

Senate Calendar

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ACTION CALENDAR

CONSIDERATION POSTPONED UNTIL FRIDAY, MARCH 16, 2018

Second Reading

Favorable with Recommendation of Amendment

S. 197.

An act relating to liability for toxic substance exposures or releases.

Pending Question:

Shall the bill be amended as recommended by the Committee on Judiciary?

Text of the report of the Committee on Judiciary:

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

* * * Strict Liability; Toxic Substance Release * * *

Sec. 1. 10 V.S.A. chapter 159, subchapter 5 is added to read:

Subchapter 5. Strict Liability for Toxic Substance Release

§ 6685. DEFINITIONS

As used in this subchapter:

(1) “Harm” means any personal injury or property damage.

(2) “Release” means any intentional or unintentional, permitted or unpermitted, act or omission that allows a toxic substance to enter the air, land, surface water, groundwater, or any other place where the toxic substance may be located in one or more of the following amounts:

(A) more than two gallons or pounds;

(B) two gallons or pounds or less if the amount released poses a potential or actual threat to human health; or

(C) for any toxic substance regulated under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601-9675, as amended, the reportable quantity specified under 40 C.F.R. § 302.4.

(3)(A) “Toxic substance” means any substance, mixture, or compound that has the capacity to produce personal injury or illness to humans through

ingestion, inhalation, or absorption through any body surface and that satisfies one or more of the following:

(i) the substance, mixture, or compound is listed on the U.S. Environmental Protection Agency Consolidated List of Chemicals Subject to the Emergency Planning and Community Right-To-Know Act, Comprehensive Environmental Response, Compensation and Liability Act, and Section 112(r) of the Clean Air Act;

(ii) the substance, mixture, or compound is defined as a “hazardous material” under 10 V.S.A. § 6602 or under rules adopted under 10 V.S.A. chapter 159;

(iii) testing has produced evidence, recognized by the National Institute for Occupational Safety and Health or the U.S. Environmental Protection Agency, that the substance, mixture, or compound poses acute or chronic health hazards;

(iv) the Department of Health has issued a public health advisory for the substance, mixture, or compound; or

(v) the Secretary of Natural Resources has designated the substance, mixture, or compound as a hazardous waste under 10 V.S.A. chapter 159.

(B) “Toxic substance” shall not mean:

(i) a pesticide regulated by the Secretary of Agriculture, Food and Markets; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

§ 6686. LIABILITY FOR RELEASE OF TOXIC SUBSTANCES

(a) Any person who releases a toxic substance shall be held strictly, jointly, and severally liable for any harm resulting from the release.

(b) Any person held liable under subsection (a) of this section shall have the right to seek contribution from any other person who caused or contributed to the release. The right to contribution under this subsection shall include the right to seek contribution from a chemical manufacturer that released a toxic substance when a court determines that the manufacturer failed to warn a person of a toxic substance’s propensity to cause the harm complained of.

(c) Nothing in this section shall be construed to supersede or diminish in any way existing remedies available to a person or the State at common law or under statute.

* * * Medical Monitoring Damages * * *

Sec. 2. 12 V.S.A. chapter 219 is added to read:

CHAPTER 219. MEDICAL MONITORING DAMAGES

§ 7201. DEFINITIONS

As used in this chapter:

(1) “Disease” means any disease, ailment, or adverse physiological or chemical change linked with exposure to a toxic substance.

(2) “Exposure” means ingestion, inhalation, contact with the skin or eyes, or any other physical contact.

(3) “Medical monitoring damages” means the cost of medical tests or procedures and related expenses incurred for the purpose of detecting latent disease resulting from exposure.

(4) “Release” means any intentional or unintentional, permitted or unpermitted, act or omission that allows a toxic substance to enter the air, land, surface water, groundwater, or any other place where the toxic substance may be located in one or more of the following amounts:

(A) more than two gallons or pounds;

(B) two gallons or pounds or less if the amount released poses a potential or actual threat to human health; or

(C) for any toxic substance regulated under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601-9675, as amended, the reportable quantity specified under 40 C.F.R. § 302.4.

(5)(A) “Toxic substance” means any substance, mixture, or compound that has the capacity to produce personal injury or illness to humans through ingestion, inhalation, or absorption through any body surface and that satisfies one or more of the following:

(i) the substance, mixture, or compound is listed on the U.S. Environmental Protection Agency Consolidated List of Chemicals Subject to the Emergency Planning and Community Right-To-Know Act, Comprehensive Environmental Response, Compensation and Liability Act, and Section 112(r) of the Clean Air Act;

(ii) the substance, mixture, or compound is defined as a “hazardous material” under 10 V.S.A. § 6602 or under rules adopted under 10 V.S.A. chapter 159;

(iii) testing has produced evidence, recognized by the National

Institute for Occupational Safety and Health or the U.S. Environmental Protection Agency, that the substance, mixture, or compound poses acute or chronic health hazards;

(iv) the Department of Health has issued a public health advisory for the substance, mixture, or compound; or

(v) the Secretary of Natural Resources has designated the substance, mixture, or compound as a hazardous waste under 10 V.S.A. chapter 159; or

(vi) the substance, when released, can be shown by expert testimony to pose a potential threat to human health or the environment.

(B) "Toxic substance" shall not mean:

(i) a pesticide regulated by the Secretary of Agriculture, Food and Markets; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

§ 7202. MEDICAL MONITORING DAMAGES FOR EXPOSURE TO TOXIC SUBSTANCES

(a) A person with or without a present injury or disease shall have a cause of action for medical monitoring damages against a person who released a toxic substance if all of the following are demonstrated by a preponderance of the evidence:

(1) The person was exposed to the toxic substance as a result of tortious conduct by the person who released the toxic substance, including conduct that constitutes negligence, battery, strict liability, trespass, or nuisance;

(2) There is a probable link between exposure to the toxic substance and a latent disease.

(3) The person's exposure to the toxic substance increases the risk of developing the latent disease. A person does not need to prove that the latent disease is certain or likely to develop as a result of the exposure.

(4) Diagnostic testing is reasonably necessary. Testing is reasonably necessary if a physician would prescribe testing for the purpose of detecting or monitoring the latent disease.

(5) Medical tests or procedures exist to detect the latent disease.

(b) A court shall place the award of medical monitoring damages into a court-supervised program administered by a medical professional.

(c) If a court places an award of medical monitoring damages into a court-supervised program pursuant to subsection (c) of this section, the court shall also award to the plaintiff reasonable attorney's fees and other litigation costs reasonably incurred.

(d) Nothing in this chapter shall be deemed to preclude the pursuit of any other civil or injunctive remedy available under statute or common law, including the right of any person to recover for damages related to the manifestation of a latent disease. The remedies in this chapter are in addition to those provided by existing statutory or common law.

(e) This section does not preclude a court from certifying a class action for medical monitoring damages.

* * * Effective Date * * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

UNFINISHED BUSINESS OF FRIDAY, MARCH 2, 2018

Second Reading

Favorable with Recommendation of Amendment

S. 285.

An act relating to universal recycling requirements.

Pending Question:

Shall the recommendation of the Committee on Natural Resources and Energy be amended as moved by Senator Pollina?

Text of amendment:

Senator Pollina has moved that the recommendation of amendment of the Committee on Natural Resources and Energy be amended by striking out Sec. 4 (effective date) and its reader assistance and inserting in lieu thereof six new sections to be Secs. 4–9 and their reader assistances to read as follows:

* * * Beverage Container Redemption * * *

Sec. 4. 10 V.S.A. § 1521 is amended to read:

§ 1521. DEFINITIONS

~~For the purpose of~~ As used in this chapter:

(1) “Beverage” means beer or other malt beverages ~~and~~₂ mineral waters, mixed wine ~~drink,~~₂ drinks, wine, soda water₂ and carbonated ~~and~~₂ noncarbonated soft drinks, noncarbonated water, and all nonalcoholic

carbonated and noncarbonated drinks in liquid form and intended for human consumption, except for rice milk, soymilk, almond milk, hempseed milk, milk, and dairy products. As of January 1, 1990, “beverage” also shall mean liquor.

* * *

(3) “Container” means the individual, separate, bottle, can, jar, or carton composed of glass, metal, paper, plastic, or any combination of those materials containing a consumer product. This definition shall not include containers made of biodegradable material.

(4) “Distributor” means every person who engages in the sale of consumer products in containers to a dealer in this state State, including any manufacturer who engages in such sales. Any dealer or retailer who sells, at the retail level, beverages in containers without having purchased them from a person otherwise classified as a distributor, shall be a distributor.

(5) “Manufacturer” means every person bottling, canning, packing, or otherwise filling containers for sale to distributors or dealers.

* * *

(8) “Secretary” means the ~~secretary of the agency of natural resources~~ Secretary of Natural Resources.

(9) “Mixed wine drink” means a beverage containing wine and more than 15 percent added plain, carbonated, or sparkling water; and ~~which that~~ contains added natural or artificial blended material, such as fruit juices, flavors, flavoring, adjuncts, coloring, or preservatives; ~~which that~~ contains not more than 16 percent alcohol by volume; or other similar product marketed as a wine cooler.

(10) “Liquor” means spirits as defined in 7 V.S.A. § 2.

(11) “Deposit initiator” means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

Sec. 5. 10 V.S.A. § 1522 is amended to read:

§ 1522. BEVERAGE CONTAINERS; DEPOSIT

(a) Except with respect to beverage containers ~~which that~~ contain liquor, a deposit of ~~not less than five cents~~ \$0.05 shall be paid by the consumer on each beverage container sold at the retail level and shall be refunded to the consumer upon return of the empty beverage container. With respect to beverage containers of volume greater than 50 ml. ~~which that~~ contain liquor or wine, a deposit of ~~15 cents~~ \$0.15 shall be paid by the consumer on each beverage container sold at the retail level and shall be refunded to the

consumer upon return of the empty beverage container. The difference between liquor bottle deposits collected and refunds made is hereby retained by the Liquor Control Enterprise Fund for administration of this subsection.

(b) A retailer or a person operating a redemption center who redeems beverage containers shall be reimbursed by the manufacturer or distributor of such beverage containers in an amount ~~which is three and one-half cents~~ of \$0.035 per container for containers of beverage brands that are part of a commingling program and ~~four cents~~ \$0.04 per container for containers of beverage brands that are not part of a commingling program.

(c) ~~[Deleted.] [Repealed.]~~

(d) Containers shall be redeemed during no fewer than 40 hours per week during the regular operating hours of the establishment.

Sec. 6. 10 V.S.A. § 1524 is amended to read:

§ 1524. LABELING

(a) Every beverage container sold or offered for sale at retail in this ~~state~~ State shall clearly indicate by embossing or imprinting on the normal product label, or in the case of a metal beverage container on the top of the container, the word “Vermont” or the letters “VT” and the refund value of the container in not less than one-eighth inch type size or such other alternate indications as may be approved by the ~~secretary~~ Secretary. This subsection does not prohibit including names or abbreviations of other states with deposit legislation comparable to this chapter.

(b) ~~The commissioner of the department of liquor control~~ Commissioner of Liquor Control may allow, in the case of liquor bottles, a conspicuous, adhesive sticker to be attached to indicate the deposit information required in subsection (a) of this section, provided that the size, placement, and adhesive qualities of the sticker are as approved by the ~~commissioner~~ Commissioner. The stickers shall be affixed to the bottles by the manufacturer, except that liquor ~~which that~~ is sold in the ~~state~~ State in quantities less than 100 cases per year may have stickers affixed by personnel employed by the ~~department~~ Department.

(c) This section shall not apply to permanently labeled beverage containers.

(d) The Secretary may allow, in the case of wine bottles, a conspicuous, adhesive sticker to be attached to indicate the deposit information required in subsection (a) of this section, provided that the size, placement, and adhesive qualities of the sticker are as approved by the Secretary. The stickers shall be affixed by the manufacturer.

Sec. 7. 10 V.S.A. § 1530 is added to read:

§ 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

(a) A deposit initiator shall open a separate interest-bearing account in a Vermont branch of a financial institution to be known as the deposit transaction account. The deposit initiator shall keep the deposit transaction account separate from all other revenues and accounts.

(b) Beginning on July 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.

(c) Beginning on August 10, 2019, and by the tenth day of each month thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding month. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:

(1) the balance of the account at the beginning of the preceding month;

(2) the number of nonreusable beverage containers sold in the preceding month and the number of nonreusable beverage containers returned in the preceding month;

(3) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;

(4) the amount of refund payments made from the deposit transaction account in the preceding month;

(5) any income earned on the deposit transaction account in the preceding month;

(6) any other transactions, withdrawals, or service charges on the deposit transaction account from the preceding month; and

(7) any additional information required by the Commissioner of Taxes.

(d) On or before August 10, 2019, and on the tenth day of each month thereafter, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding month. The amount of abandoned beverage container

deposits for a month is the amount equal to the amount of deposits that should be in the fund less the sum of:

(1) income earned on amounts on the account during that month; and

(2) the total amount of refund value received by the deposit initiator for nonrefillable containers during that month.

(e) The Secretary of Natural Resources may prohibit the sale of a beverage that is sold or distributed in the State by a deposit initiator who fails to comply with the requirements of this chapter. The Secretary may allow the sale of a beverage upon the deposit initiator's coming into compliance with the requirements of this chapter.

(f) The Commissioner of Taxes shall deposit in the Solid Waste Management Assistance Account of the Waste Management Assistance Fund established under section 6618 of this title all abandoned beverage container deposits remitted under subsection (d) of this section.

Sec. 8. 10 V.S.A. § 6618 is amended to read:

§ 6618. WASTE MANAGEMENT ASSISTANCE FUND

(a) There is hereby created in the State Treasury a fund to be known as the Waste Management Assistance Fund, to be expended by the Secretary of Natural Resources. The Fund shall have three accounts: one for Solid Waste Management Assistance, one for Hazardous Waste Management Assistance, and one for Electronic Waste Collection and Recycling Assistance. The Hazardous Waste Management Assistance Account shall consist of a percentage of the tax on hazardous waste under the provisions of 32 V.S.A. chapter 237, as established by the Secretary, the toxics use reduction fees under subsection 6628(j) of this title, and appropriations of the General Assembly. In no event shall the amount of the hazardous waste tax ~~which~~ that is deposited to the Hazardous Waste Management Assistance Account exceed 40 percent of the annual tax receipts. The Solid Waste Management Assistance Account shall consist of the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, abandoned beverage container deposits remitted to the State under section 1530 of this title, and appropriations of the General Assembly. The Electronic Waste Collection and Recycling Account shall consist of the program and implementation fees required under section 7553 of this title. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain a part of the Fund accounts, except as provided in subsection (e) of this section. Interest earned by the Fund shall be deposited into the appropriate Fund account. Disbursements from the Fund accounts shall be made by the State Treasurer on warrants drawn by the Commissioner of Finance and Management.

(b) The Secretary may authorize disbursements from the Solid Waste Management Assistance Account for the purpose of enhancing solid waste management in the State in accordance with the adopted waste management plan. This includes:

* * *

(9) The Secretary shall annually allocate 17 percent of the receipts of this account, based on the projected revenue for that year, for implementation of the Plan adopted pursuant to section 6604 of this title and Solid Waste Implementation Plans adopted pursuant to 24 V.S.A. § 2202a.

* * *

(11) Costs of solid waste management entities and commercial haulers in complying with universal recycling requirements.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

UNFINISHED BUSINESS OF TUESDAY, MARCH 13, 2018

Third Reading

S. 272.

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

Amendment to S. 272 to be offered by Senators Westman, Brock, Flory, Kitchel and Mazza before Third Reading

Senators Westman, Brock, Flory, Kitchel and Mazza move to amend the bill by striking out Sec. 18 and the reader assistance thereto in their entirety and inserting in lieu thereof the following:

* * * Motor Vehicle Inspections * * *

Sec. 18. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

(a) Except for school buses₂ which shall be inspected as prescribed in section 1282 of this title₂ and motor buses as defined in subdivision 4(17) of this title₂ which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall be inspected once each year. Any motor vehicle, trailer, or semi-trailer not currently inspected in this State shall be inspected within 15 days ~~from~~ following the date of its registration in the State of Vermont.

(b)(1) The inspections shall be made at garages or qualified service stations, designated by the Commissioner as inspection stations, for the purpose of determining whether those motor vehicles are properly equipped and maintained in good mechanical condition; provided, however, the scope of the safety inspection of a motor vehicle other than a school bus or a commercial motor vehicle shall be limited to parts or systems that are relevant to the vehicle's safe operation, and such vehicles shall not fail the safety portion of the inspection unless the condition of the part or system poses or may pose a danger to the operator or to other highway users.

(2) The charges for such inspections made by garages or qualified service stations designated to conduct periodic inspections shall be subject to the approval of the Commissioner. If a fee is charged for inspection, it shall be based upon the hourly rate charged by each official inspection station or it may be a flat rate fee and, in either instance, the fee shall be prominently posted and displayed beside the official inspection station certificate. In addition, the official inspection station may disclose the State inspection certificate charge on the repair order as a separate item and collect the charge from the consumer.

* * *

Sec. 19. RULEMAKING; TRANSITION

(a) As soon as practicable after the effective date of this section, and not later than May 1, 2018, the Commissioner of Motor Vehicles (Commissioner) shall file with the Secretary of State proposed amended rules governing motor vehicle inspections that:

(1) are consistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 18 of this act; and

(2) clarify ambiguous language in the rules.

(b) In the proposed rule amendments, the Commissioner may direct inspection stations to identify advisory, recommended repairs that are not required for the vehicle to pass inspection.

(c) Except as provided in subdivision (a)(2) and subsection (d) of this section, nothing in this section or Sec. 18 of this act is intended to affect the emissions-related requirements of the rules governing motor vehicle inspections.

(d) Notwithstanding 10 V.S.A. § 567 and C.V.R. 14-050-022, the Commissioner may establish criteria to allow vehicles that would otherwise fail inspection to pass the inspection and receive an inspection sticker, provided that the vehicle satisfies all inspection requirements that are relevant to the vehicle's safe operation. The authority conferred in this subsection shall expire on July 1, 2019.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) Secs. 9 and 11 (means of transmitting fuel tax payments) shall take effect on July 1, 2019.

(b) Secs. 10 and 12 (means of transmitting fuel tax payments) shall take effect on July 1, 2020.

(c) Sec. 18 (scope of motor vehicle safety inspections) shall take effect upon the effective date of the amended rules required to be filed under Sec. 19 of this act.

(d) This section, Sec. 14 (new motor vehicle arbitration), and Sec. 17 (dealer records) shall take effect on passage.

(e) In Sec. 19 (rulemaking; transition; motor vehicle inspections):

(1) subsecs. (a)–(c) shall take effect on passage; and

(2) notwithstanding 1 V.S.A. § 214, subsec. (d) shall take effect retroactively on January 1, 2017.

(f) All other sections shall take effect on July 1, 2018.

NEW BUSINESS

Third Reading

S. 111.

An act relating to privatization contracts.

S. 287.

An act relating to universal recycling requirements.

Second Reading

Favorable with Recommendation of Amendment

S. 204.

An act relating to the registration of short-term rentals.

Reported favorably with recommendation of amendment by Senator Sirotkin for the Committee on Economic Development, Housing and General Affairs.

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

Sec. 1. 18 V.S.A. chapter 85 is amended to read:

CHAPTER 85. FOOD AND LODGING ESTABLISHMENTS

* * *

Subchapter 7. Short-Term Rentals

§ 4466. REGISTRATION OF SHORT-TERM RENTALS

(a) After January 1, 2019, a person shall not operate or maintain a short-term rental unless he or she registers with the Department and obtains and holds a valid certificate of compliance.

(b) Prior to offering for rent a short-term rental, a person shall register with the Commissioner by completing forms published by the Department and paying a registration fee as provided in section 4470 of this title.

(c) A person registering shall certify on the registration forms published by the Department that the short-term rental is in compliance with the following provisions:

(1) The unit does not have any known violations of relevant State and local fire, life safety, and zoning laws and rules and has all smoke and carbon monoxide detectors as required by 9 V.S.A. chapter 77.

(2) Each guest room is free of any evidence of insects, rodents, and other pests.

(3) If the unit utilizes water from a nonpublic water supply system, it does not have any known violations of Vermont's water supply rules.

(4) All sewage is disposed of through an approved facility, including either:

(A) a public sewage treatment plant; or

(B) an individual sewage disposal system that does not have any known violations of the Department of Environmental Conservation's rules and other applicable sanitation requirements.

(5) The registrant of the short-term rental is aware of his or her responsibility for the rooms tax described pursuant to 32 V.S.A. chapter 225 and other applicable local taxes and that failure to pay these taxes may result in suspension or revocation of the registrant's certificate of compliance.

(d)(1) The prospective registrant shall submit a registration application to the Department not fewer than 14 calendar days prior to offering a short-term rental for occupancy, except for those reservations established prior to January 1, 2019.

(2) The Department shall award an initial certificate of compliance upon receipt of the applicant's completed registration application and registration fee. The certificate of compliance shall state that the registrant has

self-certified compliance with health and safety laws and regulations pursuant to subdivision (c) of this section and that the Department has not licensed or inspected the property.

(e) All certificates of compliance shall be displayed in a manner so as to be easily viewed by those occupying the short-term rental unit.

(f) Any prospective registrant aggrieved by a decision of the Department may appeal to the Board of Health pursuant to subsection 4351(e) of this title.

§ 4467. TERM; CERTIFICATE OF COMPLIANCE

A certificate of compliance shall expire one year after its date of issuance and may be renewed, if the certificate holder is in good standing with the Department, upon the payment of a new registration fee and the filing of a new self-certification registration form pursuant to subdivision 4466(c) of this title.

§ 4468. ADVERTISEMENT ON INTERNET-BASED PLATFORMS

A short-term rental registrant shall not advertise on an Internet-based platform without posting publicly on the platform the registrant's certificate of compliance number issued by the Department.

§ 4469. INSPECTION

(a) The Commissioner may inspect through his or her duly authorized officers, inspectors, agents, or assistants, at all reasonable times, a short-term rental and the registrant's records related to the short-term rental.

(b) Whenever an inspection demonstrates that the short-term rental is not operated in accordance with the provisions of this chapter, the officer, inspector, agent, or assistant shall notify the registrant of the conditions found and shall direct necessary changes.

(c) Nothing in this section shall be construed to supersede the authority and responsibilities of the Division of Fire Safety. The Division's Executive Director shall inform the Commissioner in a timely manner of any enforcement actions that the Division has taken against the registrant of a short-term rental.

§ 4470. FEES; REGISTRATION

At the time of registration or registration renewal, a short-term rental unit registrant shall pay to the Department the same fee as required pursuant to subdivision 4353(a)(2)(I).

§ 4471. ENFORCEMENT

(a) If a person is found to be in violation of this subchapter, the Commissioner shall issue a written notice and an order requiring both

abatement of the violation and compliance with this subchapter within a reasonable period of time.

(b) A person upon whom the notice and order are served shall have an opportunity for a hearing at which he or she may show cause for vacating or amending the order. If it appears that the provisions of this chapter have not been violated, the Commissioner shall immediately vacate the order without prejudice. Conversely, if it appears that the provisions of this chapter have been violated and the person fails to comply with the order issued by the Commissioner, the Commissioner shall revoke, modify, or suspend the person's certificate of compliance or enforce a civil penalty pursuant to section 4309 of this title, or both.

§ 4472. MUNICIPAL AUTHORIZATION

A town, city, or incorporated village may use its ordinance authority to provide for more stringent health and safety regulations than those provided in this subchapter.

Sec. 2. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS

(a) The Commissioner of Health shall prepare and publish on the Department's website educational materials for short-term rental registrants, including an explanation of all the requirements in 18 V.S.A. chapter 85, subchapter 7 and information regarding the importance of and coverage options for liability insurance.

(b) As used in this section, "short-term rental" shall have the same meaning as in 18 V.S.A. § 4301.

Sec. 3. REPORTS

(a) The Commissioner of Health shall submit the following written reports to the House Committees on Commerce and Economic Development and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare:

(1) on or before September 1, 2018 and on or before January 1, 2019, a report detailing the Department's progress in preparing for implementation of 18 V.S.A. chapter 85, subchapter 7; and

(2) on or before January 1, 2020, a report identifying any gaps or weaknesses related to the regulation of short-term rentals pursuant to 18 V.S.A. chapter 85, subchapter 7, data related to the number of registered short-term rental units and the collection of taxes, and any recommendations for legislative action.

(b) In preparing the reports required pursuant to subsection (a) of this section, the Commissioner shall consult with and accept written comments from the following:

- (1) the Commissioner of Tourism and Marketing or designee;
- (2) the Commissioner of Taxes or designee;
- (3) the Executive Director of the Department of Public Safety’s Division of Fire Safety;
- (4) the Vermont Lodging Association;
- (5) the Vermont Inn and Bed and Breakfast Association;
- (6) one or more owners of short-term rentals in Vermont;
- (7) one or more representatives of an online short-term rental property platform operating in Vermont; and
- (8) one or more Vermonters with significant experience using an online short-term rental property platform to rent short-term rentals.

(c) As used in this section, “short-term rental” shall have the same meaning as in 18 V.S.A. § 4301.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

(Committee vote: 5-0-0)

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

The Committee recommends that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendments thereto:

First: In Sec. 1, in 18 V.S.A. § 4466, by striking out subsection (e) in its entirety and redesignating the current subsection (f) to be the new subsection (e)

Second: In Sec. 1, in 18 V.S.A. § 4470, by striking out the words “the same fee as” and inserting in lieu thereof the words fifty percent of the fee

Third: In Sec. 3, in subdivision (b)(4), by striking out the words “Lodging Association” and inserting in lieu thereof the words Chamber of Commerce

(Committee vote: 5-2-0)

NOTICE CALENDAR

Second Reading

Favorable with Recommendation of Amendment

S. 192.

An act relating to transferring the professional regulation of law enforcement officers from the Vermont Criminal Justice Training Council to the Office of Professional Regulation.

Reported favorably with recommendation of amendment by Senator Pearson for the Committee on Government Operations.

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

* * * Transfer to OPR * * *

Sec. 1. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

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

* * *

(48) Law Enforcement Officers

Sec. 2. 26 V.S.A. chapter 103 is added to read:

CHAPTER 103. LAW ENFORCEMENT OFFICERS

Subchapter 1. General Provisions

§ 5301. PURPOSE AND EFFECT

In order to safeguard the life and health of the people of this State, a person shall not practice, or offer to practice, as a law enforcement officer unless currently licensed under this chapter.

§ 5302. DEFINITIONS

As used in this chapter:

(1) "Category A conduct" means:

(A) A felony.

(B) A misdemeanor that is committed while on duty and did not involve the legitimate performance of duty.

(C) Any of the following misdemeanors, if committed off duty:

- (i) simple assault, second offense;
- (ii) domestic assault;
- (iii) false reports and statements;
- (iv) driving under the influence, second offense;
- (v) violation of a relief from abuse order or of a condition of release;
- (vi) stalking;
- (vii) false pretenses;
- (viii) voyeurism;
- (ix) prostitution or soliciting prostitution;
- (x) distribution of a regulated substance;
- (xi) simple assault on a law enforcement officer; or
- (xii) possession of a regulated substance, second offense.

(2) “Category B conduct” means gross professional misconduct amounting to actions on duty or under color of authority, or both, that involve willful failure to comply with a State-required policy or substantial deviation from professional conduct as defined by the law enforcement agency’s policy or if not defined by the agency’s policy, then as defined by rules adopted by the Office, such as:

- (A) sexual harassment involving physical contact or misuse of position;
- (B) misuse of official position for personal or economic gain;
- (C) excessive use of force under color of authority, second offense;
- (D) biased enforcement; or
- (E) use of an electronic criminal records database for personal, political, or economic gain.

(3) “Category C conduct” means any allegation of misconduct pertaining to Office or Council processes or operations, including:

- (A) intentionally exceeding the scope of practice for an officer’s certification level;
- (B) knowingly making material false statements or reports to the Office or Council;

(C) falsification of Office or Council documents;

(D) intentional interference with Office or Council investigations, including intimidation of witnesses or misrepresentations of material facts;

(E) material false statements about certification or licensure status to a law enforcement agency;

(F) knowing employment of an individual in a position or for duties for which the individual lacks proper certification;

(G) intentional failure to conduct a valid investigation or file a report as required by this chapter; or

(H) failure to complete annual in-service training required by the Council.

(4) “Certification” means the document issued by the Council that verifies that a law enforcement officer has successfully completed the Council’s initial basic training or annual in-service training requirements, or such a document issued by another entity with training requirements substantially similar to those of the Council as determined by the Director.

(5) “Council” means the Vermont Criminal Justice Training Council.

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

(7) “Effective internal affairs program” means that a law enforcement agency does all of the following:

(A) Complaints. Accepts complaints against its law enforcement officers from any source.

(B) Investigators. Assigns an investigator to determine whether an officer violated an agency rule or policy or State or federal law.

(C) Policies. Has language in its policies or applicable collective bargaining agreement that outlines for its officers expectations of employment or prohibited activity, or both, and provides due process rights for its officers in its policies. These policies shall establish a code of conduct and a corresponding range of discipline.

(D) Fairness in discipline. Treats its accused officers fairly and decides officer discipline based on just cause, a set range of discipline for offenses, consideration of mitigating and aggravating circumstances, and its policies’ due process rights.

(E) Civilian review. Provides for review of officer discipline by civilians, which shall be a selectboard or other elected or appointed body or

person, at least for the conduct required to be reported to the Office under this chapter. The assistant judges of a county shall appoint a committee of at least three and up to five civilians, who shall be selected from among elected officials who reside in the county, to review the discipline imposed on officers by the sheriff.

(8) “Executive officer” means the highest-ranking law enforcement officer of a law enforcement agency.

(9) “Law enforcement agency” means the employer of a law enforcement officer.

(10) “Law enforcement officer” means a member of the Department of Public Safety who exercises law enforcement powers; a member of the State Police; a Capitol Police officer; a municipal police officer; a constable who exercises law enforcement powers; a motor vehicle inspector; an employee of the Department of Liquor Control who exercises law enforcement powers; an investigator employed by the Secretary of State; a Board of Medical Practice investigator employed by the Department of Health; an investigator employed by the Attorney General or a State’s Attorney; a fish and game warden; a sheriff; a deputy sheriff who exercises law enforcement powers; a railroad police officer commissioned pursuant to 5 V.S.A. chapter 68, subchapter 8; or a police officer appointed to the University of Vermont’s Department of Police Services.

(11) “License” means a current authorization granted by the Director, permitting the practice as a law enforcement officer.

(12) “Office” means the Office of Professional Regulation.

(13) “Unprofessional conduct” means Category A, B, or C conduct.

(14)(A) “Valid investigation” means an investigation conducted pursuant to a law enforcement agency’s established or accepted procedures.

(B) An investigation shall not be valid if:

(i) the agency has not adopted an effective internal affairs program;

(ii) the agency refuses, without any legitimate basis, to conduct an investigation;

(iii) the agency intentionally did not report allegations to the Office as required;

(iv) the agency attempts to cover up the misconduct or takes an action intended to discourage or intimidate a complainant; or

(v) the agency’s executive officer is the officer accused of misconduct.

§ 5303. PROHIBITIONS; OFFENSES

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

(1) sell or fraudulently obtain or furnish any law enforcement degree, diploma, certification, license, or any other related document or record or to aid or abet therein;

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

(3) practice as a law enforcement officer unless licensed or otherwise authorized to do so under the provisions of this chapter;

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

(5) practice as a law enforcement officer during the time a license or authorization issued under this chapter is suspended or revoked; or

(6) employ an unlicensed or unauthorized person to practice as a law enforcement officer.

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

§ 5304. EXEMPTIONS

The following shall not require a license under this chapter:

(1) The furnishing of assistance in the case of an emergency or disaster.

(2) The practice of a law enforcement officer who is employed by the U.S. government or any bureau, division, or agency of it while in the discharge of his or her official duties.

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

Subchapter 2. Administration

§ 5311. DUTIES OF THE DIRECTOR

(a) The Director shall:

(1) provide general information to applicants for license as law enforcement officers;

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

(3) administer fees as established by law;

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

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

(6) explain appeal procedures to licensed law enforcement officers and to applicants and complaint procedures to the public.

(b) The Director may adopt rules appropriate to perform his or her duties under this chapter and to administer the provisions of this chapter.

§ 5312. ADVISOR APPOINTEES

(a)(1) The Secretary of State shall appoint three persons for five-year staggered terms to serve at the Secretary's pleasure as advisors in matters relating to law enforcement. One of the initial appointments shall be for less than a five-year term. The Secretary shall consider representation among small, medium, and large agencies as factors in making the appointments.

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

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

Subchapter 3. Licenses

§ 5321. ELIGIBILITY FOR LICENSURE

An applicant for licensure shall demonstrate that he or she has a current, valid certification.

§ 5322. LICENSURE RENEWAL

(a) In order to renew his or her license, a law enforcement officer shall demonstrate that he or she has a current, valid certification. A license shall be renewed biennially upon application and payment of the required fee. Failure to comply with the provisions of this section shall result in suspension of all privileges granted to the licensee, beginning on the expiration date of the license.

(b) A license that has lapsed shall be renewed upon payment of the renewal fee and any applicable late renewal penalty pursuant to 3 V.S.A. § 127(d).

§ 5323. APPLICATIONS

Applications for licensure and license renewal shall be on forms provided by the Director. Each application shall contain a statement under oath showing the applicant's certification and other pertinent information required by law and shall be accompanied by the required fee.

§ 5324. LICENSURE GENERALLY

(a) The Director shall issue a license or renew a license, upon payment of the fees required under this chapter, to an applicant or licensee who has satisfactorily met all the requirements of this chapter.

(b)(1) The actions and legal authority of a law enforcement officer employed by a law enforcement agency or elected to a law enforcement office whose license has expired and who acts with the apparent authority of a license issued under this chapter shall be valid at law, notwithstanding the failure to renew the license.

(2) The provisions of this subsection shall only apply during the 30-day reinstatement period described in subdivision (c)(2) of this section.

(c)(1) The Director shall provide written notice that the officer's license has expired to the officer, the officer's executive officer, if any, and the Council.

(2) The effective date of a license that was renewed during the 30 days following license expiration shall relate back to the date the license expired, up to the date the license was reinstated, and the license shall be deemed legally valid during that timeframe.

§ 5325. FEES

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

§ 5326. CONFIDENTIALITY OF PERSONAL INFORMATION

A law enforcement officer's home address and personal telephone number and email address produced or acquired under this chapter shall be kept confidential and are exempt from public inspection and copying under the Public Records Act.

Subchapter 4. Investigations, Reports, and Unprofessional Conduct Sanctions

§ 5331. INVESTIGATIONS

(a) Agency investigations of Category A and B conduct.

(1)(A) Each law enforcement agency shall conduct a valid investigation of any complaint alleging that a law enforcement officer employed by the

agency committed Category A or Category B conduct. An agency shall conclude its investigation even if the officer resigns from the agency during the course of the investigation.

(B) Notwithstanding the provisions of subdivision (A) of this subdivision (1), a law enforcement agency shall refer to the Office any unprofessional conduct complaints made against a law enforcement officer who is the executive officer of that agency.

(2)(A) The Office shall accept from any source complaints alleging a law enforcement officer committed unprofessional conduct and, if the Director deems such a complaint credible, he or she shall refer any complaints regarding Category A or Category B conduct to the executive officer of the agency who employs that officer, and that agency shall conduct a valid investigation.

(B) Notwithstanding the provisions of subdivision (A) of this subdivision (2), the Office shall cause to be conducted an alternate course of investigation if the allegation is in regard to a law enforcement officer who is the executive officer of the agency.

(b) Exception to an agency's valid investigation. Notwithstanding a law enforcement agency's valid investigation of a complaint, the Office may investigate that complaint or cause the complaint to be investigated if the officer resigned before a valid investigation had begun or was completed.

(c) Office and Council investigations of Category C conduct.

(1) The Office shall investigate allegations of Category C conduct pertaining to Office processes.

(2) The Council shall investigate allegations of Category C conduct pertaining to Council processes.

§ 5332. LAW ENFORCEMENT AGENCIES; DUTY TO REPORT

(a)(1) The executive officer of a law enforcement agency or the chair of the agency's civilian review board shall report to the Office within 10 business days if any of the following occur in regard to a law enforcement officer of the agency:

(A) Category A.

(i) There is a finding of probable cause by the criminal division of a court that the officer committed Category A conduct.

(ii) There is any decision or findings of fact or verdict regarding allegations that the officer committed Category A conduct, including a judicial decision and any appeal therefrom.

(B) Category B.

(i) The agency receives a complaint against the officer that, if deemed credible by the executive officer of the agency as a result of a valid investigation, alleges that the officer committed Category B conduct.

(ii) The agency receives or issues any of the following:

(I) a report or findings of a valid investigation finding that the officer committed Category B conduct; or

(II) any decision or findings, including findings of fact or verdict, regarding allegations that the officer committed Category B conduct, including a hearing officer decision, arbitration, administrative decision, or judicial decision, and any appeal therefrom.

(C) Termination. The agency terminates the officer for Category A or Category B conduct.

(D) Resignation. The officer resigns from the agency while under investigation for unprofessional conduct.

(2) As part of his or her report, the executive officer of the agency or the chair of the civilian review board shall provide to the Office a copy of any relevant documents associated with the report, including any findings, decision, and the agency's investigative report. The information provided shall be treated as a complaint under the provisions of 3 V.S.A. § 131.

(b) The Director shall report to the Attorney General and the State's Attorney of jurisdiction any allegations that an officer committed Category A conduct.

§ 5333. PERMITTED OFFICE SANCTIONS

(a) Generally. The Office may impose any of the following sanctions on a law enforcement officer's license upon its finding that a law enforcement officer committed unprofessional conduct:

(1) written warning;

(2) suspension, but to run concurrently with the length and time of any suspension imposed by a law enforcement agency with an effective internal affairs program, which shall amount to suspension for time already served if an officer has already served a suspension imposed by his or her agency with such a program;

(3) revocation, with the option of relicensure at the discretion of the Office; or

(4) permanent revocation.

(b) Intended revocation; temporary voluntary surrender.

(1)(A) If, after an evidentiary hearing, the Office intends to revoke a law enforcement officer's license due to its finding that the officer committed unprofessional conduct, the Office shall issue a decision to that effect.

(B) Within 10 business days from the date of that decision, such an officer may voluntarily surrender his or her license if there is a pending labor proceeding related to the Office's unprofessional conduct findings.

(C) A voluntary surrender of an officer's license shall remain in effect until the labor proceeding and all appeals are finally adjudicated or until the officer requests a final sanction hearing, whichever occurs first, and thereafter until the Office's final sanction hearing on the matter. At that hearing, the Office may modify its findings and decision on the basis of additional evidence, but shall not be bound by any outcome of the labor proceeding.

(2) If an officer fails to voluntarily surrender his or her license in accordance with subdivision (1) of this subsection, the Office's original findings and decision shall take effect. However, if the final adjudication of the labor proceeding is inconsistent with the Office's findings and decision, at the officer's request, the Director may, in his or her discretion, order that the Office's findings and decision be reconsidered.

§ 5334. LIMITATION ON OFFICE SANCTIONS; FIRST OFFENSE OF CATEGORY B CONDUCT

(a) Category B conduct; first offense. If a law enforcement agency conducts a valid investigation of a complaint alleging that a law enforcement officer committed a first offense of Category B conduct, the Office shall take no action.

(b) "Offense" defined. As used in this section, an "offense" means any offense committed by a law enforcement officer during the course of his or her licensure, and includes any offenses committed during employment at a previous law enforcement agency.

§ 5335. INVALID INVESTIGATIONS

Nothing in this subchapter shall prohibit the Office from causing a complaint to be investigated or taking disciplinary action on an officer's license if the Office determines that a law enforcement agency's investigation of the officer's conduct did not constitute a valid investigation.

Sec. 3. CREATION OF TWO NEW POSITIONS WITHIN THE OFFICE OF PROFESSIONAL REGULATION

(a) To support the administration of law enforcement officer professional

regulation set forth in Sec. 2 of this act, there is created the following positions within the Secretary of State's Office of Professional Regulation:

- (1) one classified investigator; and
- (2) one exempt attorney.

(b) Any funding necessary to support the positions created under subsection (a) of this section shall be derived from the Office's Professional Regulatory Fee Fund, with no General Fund dollars.

* * * Council Revisions * * *

Sec. 4. 20 V.S.A. § 2357 is amended to read:

§ 2357. POWERS AND DUTIES OF THE EXECUTIVE DIRECTOR

(a) The Executive Director of the Council, on behalf of the Council, shall have the following powers and duties, subject to the supervision of the Council and to be exercised only in accordance with rules adopted under this chapter:

* * *

(b) The Executive Director shall collaborate with the Office of Professional Regulation to alert the Office of:

- (1) persons who have successfully obtained or renewed their certification; and
- (2) the reports made under section 2362 of this chapter.

Sec. 5. 20 V.S.A. § 2360 is added to read:

§ 2360. LAW ENFORCEMENT AGENCIES; DUTY TO ADOPT AN EFFECTIVE INTERNAL AFFAIRS PROGRAM

(a) Each law enforcement agency shall adopt an effective internal affairs program in order to manage complaints regarding the agency's law enforcement officers.

(b) The Council shall create and maintain an effective internal affairs program model policy that may be used by law enforcement agencies to meet the requirements of this section.

(c) As used in this section, an "effective internal affairs program" means that a law enforcement agency does all of the following:

- (1) Complaints. Accepts complaints against its law enforcement officers from any source.
- (2) Investigators. Assigns an investigator to determine whether an officer violated an agency rule or policy or State or federal law.

(3) Policies. Has language in its policies or applicable collective bargaining agreement that outlines for its officers expectations of employment or prohibited activity, or both, and provides due process rights for its officers in its policies. These policies shall establish a code of conduct and a corresponding range of discipline.

(4) Fairness in discipline. Treats its accused officers fairly, and decides officer discipline based on just cause, a set range of discipline for offenses, consideration of mitigating and aggravating circumstances, and its policies' due process rights.

(5) Civilian review. Provides for review of officer discipline by civilians, which shall be a selectboard or other elected or appointed body or person, at least for the conduct required to be reported to the Office of Professional Regulation under 26 V.S.A. chapter 103. The assistant judges of a county shall appoint a committee of at least three and up to five civilians, who shall be selected from among elected officials who reside in the county, to review the discipline imposed on officers by the sheriff.

Sec. 6. 20 V.S.A. § 2362 is amended to read:

§ 2362. REPORTS

(a) Within ten business days:

(1) Elected constables. A town, village, or city clerk shall notify the Council, on a form provided by the Council, of the election, appointment to fill a vacancy under 24 V.S.A. § 963, expiration of term, or reelection of any constable.

(2) Appointed constables and police chiefs. The legislative body of a municipality or its designee shall notify the Council of the appointment or removal of a constable or police chief.

(3) Municipal police officers. A police chief appointed under 24 V.S.A. § 1931 shall notify the Council of the appointment or removal of a police officer under the police chief's direction and control.

(4) State law enforcement officers. The appointing authority of a State agency employing a law enforcement officer shall notify the Council of the appointment or removal of a law enforcement officer employed by that agency.

(5) Sheriffs' officers. A sheriff shall notify the Council of the appointment or removal of a deputy or other law enforcement officer employed by that sheriff's department.

(b) Notification required by this section shall include the name of the constable, police chief, police officer, deputy, or other law enforcement

officer; the date of appointment or removal; and the term of office or length of appointment, if any.

~~(c) A report required by this section may be combined with any report required under subchapter 2 of this chapter.~~

Sec. 7. REPEALS

The following are repealed in Title 20:

(1) In chapter 151 (Vermont Criminal Justice Training Council), the subchapter 1 (General Provisions) designation.

(2) In chapter 151, subchapter 2 (Unprofessional Conduct).

Sec. 8. 2017 Acts and Resolves No. 56, Sec. 2 is amended to read:

Sec. 2. TRANSITIONAL PROVISIONS TO IMPLEMENT THIS ACT

(a) Effective internal affairs programs.

(1) Law enforcement agencies. On or before July 1, 2018, each law enforcement agency shall adopt an effective internal affairs program in accordance with 20 V.S.A. ~~§ 2402(a) in Sec. 1 of this act~~ § 2360(a).

(2) Vermont Criminal Justice Training Council. On or before April 1, 2018, the Vermont Criminal Justice Training Council shall adopt an effective internal affairs program model policy in accordance with 20 V.S.A. ~~§ 2402(b) in Sec. 1 of this act~~ § 2360(b).

~~(b) Alleged law enforcement officer unprofessional conduct. The provisions of 20 V.S.A. chapter 151, subchapter 2 (unprofessional conduct) in Sec. 1 of this act shall apply to law enforcement officer conduct alleged to have been committed on and after the effective date of that subchapter. [Repealed.]~~

(c) Duty to disclose. The requirement for a former law enforcement agency to disclose the reason that a law enforcement officer is no longer employed by the agency as set forth in 20 V.S.A. § 2362a in Sec. 1 of this act shall not apply if there is a binding nondisclosure agreement prohibiting that disclosure that was executed prior to the effective date of that section.

~~(d) Council rules. The Vermont Criminal Justice Training Council may adopt rules in accordance with 20 V.S.A. § 2411 (Council rules) in Sec. 1 of this act, prior to the effective date of that section. [Repealed.]~~

~~(e) Council Advisory Committee. The Governor shall make appointments to the Council Advisory Committee set forth in 20 V.S.A. § 2410 in Sec. 1 of this act prior to the effective date of that section. [Repealed.]~~

~~(f) Annual report of Executive Director. Annually, on or before~~

~~January 15, beginning in the year 2019 and ending in the year 2022, the Executive Director of the Vermont Criminal Justice Training Council shall report to the General Assembly regarding the Executive Director's analysis of the implementation of this act and any recommendations he or she may have for further legislative action. [Repealed.]~~

(g) Council, OPR; joint report. On or before October 1, 2017, the Executive Director of the Vermont Criminal Justice Training Council and the Director of the Office of Professional Regulation (Office) shall consult with law enforcement stakeholders and report to the Senate and House Committees on Government Operations on a proposal for the Office to perform duties related to the professional regulation of law enforcement officers.

* * * Vermont State Police * * *

Sec. 9. 20 V.S.A. § 1923 is amended to read:

§ 1923. INTERNAL INVESTIGATION

(a)(1) The State Police Advisory Commission shall advise and assist the Commissioner in developing and making known routine procedures to ensure that allegations of misconduct by State Police officers are investigated fully and fairly, and to ensure that appropriate action is taken with respect to such allegations.

(2) The Commissioner shall ensure that the procedures described in subdivision (1) of this subsection constitute an effective internal affairs program in order to comply with section ~~2402~~ 2360 of this title.

* * *

(d) Records of the Office of Internal Investigation shall be confidential, except:

(1) the State Police Advisory Commission shall, at any time, have full and free access to such records;

(2) the Commissioner shall deliver such materials from the records of the Office as may be necessary to appropriate prosecutorial authorities having jurisdiction;

(3) the Director of the State Police or the Chair of the State Police Advisory Commission shall report to the ~~Vermont Criminal Justice Training Council as required by section 2403 of this title~~ Office of Professional Regulation as required by 26 V.S.A. § 5332; and

(4) the State Police Advisory Commission shall, in its discretion, be entitled to report to such authorities as it may deem appropriate or to the public, or both, to ensure that proper action is taken in each case.

* * * Transitional Provisions, Conforming Revisions, and Effective Date * * *

Sec. 10. TRANSITIONAL PROVISIONS

(a) Transfer of regulation. On the effective date of this act, a person certified as a law enforcement officer by the Vermont Criminal Justice Training Council under the provisions of 20 V.S.A. chapter 151 shall be deemed licensed as a law enforcement officer by the Office of Professional Regulation under the provisions of 26 V.S.A. chapter 103 upon payment of the initial license fee set forth in 26 V.S.A. § 5325 in Sec. 2 of this act.

(b) Alleged law enforcement officer unprofessional conduct. The unprofessional conduct provisions applicable to law enforcement officers set forth in Sec. 2 of this act shall apply to law enforcement officer conduct alleged to have been committed on and after the effective date of this act.

Sec. 11. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall replace references to law enforcement officers certified by the Vermont Criminal Justice Training Council under 20 V.S.A. chapter 151 with references to law enforcement officers licensed by the Office of Professional Regulation under 26 V.S.A. chapter 103 and make substantially similar revisions as needed for consistency with Secs. 1-3 of this act, provided the revisions have no other effect on the meaning of the affected statutes.

Sec. 12. IMPLEMENTATION

(a) The advisor appointees created in Sec. 2, in 26 V.S.A. § 5312, shall be appointed within 60 days of the effective date of this section.

(b) The Director of the Office of Professional Regulation may adopt rules in accordance with the provisions of Sec. 2 of this act prior to the effective date of that section.

Sec. 13. EFFECTIVE DATES

(a) The following sections shall take effect on January 1, 2019:

- (1) Sec. 1 (amending 3 V.S.A. § 122);
- (2) Sec. 2 (adding 26 V.S.A. chapter 103);
- (3) Sec. 9 (amending 20 V.S.A. § 1923);
- (4) Sec. 10 (transitional provisions); and
- (5) Sec. 11 (conforming revisions);

(b) The following sections shall take effect on July 1, 2018:

- (1) Sec. 6 (amending 20 V.S.A. § 2362); and

(2) Sec. 7 (repeals), except that in 20 V.S.A. § 2355 (Council powers and duties), subdivision (a)(11) (decertification of persons who have been convicted of a felony subsequent to their certification as law enforcement officers) shall be repealed on January 1, 2019.

(c) This section and the following sections shall take effect on passage:

(1) Sec. 3 (creating positions in the Office of Professional Regulation);

(2) Sec. 4 (amending 20 V.S.A. § 2357);

(3) Sec. 5 (adding 20 V.S.A. § 2360);

(4) Sec. 8 (amending 2017 Acts and Resolves No. 56, Sec. 2); and

(5) Sec. 12 (implementation).

(Committee vote: 5-0-0)

Reported favorably by Senator Cummings for the Committee on Finance.

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

(Committee vote: 7-0-0)

Reported favorably by Senator McCormack for the Committee on Appropriations.

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

(Committee vote: 6-0-1)

S. 269.

An act relating to blockchain, cryptocurrency, and financial technology.

Reported favorably with recommendation of amendment by Senator Clarkson for the Committee on Economic Development, Housing and General Affairs.

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

Sec. 1. 8 V.S.A. chapter 78 is added to read:

CHAPTER 78. PERSONAL INFORMATION TRUST COMPANIES

§ 2451. DEFINITIONS

As used in this section:

(1) “Personal information” means data capable of being associated with a particular natural person, including gender identification, birth information, marital status, citizenship and nationality, government identification designations, and personal, educational, and financial histories.

(2) “Personal information trust business” means a person that offers to the public by advertising, solicitation, or other means that the person is available to hold personal information in trust as a fiduciary.

§ 2452. PERSONAL INFORMATION AS THE SUBJECT OF A FIDUCIARY RELATIONSHIP

(a) Personal information may be held under a trust relationship in accordance with the terms of this chapter.

(b) A person who holds personal information under a trust relationship has a fiduciary responsibility to the individual whose identity is in question over the maintenance and release of personal information.

(c) Personal information held pursuant to this section creates a personal identity trust.

§ 2453. QUALIFIED PERSONAL INFORMATION TRUST COMPANY

(a) The trustee of a personal information trust shall qualify to conduct its business under the terms of this chapter and applicable rules adopted by the Department.

(b) A person shall not engage in business as a personal information trust company in this State without first obtaining a certificate of authority from the Department.

(c) A personal information trust company shall:

(1) be organized under the laws of this State as a business corporation, a benefit corporation, a limited liability company, a low-profit limited liability company, a partnership, a limited partnership, a nonprofit corporation, or a cooperative;

(2) maintain a place of business in this State;

(3) appoint a registered agent to accept service of process and to otherwise act on its behalf in this State, provided that whenever the registered agent cannot with reasonable diligence be found at the Vermont registered office of the company, the Secretary of State shall be an agent of the company upon whom any process, notice, or demand may be served; and

(4) hold at least one meeting of its governing body in this State each year.

§ 2454. NAME; OFFICE

A personal information trust business shall file with the Department of Financial Regulation the name it proposes to use in connection with its business, which the Department shall not approve if it determines that the name may be misleading, likely to confuse the public, or deceptively similar to any other business name in use in this State.

§ 2455. CONDUCT OF BUSINESS

(a) A personal information trust company may:

(1) operate through remote interaction with the individuals entrusting personal information to the company, and there shall be no requirement of Vermont residency or other contact for any such individual to establish such a relationship with the company; and

(2) subject to applicable fiduciary duties, the terms of any agreement with the individual involved, and any applicable statutory or regulatory provision:

(A) provide elements of personal information to third parties with which the individual seeks to have a transaction, a service relationship, or other particular purpose interaction;

(B) provide certification or validation concerning personal information;

(C) receive compensation for acting in these capacities; and

(D) transact business through the use of a mathematically secured, chronological, and decentralized consensus ledger or database, whether maintained via Internet interaction, peer-to-peer network, or otherwise.

(b) An authorization to provide personal information may be either particular or general, provided it meets the terms of any agreement with the individual involved and any rules adopted by the Department of Financial Regulation.

§ 2456. REPORTS; FEES; AUTHORITY OF DEPARTMENT

(a) The Department of Financial Regulation shall prescribe by rule the timing and manner of reports by a personal identity trust company to the Department that shall reflect the approach mandated under section 2405 of this title.

(b)(1) The Department shall assess the following fees for a personal information trust company:

(A) an initial registration fee of \$1,000.00, which includes a licensing fee of \$500.00 and an investigation fee of \$500.00;

(B) an annual renewal fee of \$500.00;

(C) a change in address fee of \$100.00.

(2) The Department shall have the authority to bill a personal information trust company for examination time at its standard rate.

(c) In addition to other powers conferred by this chapter, the Department may exercise, with respect to a personal information trust company, all of the powers granted to the Commissioner under section 2410 of this title with respect to oversight of an independent trust company.

§ 2457. RULES

The Department of Financial Regulation shall adopt rules to govern other aspects of the business of a personal information trust company, including its protection and safeguarding of personal information and its interaction with third parties with respect to personal information it holds.

Sec. 2. INSURANCE; E-BANKING; DFR STUDY; REPORT

(a) The Department of Financial Regulation shall review the potential application of blockchain technology to the provision of insurance and e-banking and consider areas for potential adoption of a comparable program or regulatory changes within Vermont.

(b) On or before January 15, 2019, the Department shall submit a report of its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

Sec. 3. FINTECH SUMMIT

(a) The Agency of Commerce and Community Development, in collaboration with the Department of Financial Regulation, the University of Vermont, the Vermont State Colleges, Norwich University, Vermont Law School, the Agency of Education, regional CTE centers, and in consultation with private sector practitioners, shall organize and hold a FinTech Summit to:

(1) explore legal and regulatory mechanisms to promote the adoption of financial technology in State government;

(2) explore opportunities to promote financial technology and economic development in the private sector, including in the areas of banking, insurance, retail and service businesses, and cryptocurrency providers and proponents; and

(3) explore opportunities to integrate financial technology into secondary and postsecondary education in Vermont.

(b) In fiscal year 2019, the amount of \$25,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development to implement this section.

* * * Effective Date * * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

(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 Economic Development, Housing and General Affairs and when so amended ought to pass.

(Committee vote: 7-0-0)

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 Economic Development, Housing and General Affairs with the following amendments thereto:

By striking out Sec. 3 (fintech summit) in its entirety and by renumbering the remaining Sec. 4 (effective date) to be Sec. 3.

(Committee vote: 6-0-1)

S. 273.

An act relating to miscellaneous law enforcement amendments.

Reported favorably with recommendation of amendment by Senator White for the Committee on Government Operations.

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

* * * Training * * *

Sec. 1. 20 V.S.A. § 2352 is amended to read:

§ 2352. COUNCIL MEMBERSHIP

(a)(1) The Vermont Criminal Justice Training Council shall consist of:

(A) the Commissioners of Public Safety, ~~of Corrections,~~ of Motor Vehicles, ~~and of Fish and Wildlife, and of Mental Health;~~

(B) the Attorney General;

(C) a member of the Vermont Troopers' Association or its successor entity, elected by its membership;

(D) a member of the Vermont Police Association, elected by its membership; ~~and~~

~~(E) five additional members appointed by the Governor.~~

~~(i) The Governor's appointees shall provide broad representation of all aspects of law enforcement and the public in Vermont on the Council.~~

~~(ii) The Governor shall solicit recommendations for appointment from the Vermont State's Attorneys Association, the Vermont State's Sheriffs Association, the Vermont Police Chiefs Association, and the Vermont Constables Association a member of the Chiefs of Police Association of Vermont, appointed by the President of the Association;~~

(F) a member of the Vermont Sheriffs' Association, appointed by the President of the Association;

(G) a law enforcement officer appointed by the President of the Vermont State Employees Association;

(H) an employee of the Vermont League of Cities and Towns, appointed by the Executive Director of the League;

(I) an employee of the Vermont Center for Crime Victim Services, appointed by the Executive Director of the Center; and

(J) three public members who shall not be law enforcement officers or otherwise be employed in the criminal justice system, one of whom shall be appointed by the Speaker of the House, one of whom shall be appointed by the Senate Committee on Committees, and one of whom shall be appointed by the Governor.

* * *

Sec. 2. 20 V.S.A. § 2355 is amended to read:

§ 2355. COUNCIL POWERS AND DUTIES

(a) The Council shall adopt rules with respect to:

(1) the approval, or revocation thereof, of law enforcement officer training schools and off-site training programs, which shall include rules to identify and implement alternate routes to certification aside from the training provided at the Vermont Police Academy;

* * *

~~(b)(1)(A)~~ The Council shall conduct and administer training schools and offer courses of instruction for law enforcement officers and other criminal

justice personnel. The Council shall offer courses of instruction for law enforcement officers in multiple regions of the State and shall strive to replace overnight courses with these regional trainings whenever possible.

(B) The Council shall offer its training programs for law enforcement officers on a first-come, first-served basis and only for named individuals.

(2) The Council may also offer the basic officer's course for pre-service preservice students and educational outreach courses for the public, including firearms safety and use of force.

* * *

Sec. 3. COUNCIL; REPORT ON TRAINING ALTERNATIVES

On or before January 15, 2019, the Executive Director of the Vermont Criminal Justice Training Council shall report to the Senate and House Committees on Government Operations regarding the Council's identification and implementation of alternate routes to certification and its plan to replace some of its overnight law enforcement training requirements at the Robert H. Wood, Jr. Criminal Justice and Fire Service Training Center of Vermont (Police Academy) with training in multiple regions of the State, in accordance with 20 V.S.A. § 2355 in Sec. 2 of this act. The report may be in verbal form.

Sec. 4. 20 V.S.A. § 2361 is amended to read:

§ 2361. ADDITIONAL TRAINING

~~(a) Nothing in this chapter prohibits any State law enforcement agency, department, or office or any municipality or county of the State from providing additional training beyond basic training to its personnel where no certification is requested of or required by the Council or its Executive Director.~~

~~(b) The head of a State agency, department, or office, a municipality's chief of police, or a sheriff executive officer of a law enforcement agency may seek certification from the Council for any in-service training he or she may provide to his or her employees law enforcement officers of his or her agency, or of another agency, or both.~~

Sec. 5. 20 V.S.A. § 2358 is amended to read:

§ 2358. MINIMUM TRAINING STANDARDS; DEFINITIONS

* * *

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

(1) Level I certification.

* * *

(2) Level II certification.

* * *

(3) Level III certification.

* * *

(c)(1) All programs required by this section shall be approved by the Council.

(2) The Council shall structure its programs so that an officer certified as a Level II law enforcement officer may complete additional training in block steps in order to transition to Level III certification, without such an officer needing to restart the certification process.

(3) Completion of a program shall be established by a certificate to that effect signed by the Executive Director of the Council.

* * *

* * * Administration * * *

Sec. 6. 20 V.S.A. § 2053 is amended to read:

§ 2053. COOPERATION WITH OTHER AGENCIES

(a) The ~~center~~ Center shall cooperate with other ~~state~~ State departments and agencies, municipal police departments, sheriffs, and other law enforcement officers in this ~~state~~ State and with federal and international law enforcement agencies to develop and carry on a uniform and complete ~~state~~ State, interstate, national, and international system of records of ~~criminal activities~~ commission of crimes and information.

(b)(1) All ~~state~~ State departments and agencies, municipal police departments, sheriffs, and other law enforcement officers shall cooperate with and assist the ~~center~~ Center in the establishment of a complete and uniform system of records relating to the commission of crimes, arrests, convictions, imprisonment, probation, parole, fingerprints, photographs, stolen property, and other matters relating to the identification and records of persons who have or who are alleged to have committed a crime, or who are missing persons, or who are fugitives from justice.

(2) In order to meet the requirements of subdivision (1) of this subsection, the Center shall establish and provide training on a uniform list of definitions to be used in entering data into a law enforcement agency's system of records, and every law enforcement officer shall use those definitions when entering data into his or her agency's system.

* * * Coverage * * *

Sec. 7. 20 V.S.A. chapter 113, subchapter 2 is amended to read:

Subchapter 2. State Police

* * *

§ 1916. STATE POLICE BARRACKS; DUTY TO PROVIDE CALL INFORMATION

On a quarterly basis, each State Police barracks shall submit to the selectboard of each town within the barracks' jurisdiction a report describing the nature of calls to the State Police from residents in that town in the preceding quarter, without providing any personally identifying information.

Sec. 8. LEAB; REPEAL FOR RECODIFICATION

24 V.S.A. § 1939 (Law Enforcement Advisory Board) is repealed.

Sec. 9. 20 V.S.A. § 1818 is added to read:

§ 1818. LAW ENFORCEMENT ADVISORY BOARD

(a) The Law Enforcement Advisory Board is created within the Department of Public Safety to advise the Commissioner of Public Safety, the Governor, and the General Assembly on issues involving the cooperation and coordination of all agencies that exercise law enforcement responsibilities. The Board shall review any matter that affects more than one law enforcement agency. The Board shall comprise the following members:

(1) the Commissioner of Public Safety or designee;

(2) a member of the Chiefs of Police Association of Vermont appointed by the President of the Association;

(3) a member of the Vermont Sheriffs' Association appointed by the President of the Association;

(4) a representative of the Vermont League of Cities and Towns appointed by the Executive Director of the League;

(5) a member of the Vermont Police Association appointed by the President of the Association;

(6) the Attorney General or designee;

(7) a State's Attorney appointed by the Executive Director of the Department of State's Attorneys and Sheriffs;

(8) the U.S. Attorney or designee;

(9) the Executive Director of the Vermont Criminal Justice Training Council;

(10) the Defender General or designee;

(11) a representative of the Vermont Troopers' Association or its successor entity, elected by its membership;

(12) a member of the Vermont Constables Association appointed by the President of the Association; and

(13) a law enforcement officer appointed by the President of the Vermont State Employees Association.

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

(c) The Board shall undertake an ongoing formal process of reviewing law enforcement policies and practices with a goal of developing a comprehensive approach to providing the best services to Vermonters, given the monies available. The Board shall also provide educational resources to Vermonters about public safety challenges in the State.

(d)(1) The Board shall meet at its discretion to develop policies and recommendations for law enforcement priority needs, including retirement benefits, recruitment of officers, training, homeland security issues, dispatching, and comprehensive drug enforcement.

(2) The Board shall present its findings and recommendations in brief summary form to the House and Senate Committees on Judiciary and on Government Operations annually on or before January 15.

Sec. 10. LEAB; RECODIFICATION DIRECTIVE

(a) 24 V.S.A. § 1939 is recodified as 20 V.S.A. § 1818. During statutory revision, the Office of Legislative Council shall revise accordingly any references to 24 V.S.A. § 1939 in the Vermont Statutes Annotated.

(b) Any references in session law and adopted rules to 24 V.S.A. § 1939 as previously codified shall be deemed to refer to 20 V.S.A. § 1818.

Sec. 11. LEAB; 2019 REPORT ON MUNICIPAL ACCESS TO LAW ENFORCEMENT SERVICES

As part of its annual report in the year 2019, the Law Enforcement Advisory Board shall specifically recommend ways that towns can increase access to law enforcement services.

* * * Dispatch * * *

Sec. 12. DEPARTMENT OF PUBLIC SAFETY AND THE VERMONT
ENHANCED 911 BOARD; PROPOSAL FOR AN EQUITABLE
STATEWIDE PUBLIC SAFETY DISPATCH SYSTEM

(a)(1) The Department of Public Safety and the Vermont Enhanced 911 Board shall consult with the Vermont League of Cities and Towns as an equal partner in order to propose a plan that would result in a comprehensive, efficient, and equitably funded public safety dispatch system to dispatch law enforcement, fire, and emergency medical services statewide. In proposing the plan, consideration shall be given to existing and planned regional dispatch centers.

(2) Included in the proposed plan shall be recommendations regarding:

(A) the manner in which different dispatch services should communicate among each other;

(B) whether there should be different dispatching services used among State agencies and departments;

(C) the role of regional dispatch centers;

(D) the funding source or sources for the proposed plan; and

(E) the timeframe for implementing the proposed plan.

(b) On or before November 1, 2019, the Department and the Board shall jointly submit the proposed plan to:

(1) the Senate Committees on Finance, on Government Operations, on Appropriations, and on Economic Development, Housing and General Affairs;

(2) the House Committees on Commerce and Economic Development, on Government Operations, on Appropriations, and on Ways and Means; and

(3) the Governor.

* * * Effective Dates and Implementation * * *

Sec. 13. EFFECTIVE DATES; IMPLEMENTATION

This act shall take effect on July 1, 2018, except the following sections shall take effect on July 1, 2019:

(1) Sec. 2, amending 20 V.S.A. § 2355 (Council powers and duties), except that the requirement to adopt rules set forth in subdivision (a)(1) of that section shall take effect on July 1, 2018 so that those rules are adopted on or before July 1, 2019;

(2) Sec. 5, amending 20 V.S.A. § 2358 (minimum training standards;

definitions); and

(3) Sec. 6, amending 20 V.S.A. § 2053 (cooperation with other agencies).

(Committee vote: 5-0-0)

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

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

In Sec. 1, 20 V.S.A. § 2352 (Council membership), in subdivision (a)(1)(J), following “three public members who shall not be law enforcement officers” by inserting , current legislators,

(Committee vote: 7-0-0)

S. 281.

An act relating to the Systemic Racism Mitigation Oversight and Equity Review Board.

Reported favorably with recommendation of amendment by Senator Collamore for the Committee on Government Operations.

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

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly to promote racial justice reform throughout the State by mitigating systemic racism in all systems of State government and creating a culture of inclusiveness.

Sec. 2. 3 V.S.A. § 2102 is amended to read:

§ 2102. POWERS AND DUTIES

(a) The Governor’s Cabinet shall adopt and implement a program of continuing coordination and improvement of the activities carried on at all levels of State and local government.

(b) The Cabinet shall work collaboratively with the Chief Civil Rights Officer and shall provide the Chief with access to all relevant records and information.

Sec. 3. 3 V.S.A. chapter 68 is added to read:

CHAPTER 68. CHIEF CIVIL RIGHTS OFFICER

§ 5001. POSITION

(a) There is created within the Executive Branch an independent position named the Chief Civil Rights Officer to identify and work to eradicate systemic racism within State government.

(b) The Chief Civil Rights Officer shall have the powers and duties enumerated within section 2102 of this title, but shall operate independently of the Governor's Cabinet.

(c) The Chief Civil Rights Officer shall not be attached to any State department or agency, but shall be housed within and have administrative, legal, and technical support of the Agency of Administration.

§ 5002. CIVIL RIGHTS ADVISORY PANEL

(a) The Civil Rights Advisory Panel is established. The Panel shall be organized and have the duties and responsibilities as provided in this section. The Panel may consult with the Governor's Workforce Equity and Diversity Council, the Vermont Human Rights Commission, and others. The Panel shall have administrative, legal, and technical support of the Agency of Administration.

(b)(1) The Panel shall consist of five members, as follows:

(A) one member appointed by the Senate Committee on Committees who shall not be a current senator;

(B) one member appointed by the Speaker of the House who shall not be a current representative;

(C) one member appointed by the Chief Justice of the Supreme Court who shall not be a current legislator;

(D) one member appointed by the Governor who shall not be a current legislator; and

(E) one member appointed by the Human Rights Commission who shall not be a current legislator.

(2) Members shall have experience working to implement racial justice reform and, to the extent possible, represent geographically diverse areas of the State. At least three members shall be persons of color.

(3) The term of each member shall be three years, except that of the members first appointed, one each shall serve a term of one year, two years, three years, four years, and five years, so that the term of one regular member expires in each ensuing year. As terms of currently serving members expire, appointments of successors shall be in accord with the provisions of this subsection. Appointments of members to fill vacancies or expired terms shall

be made by the authority that made the initial appointment to the vacated or expired term. Members shall serve until their successors are elected or appointed. Members shall serve not more than three consecutive terms in any capacity.

(4) Members of the Panel shall elect by majority vote the Chair of the Panel, who shall serve for a term of three years after the implementation period.

(c) The Panel shall have the following duties and responsibilities:

(1) appoint the Chief Civil Rights Officer;

(2) work with the Chief Civil Rights Officer to implement the reforms identified as necessary in the comprehensive organizational review as required by section 5003(a) of this title;

(3) oversee and advise the Chief to ensure ongoing compliance with the purpose of this chapter; and

(4) on or before January 15, 2020, and annually thereafter, report to the House and Senate Committees on Government Operations.

(d) Only the Panel may remove the Chief Civil Rights Officer. The Panel shall adopt rules pursuant to chapter 25 of this title to define the basis and process for removal.

(e) Each member of the Panel shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

§ 5003. DUTIES OF CHIEF CIVIL RIGHTS OFFICER

(a) The Chief Civil Rights Officer shall work with the agencies and departments to implement a program of continuing coordination and improvement of activities in State government in order to combat systemic racial disparities and measure progress toward fair and impartial governance, including:

(1) oversee a comprehensive organizational review to identify systemic racism in each of the three branches of State government and inventory systems in place that engender racial disparities, which may be completed by a consultant or outside vendor; and

(2) manage and oversee the statewide collection of race-based data to determine the nature and scope of racial discrimination within all systems of State government.

(b) Pursuant to section 2102 of this title, work collaboratively with State agencies and departments to gather relevant existing data and records necessary to carry out the purpose of this chapter.

(c) The Chief shall work with the agencies and departments and with the Chief Performance Officer to develop performance targets and performance measures for the General Assembly, the Judiciary, and the agencies and departments to evaluate respective results in improving systems. These performance measures shall be included in the agency's or department's quarterly reports to the Chief, and the Chief shall include each agency's or department's performance targets and performance measures in his or her annual reports to the General Assembly.

(d) The Chief shall, in consultation with the Department of Human Resources and the agencies and departments, develop and conduct trainings for agencies and departments. Nothing in this subsection shall be construed to discharge the existing duty of the Department of Human Resources to conduct trainings.

(e) In order to enforce the provisions of this chapter and empower the Chief to perform his or her duties, the Chief may issue subpoenas, administer oaths and take the testimony of any person under oath, and require production of data, papers, and records. Any subpoena or notice to produce may be served by registered or certified mail or in person by an agent of the Chief. Service by registered or certified mail shall be effective three business days after mailing. Any subpoena or notice to produce shall provide at least six business days' time from service within which to comply, except that the Chief may shorten the time for compliance for good cause shown. Any subpoena or notice to produce sent by registered or certified mail, postage prepaid, shall constitute service on the person to whom it is addressed. Each witness who appears before the Chief under subpoena shall receive a fee and mileage as provided for witnesses in civil cases in Superior Courts; provided, however, any person subject to the Chief's authority shall not be eligible to receive fees or mileage under this section.

Sec. 4. AUTHORIZATION FOR CHIEF CIVIL RIGHTS OFFICER POSITION

One new permanent, exempt position of Chief Civil Rights Officer is created within the Agency of Administration.

Sec. 5. APPROPRIATION

There is appropriated to the Agency of Administration from the General Fund for fiscal year 2020 the amount of \$67,848 for the position of Chief Civil Rights Officer.

Sec. 6. SECRETARY OF ADMINISTRATION; CIVIL RIGHTS ADVISORY PANEL; CHIEF CIVIL RIGHTS OFFICER; REPORT

(a) On or before September 1, 2018, the Civil Rights Advisory Panel shall be appointed.

(b) On or before November 1, 2018, the Civil Rights Advisory Panel shall, in consultation with the Secretary of Administration and the Department of Human Resources, have developed and posted a job description for the Chief Civil Rights Officer.

(c) On or before January 1, 2019, the Civil Rights Advisory Panel shall appoint the Chief Civil Rights Officer.

(d) On or before April 1, 2019, the Chief Civil Rights Officer shall update the House and Senate Committees on Government Operations regarding how best to complete a comprehensive organizational review to identify systemic racism pursuant to 3 V.S.A. § 5003, and potential private and public sources of funding to achieve the review.

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to the mitigation of systemic racism.

(Committee vote: 5-0-0)

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

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

First: By adding a Sec. 4a as follows:

Sec. 4a. CHIEF CIVIL RIGHTS OFFICER; CIVIL RIGHTS ADVISORY PANEL; FUNDING SOURCE; SURCHARGE; REPEAL

(a) Surcharge.

(1) Notwithstanding the provisions of 3 V.S.A. § 2283(c) setting forth the purpose and rate of charges collected in the Human Resource Services Internal Service Fund, in fiscal year 2019, a surcharge of up to 1.65 percent, and in fiscal year 2020 and thereafter, a surcharge of up to 3.3 percent, but no greater than the cost of both the Civil Rights Advisory Panel and the position of Chief Civil Rights Officer set forth in Sec. 3 of this act, on the per-position portion of the charges authorized in 3 V.S.A. § 2283(c)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall be paid by all assessed entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of

funding the Civil Rights Advisory Panel and the position of the Chief Civil Rights Officer set forth in Sec. 3 of this act.

(b) Repeal. This section shall be repealed on June 30, 2024.

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

Sec. 5. FISCAL YEAR 2019 APPROPRIATION

There is appropriated to the Agency of Administration from the General Fund for fiscal year 2019 the amount of \$75,000.00 for the Civil Rights Advisory Panel and the position of Chief Civil Rights Officer.

(Committee vote: 6-1-0)

CONCURRENT RESOLUTIONS FOR ACTION

S.C.R. 21 (For text of Resolution, see Addendum to Senate Calendar for March 15, 2018)

H.C.R. 272 - 278 (For text of Resolutions, see Addendum to House Calendar for March 15, 2018)

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.

Adam Greshin of Warren - Commissioner of the Department of Finance and Management (term 7/10/17 - 2/28/19) - By Senator Clarkson for the Committee on Government Operations. (2/28/18)

Richard J. Wobby of Northfield - Member of the Liquor Control Board (term 2/1/18 - 1/31/23) - By Senator Ayer for the Committee on Economic Development, Housing and General Affairs. (2/21/18)

Timothy Hayward of Middlesex - Member of the Transportation Board (term 7/26/17 - 2/29/18) - By Senator Mazza for the Committee on Transportation. (3/21/18)

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 2, 2018**, 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 16, 2018**, 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 Bill).