~~ Subject to subsection (b) of this section, on or before November 30, 2017, the board of each school district in the State that:

(1) has a governance structure different from the preferred structure identified in Sec. 5(b) of this act (Education District), or that does not expect to become or will not become an Education District on or before July 1, 2019; or

(2) does not qualify for an exemption under Sec. 10(c) of this act, shall perform each of the following actions-:

~~(1)~~(A) Self-evaluation. The board shall evaluate its current ability to meet or exceed each of the goals set forth in Sec. 2 of this act.

~~(2)~~(B) Meetings.

~~(A)~~(i) The board shall meet with the boards of one or more other districts, including those representing districts that have similar patterns of school operation and tuition payment, to discuss ways to promote improvement throughout the region in connection with the goals set forth in Sec. 2 of this act.

~~(B)~~(ii) The districts do not need to be contiguous and do not need to be within the same supervisory union.

~~(3)~~(C) Proposal. The board of the district, solely on behalf of its own district or jointly with the boards of other districts, shall submit a proposal to the Secretary of Education and the State Board of Education in which the district:

~~(A)~~(i) proposes to retain its current governance structure, to work with other districts to form a different governance structure, or to enter into another model of joint activity;

~~(B)~~(ii) demonstrates, through reference to enrollment projections, student to staff ratios, the comprehensive data collected pursuant to 16 V.S.A. § 165, and otherwise, how the proposal in subdivision ~~(A)~~(i) of this subdivision ~~(3)~~(C) supports the district's or districts' ability to meet or exceed each of the goals set forth in Sec. 2 of this act; ~~and~~

~~(C)~~(iii) identifies detailed actions it proposes to take to continue to improve its performance in connection with each of the goals set forth in Sec. 2 of this act; ~~and~~

~~(iv) describes its history of merger, consolidation, or other models of joint activity with other school districts before the enactment of this act, and its consideration of merger, consolidation, or other models of joint activity with other school districts on or after the enactment of this act.~~

~~(b) The date by which a qualifying district must take the actions required by subsection (a) of this section is extended from November 30, 2017 to January 31, 2018. A qualifying district is a district that:~~

~~(1) proposed a school district consolidation plan under 2010 Acts and Resolves No. 153, as amended, or 2012 Acts and Resolves No. 156, as amended, which was rejected by voters;~~

~~(2) is a member of a study committee formed under 16 V.S.A. § 706 that provides to the Secretary a declaration that another school district wants to join the district's study committee, signed by each member of the study~~

committee and the district that proposes to join the study committee; or

(3) is a member of a supervisory union that, on or after July 1, 2010, combined with another supervisory union.

Second: By striking out Sec. 8 in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. TIME EXTENSION FOR VOTE OF ELECTORATE

Notwithstanding any provision of law to the contrary, the date by which a qualifying district must receive final approval from the electorate for its merger proposal is extended from July 1, 2017 to November 30, 2017. A qualifying district is a district that:

(1) proposed a school district consolidation plan under 2010 Acts and Resolves No. 153, as amended, or 2012 Acts and Resolves No. 156, as amended, which was rejected by voters;

(2) is a member of a study committee formed under 16 V.S.A. § 706 that provides to the Secretary a declaration that another school district wants to join the district's study committee, signed by each member of the study committee and the district that proposes to join the study committee; or

(3) is a member of a supervisory union that, on or after July 1, 2010, combined with another supervisory union.

Third: By striking out Sec. 11 in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. 2015 Acts and Resolves No. 46, Sec. 10 is amended to read:

Sec. 10. TRANSITION TO SUSTAINABLE GOVERNANCE
STRUCTURES; PROPOSAL; FINAL PLAN

* * *

(d)(1) The Secretary of Education shall make a supplemental Transitional Facilitation Grant of \$10,000.00 to a school district that:

(A) has received or is eligible to receive tax incentives under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended (a qualifying school district); and

(B) either on its own initiative or at the request of the State Board, agrees by vote of its electorate to merge with another school district (a qualifying merger).

(2) A qualifying school district shall use the grant funding to defray the cost of integration. The Secretary shall pay the grant amount to a qualifying school district for each qualifying merger with a school district even if

multiple qualifying mergers are effective on the same date. The Secretary shall pay the grant amount not later than 30 days after all required approvals are obtained.

(3) Notwithstanding any provision to the contrary in 16 V.S.A. § 4025, the Secretary of Education shall pay the supplemental Transition Facilitation Grant from the Education Fund.

(4) The supplemental Transition Facilitation Grant shall be available for a qualifying merger initiated by a qualifying school district only if the merger is scheduled to take effect on or before November 30, 2018.

S. 130.

An act relating to miscellaneous changes to education laws.

By the Committee on Education. (Senator Baruth for the Committee.)

Reported favorably with recommendation of amendment by Senator McCormack for the Committee on Appropriations.

The Committee recommends that the bill be amended as follows:

First: In Sec. 2, in the first sentence, by striking out “\$40,000.00” and inserting in lieu thereof \$20,000.00

Second: By striking out Sec. 19 and its reader assistance in its entirety.

Third: By striking out the original Sec. 20 in its entirety and inserting in lieu thereof a new section to read:

Sec. 19. EFFECTIVE DATES

(a) This section, Secs. 1–5, 9–12, and 14–18 shall take effect on passage.

(b) Secs. 6–8 (speech-language pathologists) shall take effect on January 1, 2018.

(c) Sec. 13 (State-placed students) shall take effect beginning with the 2017–2018 school year.

(Committee vote: 7-0-0)

Amendment S. 130 to be offered by Senators Balint, Baruth, Benning, Bray, Ingram and Mullin

Senators Balint, Baruth, Benning, Bray, Ingram and Mullin move to amend the bill in Sec. 1, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) Report. On or before January 15, 2018, the Committee shall submit a written report to the House and Senate Committees on Education with its findings and any recommendations, including recommendations for any amendments to legislation.

S. 133.

An act relating to examining mental health care and care coordination.

By the Committee on Health and Welfare. (Senator Ayer for the Committee.)

Reported favorably with recommendation of amendment by Senator Kitchel for the Committee on Appropriations.

The Committee recommends that the bill be amended as follows:

First: By striking out Sec. 16 in its entirety and inserting in lieu thereof as follows:

Sec. 16. PAY SCALE; DESIGNATED AND SPECIALIZED SERVICE AGENCY EMPLOYEES

It is the intent of the General Assembly that funds be appropriated to designated and specialized service agencies for the following purposes:

(1) in fiscal year 2018, to fund increases in the hourly wages of workers to \$14.00 and to increase the salaries for crisis response team personnel to be at least 85 percent of those salaries earned by regionally equivalent State, health care, or school-based positions of equal skills, credentials, and lengths of employment;

(2) in fiscal year 2019, to fund increases in the hourly wages of workers to \$15.00 and to increase the salaries for clinical employees and other personnel in a manner that advances the goal of achieving competitive compensation to regionally equivalent State, health care, or school-based positions of equal skills, credentials, and lengths of employment; and

(3) in fiscal year 2020, after the completion of a market rate analysis by the designated and specialized service agencies, to further increase the salaries for clinical employees and personnel in a manner that advances the goal of achieving competitive compensation to regionally equivalent State, health care, or school-based positions of equal skills, credentials, and lengths of employment.

Second: By striking out Sec. 17 in its entirety and renumbering the remaining section to be numerically correct

(Committee vote: 7-0-0)

S. 135.

An act relating to promoting economic development.

By the Committee on Economic Development, Housing and General Affairs. (Senator Mullin for the Committee.)

Reported favorably with recommendation of amendment by Senator Starr for the Committee on Appropriations.

The Committee recommends that the bill be amended by striking out Secs. H.1–H.3. in their entireties and inserting in lieu thereof Secs. H.1–H.3. [Reserved.]

(Committee vote: 7-0-0)

Reported favorably by Senator Degree for the Committee on Finance.

The Committee recommends that the bill be amended as recommended by the Committee on Appropriations and when so amended ought to pass.

(Committee vote: 6-0-1)

Amendment to S. 135 to be offered by Senators Mullin, Balint, Baruth, Clarkson and Sirotkin

Senators Mullin, Balint, Baruth, Clarkson and Sirotkin move to amend the bill as follows:

First: In Sec. C.1., by striking out subdivision (c)(5) in its entirety and inserting in lieu thereof a new subdivision (c)(5) to read:

(5) be overseen by a board:

(A) that shall:

(i) set program terms;

(ii) prepare and design plan documents; and

(iii) be authorized to appoint an administrator to assist in the selection of investments, managers, custodians, and other support services; and

(B) that shall be composed of seven members as follows:

(i) an individual with investment experience, to be appointed by the Governor;

(ii) an individual with private sector retirement plan experience, to be appointed by the Governor;

(iii) an individual with investment experience, to be appointed by the State Treasurer;

(iv) an individual who is an employee or retiree, to be appointed by the State Treasurer;

(v) an individual who is an employee advocate or consumer advocate, to be appointed by the Speaker of the House;

(vi) an individual who is an employer, to be appointed by the

Committee on Committees; and

(vii) the State Treasurer, who shall serve as chair.

Second: In Sec C.2., amending 2016 Acts and Resolves No. 157, Sec. F.1, in subdivision (a)(2), by striking out “, and the board that will oversee the plan.”

Amendment to S. 135 to be offered by Senators Bray, Campion and Pearson

Senators Bray, Campion and Pearson move to amend the bill by striking out Sec. B.1 in its entirety and inserting in lieu thereof:

Sec. B.1. [Deleted.]

S. 136.

An act relating to miscellaneous consumer protection provisions.

By the Committee on Economic Development, Housing and General Affairs. (Senator Sirotkin for the Committee.)

Reported favorably with recommendation of amendment by Senator Sirotkin for the Committee on Finance.

The Committee recommends that the bill be amended as follows:

First: In Sec. 3, 9 V.S.A. chapter 116, in § 4185, by adding two subdivisions to be (6) and (7) to read:

(6) “Net fantasy sports contest revenues” means the amount equal to the total of all entry fees that a fantasy sports operator collects from all fantasy sports players, less the total of all sums paid out as winnings to all fantasy sports players, multiplied by the location percentage for Vermont.

(7) “Location percentage” mean the percentage, rounded to the nearest tenth of a percent, of the total of all entry fees collected from fantasy sports players located in Vermont, divided by the total entry fees collected from all fantasy sports players in fantasy sports contests.

Second: In Sec. 3, 9 V.S.A. chapter 116, by striking out sections 4188–4190 in their entirety and inserting in lieu thereof new sections 4188–4190 to read:

§ 4188. EXEMPTION

The provisions of 13 V.S.A. chapter 51, relating to gambling and lotteries, shall not apply to a fantasy sports contest.

§ 4189. REGISTRATION

In addition to applicable requirements under Titles 11–11C for a business organization doing business in this State to register with the Secretary of State, on or before January 15 following each year in which a fantasy sports operator offers a fantasy sports contest to consumers in this State, the operator shall file an annual registration with the Secretary of State on a form adopted for that purpose and pay to the Secretary an annual registration fee in an amount equal to one-half of one percent of its annual net fantasy sports contest revenue for the prior calendar year.

§ 4190. ENFORCEMENT

(a) A person that violates a provision of this chapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(b) The Attorney General has the authority to adopt rules to implement the provisions of this chapter and to conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under chapter 63, subchapter 1 of this title.

Third: By inserting a Sec. 3a to read:

Sec. 3a. 32 V.S.A. § chapter 221 is added to read:

CHAPTER 221. FANTASYSPORTS

§ 9001. DEFINITIONS

The terms used in this chapter shall have the same mean as the terms defined in 9 V.S.A. chapter 116.

§ 9002. TAX IMPOSED

A fantasy sports operator shall annually pay 11 percent of its annual net fantasy sports contest revenue to the Department of Taxes for deposit in the General Fund. The tax shall be on annual net fantasy sports contest revenue for each calendar year. To the extent it does not conflict with the terms of this chapter, the tax imposed by this section shall be implemented under the administrative and appeal provisions related to Vermont's personal income tax under chapter 151 of this title.

§ 9003. RETURNS

Any person liable for the tax imposed by this chapter shall, on or before the 15th day of March, return to the Commissioner under oath of a person with legal authority to bind the fantasy sports operator a statement containing its name and place of business, its net fantasy sports contest revenues for the preceding year, and any other information required by the Commissioner, along with the tax due for the prior calendar year.

§ 9004. PENALTIES

(a) Any person subject to the provisions of this chapter who fails to pay the tax imposed by this chapter by the date that payment is due or fails to submit a return as required by this chapter is subject to the provisions of section 3202 of this title.

Fourth: By striking out Sec. 4 (effective date) in its entirety and its reader assistance, and inserting in lieu thereof the following:

* * * Effective Date * * *

Sec. 4. EFFECTIVE DATES

This act shall take effect on July 1, 2017, except Sec. 3a, which shall take effect on January 1, 2018 and apply to calendar year 2018 and after.

(Committee vote: 5-1-1)

Second Reading

Favorable with Recommendation of Amendment

S. 34.

An act relating to cross-promoting development incentives and State policy goals.

Reported favorably with recommendation of amendment by Senator Pollina for the Committee on Agriculture.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Rural Economic Development Team * * *

Sec. 1. 10 V.S.A. chapter 15, subchapter 4 is added to read:

Subchapter 4. Rural Economic Development Team

§ 325m. RURAL ECONOMIC DEVELOPMENT TEAM

(a) Definitions. As used in this subchapter:

(1) “Industrial park” means an area of land permitted as an industrial park under 10 V.S.A. chapter 151, under 24 V.S.A. chapter 117, or under both.

(2) “Rural area” means a county of the State designated as “rural” or “mostly rural” by the U.S. Census Bureau in its most recent decennial census.

(3) “Small town” means a town in the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

(b) Establishment. There is created within the Vermont Housing and Conservation Board a Rural Economic Development Team to promote and facilitate community economic development in the small towns and rural areas

of the State. The Rural Economic Development Team shall collaborate with municipalities, businesses, industrial parks, regional development corporations, and other appropriate entities to access funding and other assistance available to small towns and rural areas of the State for development or recruitment of businesses and workforce development when existing State resources or staffing assistance is not available.

(c) Services; access to funding.

(1) The Rural Economic Development Team shall provide the following services to small towns, rural areas, and businesses in small towns and rural areas:

(A) identification of grant or other funding opportunities available to small towns, rural areas, and industrial parks and businesses in small towns and rural areas that facilitate business development, siting of businesses, workforce development, broadband deployment, wastewater infrastructure, or other economic development opportunities;

(B) technical assistance to small towns, rural areas, and industrial parks and businesses in small towns and rural areas in writing grants, accessing and completing the application process for identified grants or other funding opportunities, including writing applications for grants or other funding, coordination with providers of grants or other funding, strategic planning for the implementation or timing of activities funded by grants or other funding, and compliance with the requirements of grant awards or awards of other funding.

(2) In providing services under this subsection, the Rural Economic Development Team shall give first priority to projects that have received necessary State or municipal approval and that are ready for construction or implementation.

(d) Services; business development. The Rural Economic Development Team shall provide small towns and rural areas with services to facilitate the business development in these areas. These services shall include:

(1) Identifying businesses or business types suitable for a small town, rural area, or an industrial park in a small town or rural area. In identifying businesses or business types, the Rural Economic Development Team shall seek to identify businesses or business types in the following priority areas:

(A) milk plants, milk handlers, or dairy products, as those terms are defined in 6 V.S.A. § 2672;

(B) the outdoor equipment or recreation industry;

(C) the value-added forest products industry;

- (D) the value-added food industry;
- (E) phosphorus removal technology; and
- (F) composting facilities.

(2) Recommending available grants, tax credits, or other incentives that a small town or rural area can use to attract businesses.

(3) Coordinating with small towns or rural areas on ways to establish or attract coworker spaces or generator spaces that facilitate the incubation and development of businesses. The Rural Economic Development Team shall explore with a small town or rural area whether underused or closed school buildings are appropriate sites for coworker or generator spaces.

(e) Report. Beginning on January 15, 2018, and annually thereafter, the Rural Economic Development Team shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and the House Committees on Agriculture and Forestry and on Commerce and Economic Development a report regarding the activities and progress of the Team. The report shall include:

- (1) a summary of the Team's activities in the preceding calendar year;
- (2) an evaluation of the effectiveness of the services provided by the Team to small towns, rural areas, and industrial parks;
- (3) a summary of the Team's progress in attracting priority businesses to small towns and rural areas;
- (4) an accounting of the grants or other funding that the Team facilitated or provided assistance with;
- (5) an accounting of the funds acquired by the Rural Economic Development Team for administration of grants or other funding mechanisms and whether these funds are sufficient to offset the cost of the Rural Economic Development Team; and
- (6) recommended changes to the program, including proposed legislative amendments to further economic development in small towns and rural areas in the State.

Sec. 2. APPROPRIATIONS; RURAL ECONOMIC DEVELOPMENT TEAM

Of the funds appropriated to the Vermont Housing and Conservation Board in fiscal year 2018 from the Vermont Housing and Conservation Trust Fund, \$200,000.00 shall be used to implement and administer the Rural Economic Development Team established under 10 V.S.A. § 325m.

* * * Vermont Milk Commission * * *

Sec. 3. VERMONT MILK COMMISSION; EQUITABLE DAIRY PRICING

(a) The General Assembly finds that:

(1) The price that farmers from northeastern states, including Vermont, receive for milk is not set by supply and demand in the free market, but instead is set by the terms of a federal marketing order known as the Northeast Marketing Area Federal Order 1 (Milk Marketing Order).

(2) The Milk Marketing Order does not reflect the actual cost to farmers of milk production.

(3) The Milk Marketing Order is dependent on commodity prices and other market influences that lead to significant fluctuations in the price provided to farmers.

(4) Because of the Milk Market Order, farmers lose money on milk production, and because of the volatility of the market, farmers cannot predictably plan for investment to decrease production costs.

(5) The Vermont Milk Commission was established, in part, to ensure the continuing economic vitality of the dairy industry by stabilizing the price received by farmers for milk at a level allowing them an equitable rate of return.

(6) The Secretary of Agriculture, Food and Markets should reconvene the Vermont Milk Commission to work with interested parties, including other states, to recommend to the U.S. Congress through the Vermont congressional delegation a replacement to the Milk Marketing Order that ensures farmers are provided with an equitable price for milk.

(b) As soon as practical and no later than September 1, 2017, the Secretary of Agriculture, Food and Markets shall convene the Vermont Milk Commission under 6 V.S.A. chapter 162 to propose changes to the federal Northeast Marketing Area Federal Order 1 that provide farmers in Vermont with an equitable price for milk that reflects better the actual cost of dairy production. The Vermont Milk Commission shall:

(1) Analyze the current status of the milk market to identify areas or issues that could be addressed in an amendment to the Milk Marketing Order.

(2) Collaborate with interested parties, including other Northeastern states, to develop a proposed amendment to or replacement of the current Milk Marketing Order for the northeast. The proposed amendment or replacement shall be designed to:

(A) provide farmers with an equitable price for milk that is based on

the costs of production; and

(B) eliminate or reduce provisions in the Milk Marketing Order that facilitate price volatility in the milk market.

(3) Submit a proposed amendment to or replacement of the Milk Marketing Order to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry on or before January 15, 2018.

(4) After review by the General Assembly, submit to the congressional delegation of Vermont the proposed amendment to or replacement of the Milk Marketing Order so that the U.S. Congress may amend the Milk Marketing Order.

(c) Except for the two legislative members of the Commission, the per diem compensation and reimbursement to which a member of the Commission is entitled shall be paid from the budget of the Agency of Agriculture, Food and Markets.

* * * Development Cabinet * * *

Sec. 4. 3 V.S.A. § 2293(b) is amended to read:

(b) Development Cabinet.

(1)(A) A The Development Cabinet is created, to consist of the Secretaries of ~~the Agencies of~~ Administration, of Agriculture, Food and Markets, of Commerce and Community Development, of Education, of Natural Resources, and of Transportation.

(B) The Governor or ~~the Governor's~~ designee shall chair the Development Cabinet.

(2) The Development Cabinet shall advise the Governor on how best to implement the purposes of this section, and shall recommend changes as appropriate to improve implementation of those purposes.

(3)(A) The Development Cabinet may establish interagency work groups to support its mission, drawing membership from any agency or department of State government.

(B) Any interagency work groups established under this subsection (b) shall evaluate, test the feasibility of, and suggest alternatives to economic development proposals, including proposals for public-private partnerships, submitted to them for consideration.

(C) The Development Cabinet shall refer to appropriate interagency workgroups any economic development proposal that has a significant impact on the inventory or use of State land or buildings.

(4) The Development Cabinet shall:

(A) Review State loan, grant, and other incentive programs to explore whether and how the expenditure of State funds can cross-promote relevant State policies, including the adoption of renewable energy, rural economic development, public access to conserved lands, and water quality improvements.

(B) Recommend to the Governor and the General Assembly areas for improvement, program changes, conditions on incentives, and other strategies to ensure cross-promotion of relevant State policies. The Cabinet's recommendations shall prioritize economic development opportunities in rural areas, small towns, and industrial parks in small towns and rural areas. As used in this subdivision, "rural area," "small town," and "industrial park" shall have the same meaning as set forth in 10 V.S.A. § 325m.

(C) On or before December 15, 2018 and biennially thereafter, submit a report to the Governor and the General Assembly on the implementation of its recommendations and the effectiveness of efforts to cross-promote incentive programs and State policies.

* * * Energy Efficiency * * *

Sec. 5. 30 V.S.A. § 209(d)(3) is amended to read:

(3) Energy efficiency charge; regulated fuels. In addition to its existing authority, the Board may establish by order or rule a volumetric charge to customers for the support of energy efficiency programs that meet the requirements of section 218c of this title. The charge shall be known as the energy efficiency charge, shall be shown separately on each customer's bill, and shall be paid to a fund administrator appointed by the Board and deposited into an Electric Efficiency Fund. When such a charge is shown, notice as to how to obtain information about energy efficiency programs approved under this section shall be provided in a manner directed by the Board. This notice shall include, at a minimum, a toll-free telephone number, and to the extent feasible shall be on the customer's bill and near the energy efficiency charge.

* * *

(B) The charge established by the Board pursuant to this subdivision (3) shall be in an amount determined by the Board by rule or order that is consistent with the principles of least-cost integrated planning as defined in section 218c of this title.

(i) As circumstances and programs evolve, the amount of the charge shall be reviewed for unrealized energy efficiency potential and shall be adjusted as necessary in order to realize all reasonably available, cost-effective, energy efficiency savings.

(ii) In setting the amount of the charge and its allocation, the Board shall determine an appropriate balance among the following objectives; provided, however, that particular emphasis shall be accorded to the first four of these objectives: reducing the size of future power purchases; reducing the generation of greenhouse gases; limiting the need to upgrade the State's transmission and distribution infrastructure; minimizing the costs of electricity; reducing Vermont's total energy demand, consumption, and expenditures; providing efficiency and conservation as a part of a comprehensive resource supply strategy; providing the opportunity for all Vermonters to participate in efficiency and conservation programs; and targeting efficiency and conservation efforts to locations, markets, or customers where they may provide the greatest value.

(iii) The Board, by rule or order, shall establish a process by which a customer who pays an average annual energy efficiency charge under this subdivision (3) of at least \$5,000.00 may apply to the Board to self-administer energy efficiency through the use of an energy savings account, which shall contain a percentage of the customer's energy efficiency charge payments as determined by the Board. The remaining portion of the charge shall be used for systemwide energy benefits. The Board in its rules or order shall establish criteria for approval of these applications.

(iv) For one three-year period, the customer for the account of a manufacturing facility located in an industrial park in a small town or rural area may apply to self-administer energy efficiency programs and measures in lieu of paying the energy efficiency charge on the account.

(I) As used in this subdivision (I), "rural area," "small town," and "industrial park" shall have the same meaning as set forth in 10 V.S.A. § 325m.

(II) A customer seeking approval under this subdivision (iv) shall agree to invest, over a three-year period, an average annual dollar amount on cost-effective energy programs and measures equivalent to:

(aa) 75 percent of its most recent annual energy efficiency charge amount; or

(bb) if the customer has not previously paid an annual energy efficiency charge, 75 percent of the customer's estimated net annual kilowatt hours to be consumed multiplied by the applicable energy efficiency charge, provided that the customer shall submit to the Board the actual amount of kilowatt hours consumed in the first calendar year of self-administration so that the Board can determine if the customer shall be responsible for additional investment in energy programs and measures.

(III) Cost-effective energy programs and measures may include investment in on-site renewable generation, if cost-effective and part of a comprehensive program for the facility that includes energy efficiency measures. Annual financing payments of a cost-effective energy program or measure under this subdivision are allowable investment in calculating a customer's average investment on cost-effective energy programs or measures over a three-year period.

(IV) The Board shall develop criteria for approval of these applications.

(V) A customer shall self-administer under this subdivision for one three-year period and may not reapply for successive terms. At the conclusion of the three-year period, the customer shall pay the energy efficiency charge as part of the customer's electric bill.

* * *

* * * Environmental Permitting * * *

Sec. 6. 3 V.S.A. § 2822 is amended to read:

§ 2822. BUDGET AND REPORT; POWERS

* * *

(h)(1) The Secretary shall reduce the fee for a permit or permit renewal under this section by 25 percent when the activity subject to the permit is located in an industrial park in a small town or rural area.

(2) If a fee for a stormwater permit or permit renewal is assessed on a per acre basis under subdivision (j)(2)(A) or (B) of this section, the maximum total fee for the permit shall be \$7,500.00 if the permitted activity is located in an industrial park in a small town or rural area.

(3) As used in this subdivision (I), "rural area," "small town," and "industrial park" shall have the same meaning as set forth in 10 V.S.A. § 325m.

(i)(1) The Secretary shall not process an application for which the applicable fee has not been paid unless the Secretary specifies that the fee may be paid at a different time or unless the person applying for the permit is exempt from the permit fee requirements pursuant to 32 V.S.A. § 710. Municipalities shall be exempt from the payment of fees under this section except for those fees prescribed in subdivisions (j)(1), (7), (8), (14), and (15) of this section for which a municipality may recover its costs by charging a user fee to those who use the permitted services. Municipalities shall pay fees prescribed in subdivisions (j)(2), (10), (11), (12), and (26), except that a municipality shall also be exempt from those fees for stormwater systems

prescribed in subdivision (j)(2)(A)(iii)(I), (II), or (IV) and (j)(2)(B)(iv)(I), (II), or (V) of this section for which a municipality has assumed full legal responsibility under 10 V.S.A. § 1264.

(2) An air contaminant source shall be exempt from the fees required under subdivisions (j)(1)(A) and (B) when the source of the emissions is the anaerobic digestion of agricultural products, agricultural by-products, agricultural waste, or food waste.

* * *

* * * Phosphorus Removal Technology; Grants * * *

Sec. 7. 6 V.S.A. § 4828 is amended to read:

§ 4828. CAPITAL EQUIPMENT ASSISTANCE PROGRAM

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

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

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

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

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

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

- (A) the Lake Champlain Basin;
- (B) the Lake Memphremagog Basin;

(C) the Connecticut River Basin; and

(D) the Hudson River Basin.

(d) An applicant for a State grant under this section to purchase or implement phosphorus removal technology or equipment shall pay 10 percent of the total eligible project cost. The dollar amount of a State grant to purchase or implement phosphorus removal technology or equipment shall be equal to the total eligible project cost, less 10 percent of the total as paid by the applicant, and shall not exceed \$300,000.00.

* * * Forestry Equipment * * *

Sec. 8. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(50) Compost, animal manure, manipulated animal manure, and planting mix when any of these items are sold in bulk. As used in this section, the term “sold in bulk” shall mean sold in a form that is not prepackaged, or sold in a packaged form in volumes greater than one cubic yard.

(51) Machinery, equipment, implements, accessories, parts, and contrivances used predominantly in the commercial cutting, removal, or processing of timber or other solid wood forest products intended to be sold ultimately at retail, including: grapple and cable skidders; feller bunchers; cut-to-length processors; forwarders; delimiters; loader slashers; log loaders; skid steer loaders; tracked excavators; bulldozers; whole tree chippers; stationary screening systems; and firewood processors, elevators, and screens; but excluding tracked vehicles subject to subdivision (38) of this section. As used in this subdivision, the term “predominantly” means 75 percent or more of the time the machinery or equipment is in use.

Sec. 9. 32 V.S.A. § 9706(kk) is added to read:

(kk) The statutory purpose of the exemption for timber cutting, removal, and processing machinery in subdivision 9741(51) of this title is to promote Vermont’s commercial timber and forest products economy.

* * * Repeals * * *

Sec. 10. REPEALS

The following are repealed on July 1, 2023:

(1) 10 V.S.A. chapter 15, subchapter 4 (Rural Economic Development Team);

(2) 30 V.S.A. § 209(d)(3)(B)(iv) (self administration of electric efficiency charge; industrial parks);

(3) 3 V.S.A. § 2822(h) (ANR fees in industrial parks) and (i)(2) (anaerobic digesters; air contaminant fee); and

(4) 6 V.S.A. § 4828(d) (phosphorus removal grant criteria).

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

This section and Sec. 3 (Vermont Milk Commission) shall take effect on passage. All other sections shall take effect on July 1, 2017.

(Committee vote: 5-0-0)

Reported favorably with recommendation of amendment by Senator Lyons for the Committee on Finance.

The Committee recommends that the bill be amended as recommended by the Committee on Agriculture with the following amendments thereto:

First: By striking out Sec. 5 in its entirety and inserting in lieu thereof the following:

Sec. 5. PUBLIC SERVICE BOARD; REPORT ON INCREASED PARTICIPATION IN SELF-ADMINISTRATION OF ENERGY EFFICIENCY

(a) On or before December 1, 2017, the Public Service Board shall require all entities that are appointed under 30 V.S.A. § 209 to implement and administer gas and electric energy efficiency and conservation programs to submit to the Board a plan for increasing participation in self administration of energy efficiency under 30 V.S.A. § 209(d)(3) by businesses located in small towns of the rural areas of the State. A plan submitted by appointed entities shall recommend:

(1) measures or criteria to incentivize increased participation in self-administration of energy efficiency;

(2) whether any incentives to increase participation in self-administration should be included as part of the demand resources plan for entities appointed to implement and administer gas and electric energy efficiency and conservation programs; and

(3) how the entities appointed to implement and administer gas and electric energy efficiency and conservation programs shall report in an annual

plan or other report participation rates in self-administration of energy efficiency by businesses located in the small towns of rural areas of the State.

(b) On or before January 15, 2018, the Public Service Board shall submit to the Senate Committees on Finance, Natural Resources and Energy, and Agriculture and the House Committees on Ways and Means, Natural Resources, Fish and Wildlife, and Agriculture and Forestry the plans submitted to the Board under subsection (a) of this section and any recommendations, including legislative changes, by the Board to implement the submitted plans.

(c) As used in this section:

(1) “Rural area” means a county of the State designated as “rural” or “mostly rural” by the U.S. Census Bureau in its most recent decennial census.

(2) “Small town” means a town in a rural area of the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

Second: By striking out Sec. 6 in its entirety and inserting in lieu thereof the following:

Sec. 6. 3 V.S.A. § 2822(i) is amended to read:

(i)(1) The Secretary shall not process an application for which the applicable fee has not been paid unless the Secretary specifies that the fee may be paid at a different time or unless the person applying for the permit is exempt from the permit fee requirements pursuant to 32 V.S.A. § 710. Municipalities shall be exempt from the payment of fees under this section except for those fees prescribed in subdivisions (j)(1), (7), (8), (14), and (15) of this section for which a municipality may recover its costs by charging a user fee to those who use the permitted services. Municipalities shall pay fees prescribed in subdivisions (j)(2), (10), (11), (12), and (26), except that a municipality shall also be exempt from those fees for stormwater systems prescribed in subdivision (j)(2)(A)(iii)(I), (II), or (IV) and (j)(2)(B)(iv)(I), (II), or (V) of this section for which a municipality has assumed full legal responsibility under 10 V.S.A. § 1264.

(2) An air contaminant source shall be exempt from the fees required under subdivisions (j)(1)(A) and (B) when the source of the emissions is the anaerobic digestion of agricultural products, agricultural by-products, agricultural waste, or food waste.

Third: By striking out Sec. 8 in its entirety and inserting in lieu thereof the following:

Sec. 8. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(51) The following machinery, including repair parts, used for timber cutting, removal, and processing of timber or other solid wood forest products intended to be sold ultimately at retail: skidders with grapple and cable, feller bunchers, cut to length processors, forwarders, delimiters, loader slashers, log loaders, whole tree chippers, stationary screening systems, and firewood processors, elevators, and screens. The Department of Taxes shall publish guidance relating to the application of this exemption.

Fourth: By striking out Sec. 10 in its entirety and inserting in lieu thereof the following:

Sec. 10. REPEALS

The following are repealed on July 1, 2023:

(1) 10 V.S.A. chapter 15, subchapter 4 (Rural Economic Development Team);

(2) 3 V.S.A. § 2822(i)(2) (anaerobic digesters; air contaminant fee); and

(3) 6 V.S.A. § 4828(d) (phosphorus removal grant criteria).

(Committee vote: 6-0-1)

Reported favorably with recommendation of amendment by Senator Starr for the Committee on Appropriations.

The Committee recommends that the bill be amended as recommended by the Committee on Agriculture with the following amendment thereto:

In Sec. 2 (Appropriations; Rural Economic Development Team) after “Vermont Housing and Conservation Trust Fund,” and before “\$200,000.00” by inserting up to

(Committee vote: 7-0-0)

Amendment to the recommendation of amendment of the Committee on Agriculture to S. 34 to be offered by Senator Bray

Senator Bray moves to amend the recommendation of amendment of the Committee on Agriculture as follows:

First: By striking out Sec. 1 in its entirety and inserting in lieu a new Sec. 1 to read as follows:

* * * Rural Economic Development Team * * *

Sec. 1. 10 V.S.A. chapter 15, subchapter 4 is added to read:

Subchapter 4. Rural Economic Development Team

§ 325m. RURAL ECONOMIC DEVELOPMENT TEAM

(a) Definitions. As used in this subchapter:

(1) “Rural area” means a county of the State designated as “rural” or “mostly rural” by the U.S. Census Bureau in its most recent decennial census.

(2) “Rural industrial park” means an area of land in a rural area permitted as an industrial park under 10 V.S.A. chapter 151 or under 24 V.S.A. chapter 117, or under both.

(3) “Small town” means a town in the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

(b) Establishment. There is created within the Vermont Housing and Conservation Board a Rural Economic Development Team to promote and facilitate community economic development in the small towns and rural industrial parks in the State. The Rural Economic Development Team shall collaborate with municipalities, businesses, industrial parks, regional development corporations, and other appropriate entities to access funding and other assistance available to small towns and rural industrial parks in the State for development or recruitment of businesses and workforce development when existing State resources or staffing assistance is not available.

(c) Services; access to funding.

(1) The Rural Economic Development Team shall provide the following services to small towns, rural industrial parks, and businesses in small towns and rural industrial parks:

(A) identification of grant or other funding opportunities available to small towns, rural industrial parks, and businesses in small towns and rural industrial parks that facilitate business development, siting of businesses, workforce development, broadband deployment, wastewater infrastructure, or other economic development opportunities;

(B) technical assistance to small towns, rural industrial parks, and businesses in small towns and rural industrial parks in writing grants, accessing and completing the application process for identified grants or other funding opportunities, including writing applications for grants or other funding, coordination with providers of grants or other funding, strategic planning for the implementation or timing of activities funded by grants or other funding, and compliance with the requirements of grant awards or awards of other funding.

(2) In providing services under this subsection, the Rural Economic Development Team shall give first priority to projects that have received necessary State or municipal approval and that are ready for construction or implementation.

(d) Services; business development. The Rural Economic Development Team shall provide small towns and rural industrial parks with services to facilitate the business development in these areas. These services shall include:

(1) Identifying businesses or business types suitable for a small town or rural industrial park. In identifying businesses or business types, the Rural Economic Development Team shall seek to identify businesses or business types in the following priority areas:

(A) milk plants, milk handlers, or dairy products, as those terms are defined in 6 V.S.A. § 2672;

(B) the outdoor equipment or recreation industry;

(C) the value-added forest products industry;

(D) the value-added food industry;

(E) phosphorus removal technology; and

(F) composting facilities.

(2) Recommending available grants, tax credits, or other incentives that a small town or rural industrial park can use to attract businesses.

(3) Coordinating with small towns or rural industrial parks on ways to establish or attract coworker spaces or generator spaces that facilitate the incubation and development of businesses. The Rural Economic Development Team shall explore with small towns whether underused or closed school buildings are appropriate sites for coworker or generator spaces.

(e) Coordination; other services. The Rural Economic Development Team shall coordinate with other State or local entities that provide technical assistance or other economic development or financial services to small towns, rural industrial parks, and businesses in small towns and rural industrial parks in order to reduce or limit overlap or duplication of services provided.

(f) Consistency with State land use goals. The services provided by the Rural Economic Development Team under subsections (c) and (d) of this section shall be consistent with the State's land use goals set forth in 24 V.S.A. § 4302, with consistency determined in the manner described under 24 V.S.A. § 4302(f)(1).

(g) Report. Beginning on January 15, 2018, and annually thereafter, the

Rural Economic Development Team shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and the House Committees on Agriculture and Forestry and on Commerce and Economic Development a report regarding the activities and progress of the Team. The report shall include:

- (1) a summary of the Team's activities in the preceding calendar year;
- (2) an evaluation of the effectiveness of the services provided by the Team to small towns and rural industrial parks;
- (3) a summary of the Team's progress in attracting priority businesses to small towns and rural industrial parks;
- (4) an accounting of the grants or other funding that the Team facilitated or provided assistance with;
- (5) an accounting of the funds acquired by the Rural Economic Development Team for administration of grants or other funding mechanisms and whether these funds are sufficient to offset the cost of the Rural Economic Development Team; and
- (6) recommended changes to the program, including proposed legislative amendments to further economic development in small towns and rural industrial parks in the State.

Second: In Sec. 4, 3 V.S.A. § 2293(b)(4)(B), by striking out the second sentence in its entirety and inserting in lieu thereof a new sentence to read as follows:

The Cabinet's recommendations shall prioritize economic development opportunities in small towns and rural industrial parks. As used in this subdivision, "small town" and "rural industrial park" shall have the same meaning as set forth in 10 V.S.A. § 325m.

S. 103.

An act relating to the regulation of toxic substances and hazardous materials.

Reported favorably with recommendation of amendment by Senator Campion for the Committee on Natural Resources and Energy.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Toxics Use Reduction and Reporting* * *

Sec. 1. 10 V.S.A. § 6633 is added to read:

§ 6633. INTERAGENCY COMMITTEE ON CHEMICAL MANAGEMENT

(a) Creation. There is created the Interagency Committee on Chemical Management in the State to:

- (1) evaluate chemical inventories in the State on an annual basis;
- (2) identify potential risks to human health and the environment from chemical inventories in the State; and
- (3) propose measures or mechanisms to address the identified risks from chemical inventories in the State.

(b) Membership. The Interagency Committee on Chemical Management shall be composed of the following five members:

- (1) the Secretary of Agriculture, Food and Markets or designee;
- (2) the Secretary of Natural Resources or designee;
- (3) the Commissioner of Health or designee;
- (4) the Commissioner of Labor or designee; and
- (5) the Commissioner of Public Safety or designee.

(c) Powers and duties. The Interagency Committee on Chemical Management shall:

(1) Convene a citizen advisory panel to provide input and expertise to the Committee. The citizen advisory panel shall consist of persons with expertise in:

- (A) toxicology;
- (B) environmental law;
- (C) manufacturing products;
- (D) environmental health;
- (E) public health;
- (F) risk analysis;
- (G) maternal and child health care;
- (H) occupational health;
- (I) industrial hygiene;
- (J) public policy;
- (K) the operation of academic institutions; and
- (L) retail sales.

(2) Monitor actions taken by the U.S. Environmental Protection Agency (EPA) to regulate chemicals under the Toxic Substances Control Act, 15 U.S.C. chapter 53, and notify relevant State agencies of any EPA action relevant to the jurisdiction of the agency.

(3) Annually review chemical inventories in the State in relation to emerging scientific evidence in order to identify chemicals of high concern not regulated by the State.

(d) Assistance. The Interagency Committee on Chemical Management shall have the administrative, technical, and legal assistance of the Agency of Natural Resources; the Agency of Agriculture, Food and Markets; the Department of Health; the Department of Public Safety; and the Department of Labor.

(e) Report. On or before January 15, and annually thereafter, the Interagency Committee on Chemical Management shall report to the Senate Committees on Natural Resources and Energy; on Health and Welfare; and on Economic Development, Housing and General Affairs and the House Committees on Natural Resources, Fish and Wildlife; on Health Care; and on Commerce and Economic Development regarding the actions of the Committee. The provisions of 2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the report to be made under this section. The report shall include:

(1) an estimate or summary of the known chemical inventories in the State;

(2) a summary of any change under federal statute or rule affecting the regulation of chemicals in the State;

(3) recommended legislative or regulatory action to address the risks posed by new or emerging chemicals of high concern; and

(4) recommend legislative or regulatory action to reduce health risks from exposure to chemicals of high concern and reduce risks of harm to the natural environment.

(f) Meetings.

(1) The Secretary of Natural Resources shall be the chair of the Interagency Committee on Chemical Management.

(2) The Secretary of Natural Resources call the first meeting of the Interagency Committee on Chemical Management to occur on or before July 1, 2017.

(3) A majority of the membership of the Interagency Committee on Chemical Management shall constitute a quorum.

(g) Authority of agencies. The establishment of the Interagency Committee on Chemical Management shall not limit the independent authority of a State agency to regulate chemical use or management under existing State or applicable federal law.

Sec. 2. INTERAGENCY COMMITTEE ON CHEMICAL MANAGEMENT;
REPORT ON TOXIC USE REDUCTION AND REPORTING

On or before January 15, 2018, after consultation with the citizen advisory panel and as part of the first report required under 10 V.S.A. § 6633(e), the Interagency Committee on Chemical Management shall:

(1) Recommend how the State shall establish a centralized or unified electronic reporting system to facilitate compliance by businesses and other entities with chemical reporting and other regulatory requirements in the State. The recommendation shall:

(A) identify a State agency or department to establish and administer the reporting system;

(B) estimate the staff and funding necessary to administer the reporting system;

(C) propose how businesses and the public can access information submitted to or maintained as part of the reporting systems, including whether access to certain information or categories of information should be limited due to statutory requirements, regulatory requirements, trade secret protection, or other considerations;

(D) propose how information maintained as part of the reporting system can be accessed, including whether the information should be searchable by: chemical name, common name, brand name, product model, Global Product Classification (GPC) product brick description, standard industrial classification, chemical facility, geographic area, zip code, or address;

(E) propose how manufacturers of consumer products or subsets of consumer products shall report or notify the State of the presence of designated chemicals of concern in a consumer product and how information reported by manufacturers is made available to the public;

(F) propose a method for displaying information or filtering or refining search results so that information maintained on the reporting system can be accessed or identified in serviceable or functional manner for all users of the system, including governmental agencies or departments, commercial and industrial businesses reporting to the system, nonprofit associations, and citizens; and

(G) estimate a time line for establishment of the reporting system.

(2) Recommend statutory amendments and regulatory revisions to existing State recordkeeping and reporting requirements for chemicals, hazardous materials, and hazardous wastes in order to facilitate assessment of risks to human health and the environment posed by the use of chemicals in the State. The recommendations shall include:

(A) the thresholds or amounts of chemicals used, manufactured, or distributed, and hazardous materials and hazardous wastes generated or managed, in the State that require recordkeeping and reporting;

(B) the persons or entities using, manufacturing, or distributing chemicals and generating or managing hazardous materials and hazardous wastes that are subject to recordkeeping and reporting requirements; and

(C) any changes required to streamline and modernize existing recordkeeping and reporting requirements to facilitate compliance by business and other entities.

(3) Recommend amendments to the requirements for Toxic Use Reduction and Hazardous Waste Reduction under 10 V.S.A. chapter 159, subchapter 2 that shall include:

(A) The list of chemicals or materials subject to the reporting and planning requirements. The list of chemicals or materials shall include and be in addition to the chemicals or substances listed under Title III, Section 313 of the Superfund Amendments and Reauthorization Act of 1986 and 18 V.S.A. § 1773 (chemicals of high concern to children).

(B) The thresholds or amounts of chemicals used or hazardous waste generated by a person that require reporting and planning.

(C) The information to be reported, including:

(i) the quantity of hazardous waste generated and the quantity of hazardous waste managed during a year;

(ii) the quantity of toxic substances, or raw material resulting in hazardous waste, used during a year;

(iii) an assessment of the effect of each hazardous waste reduction measure and toxics use reduction measure implemented; and

(iv) a description of factors during a year that have affected toxics use, hazardous waste generation, releases into the environment, and onsite and offsite hazardous waste management.

(D) The persons or entities using chemicals or generating hazardous waste that are subject to reporting and planning;

(E) Proposed revisions to the toxic chemical or hazardous waste reduction planning requirements, including conditions or criteria that qualify a person to complete a plan.

(F) Any changes to streamline and modernize the program to improve its effectiveness.

(4) Draft legislation to implement the Committee's recommendations under subdivisions (1), (2), and (3) of this section.

* * * Testing Groundwater * * *

Sec. 3. 10 V.S.A. § 1982 is added to read:

§ 1982. TESTING OF GROUNDWATERSOURCES

(a) Definition. As used in this section, "groundwater source" means that portion of a potable water supply that draws water from the ground, including a drilled well, shallow well, driven well point, or spring.

(b) Testing prior to new use. Prior to use of a new groundwater source as a potable water supply, where testing is not otherwise required, the person who owns or controls the groundwater source shall test the groundwater source for the parameters set forth in subsection (d) of this section.

(c) Parameters of testing. A water sample collected under this section shall be analyzed for, at a minimum: arsenic, lead, uranium, gross alpha radiation, total coliform bacteria, total nitrate and nitrite, fluoride, manganese, and any other parameters required by the Agency by rule. The Agency by rule may require testing for a parameter by region or specific geographic area of concern.

(d) Submission of test results. Results of the testing required under subsection (b) shall be submitted, on a form provided by the Agency, to the Agency, and the Department of Health as required by rules adopted under subsection (e) of this section.

(e) Rulemaking. The Secretary, after consultation with the Department of Health, the Wastewater and Potable Water Supply Technical Advisory Committee, private laboratories, and other interested parties, shall adopt by rule requirements regarding:

(1) when, prior to use of a new groundwater source, the test required under subsection (b) of this section shall be conducted;

(2) who shall be authorized to sample the source for the test required under subsections (b) and (c) of this section, provided that the rule shall include the person who owns or controls the groundwater source and licensed well drillers among those authorized to conduct the test;

(3) how a water sample shall be collected in order to comply with the requirements of the analyses to be performed; and

(4) any other requirements necessary to implement this section.

Sec. 4. AGENCY OF NATURAL RESOURCES; GROUNDWATER
SOURCE TESTING

The Secretary of Natural Resources shall commence rulemaking under 10 V.S.A. § 1982 on or before July 1, 2017. The Secretary shall adopt rules under 10 V.S.A. § 1982 on or before January 1, 2018.

Sec. 5. 18 V.S.A. § 501b is amended to read:

§ 501b. CERTIFICATION OF LABORATORIES

(a) ~~The commissioner~~ Commissioner may certify a laboratory that meets the standards currently in effect of the National Environmental Laboratory Accreditation Conference and is accredited by an approved National Environmental Laboratory Accreditation Program accrediting authority or its equivalent to perform the testing and monitoring:

(1) required under 10 V.S.A. chapter 56 and the federal Safe Drinking Water Act; and

(2) of water from a potable water supply, as that term is defined in 10 V.S.A. § 1972(6).

(b)(1) ~~The commissioner~~ Commissioner may by order suspend or revoke a certificate granted under this section, after notice and opportunity to be heard, if the ~~commissioner~~ Commissioner finds that the certificate holder has:

(A) submitted materially false or materially inaccurate information; or

(B) violated any material requirement, restriction, or condition of the certificate; or

(C) violated any statute, rule, or order relating to this title.

(2) The order shall set forth what steps, if any, may be taken by the certificate holder to relieve the holder of the suspension or enable the certificate holder to reapply for certification if a previous certificate has been revoked.

(c) A person may appeal the suspension or revocation of the certificate to the ~~board~~ Board under section 128 of this title.

* * *

(f) A laboratory certified to conduct testing of groundwater sources or water supplies from under 10 V.S.A. § 1982 or other statute for use by a

potable water supply, as that term is defined in 10 V.S.A. § 1972(6), shall submit the results of groundwater analyses to the ~~department of health~~ Department of Health and the ~~agency of natural resources~~ Agency of Natural Resources in a format required by the ~~department of health~~ Department of Health.

* * * Effective Dates * * *

Sec. 6. EFFECTIVE DATES

(a) This section and Secs. 1 (Interagency Committee on Chemical Management), 2 (report on toxic use reduction and reporting), and 4 (groundwater testing rulemaking) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2018, except that 10 V.S.A. § 1982(f) in Sec. 3 shall take effect on passage.

(Committee vote: 5-0-0)

Reported favorably by Senator Sirotkin for the Committee on Finance.

The Committee recommends that the bill be amended as recommended by the Committee on Natural Resources and Energy and when so amended ought to pass.

(Committee vote: 5-0-2)

Reported favorably by Senator Nitka for the Committee on Appropriations.

The Committee recommends that the bill be amended as recommended by the Committee on Natural Resources and Energy and when so amended ought to pass.

(Committee vote: 7-0-0)

NOTICE CALENDAR

Second Reading

Favorable

H. 4.

An act relating to calculating time periods in court proceedings.

Reported favorably by Senator Benning for the Committee on Judiciary.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 2, 2017, page 362)

H. 42.

An act relating to appointing municipal clerks and treasurers and to municipal audit penalties.

Reported favorably by Senator Clarkson for the Committee on Government Operations.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 14, 2017, page 423)

H. 379.

An act relating to providing an extension for the repeal of the Search and Rescue Council.

Reported favorably by Senator Collamore for the Committee on Government Operations.

(Committee vote: 5-0-0)

(No House amendments)

ORDERED TO LIE

S. 88.

An act relating to increasing the smoking age from 18 to 21 years of age.

Pending Question: Shall the recommendation of amendment of the Committee on Health and Welfare be amended as moved by Senator Ingram?

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Service Board shall be fully and separately acted upon.

Al Gobeille of Shelburne - Secretary, Agency of Human Services (term 1/5/17 – 2/28/17) – By Sen. Ayer for the Committee on Health and Welfare. (3/30/17)

Al Gobeille of Shelburne - Secretary, Agency of Human Services (term 3/1/17 – 2/28/19) – By Sen. Ayer for the Committee on Health and Welfare. (3/30/17)

Cory Gustafson of Montpelier – Commissioner, Department of Vermont Health Access (term 1/5/17 – 2/28/17) – By Sen. Cummings for the Committee on Health and Welfare. (3/30/17)

Cory Gustafson of Montpelier – Commissioner, Department of Vermont Health Access (term 3/1/17 – 2/28/19) – By Sen. Cummings for the Committee on Health and Welfare. (3/30/17)

Monica Hutt of Williston – Commissioner, Department of Aging and Independent Living (term 1/5/17 - 2/28/17) - By Sen. McCormack for the Committee on Health and Welfare. (3/30/17)

Monica Hutt of Williston – Commissioner, Department of Aging and Independent Living (term 3/1/17 - 2/28/19) - By Sen. McCormack for the Committee on Health and Welfare. (3/30/17)

Mark A. Levine, M.D. of Shelburne – Commissioner, Department of Health (term 1/5/17 – 2/28/17) – By Sen. Lyons for the Committee on Health and Welfare. (3/30/17)

Mark A. Levine, M.D. of Shelburne – Commissioner, Department of Health (term 3/1/17 – 2/28/19) – By Sen. Lyons for the Committee on Health and Welfare. (3/30/17)

Kenneth Schatz of South Burlington – Commissioner, Department for Children and Families (term 1/5/17 – 2/28/17) – By Sen. Ingram for the Committee on Health and Welfare. (3/30/17)

Kenneth Schatz of South Burlington – Commissioner, Department for Children and Families (term 1/5/17 – 2/28/19) – By Sen. Ingram for the Committee on Health and Welfare. (3/30/17)

Melissa Bailey of Bolton – Deputy Commissioner, Department of Mental Health (term 1/5/17 – 2/28/17) – By Sen. Lyons for the Committee on Health and Welfare. (3/30/17)

Melissa Bailey of Bolton – Deputy Commissioner, Department of Mental Health (term 3/1/17 – 2/28/19) – By Sen. Lyons for the Committee on Health and Welfare. (3/30/17)

FOR INFORMATION ONLY

CROSS OVER DATES

The Joint Rules Committee established the following Crossover deadlines:

(1) All **Senate/House** bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 17, 2017**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

(2) All **Senate/House** bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before **Friday, March 24, 2017**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

Note: The Senate will not act on bills that do not meet these crossover deadlines, without the consent of the Senate Rules Committee.

Exceptions to the foregoing deadlines include the major money bills (Appropriations “Big Bill”, Transportation Spending Bill, Capital Construction Bill, and Fee and Tax Bills).