

Journal of the House

Tuesday, April 17, 2018

At ten o'clock in the forenoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Ben Partridge, Bagpiper, Windham, VT.

Pledge of Allegiance

Page Simon Rosenbaum of Stowe led the House in the Pledge of Allegiance.

Bill Referred to Committee on Ways and Means

H. 927

House bill, entitled

An act relating to approval of amendments to the charter of the City of Montpelier

Appearing on the Calendar, affecting the revenue of the state, under rule 35(a), was referred to the committee on Ways and Means.

Bill Referred to Committee on Ways and Means

S. 175

House bill, entitled

An act relating to the wholesale importation of prescription drugs into Vermont, bulk purchasing, and the impact of prescription drug costs on health insurance premiums

Appearing on the Calendar, affecting the revenue of the state, under rule 35(a), was referred to the committee on Ways and Means.

Bill Referred to Committee on Ways and Means

S. 260

House bill, entitled

An act relating to funding the cleanup of State waters

Appearing on the Calendar, affecting the revenue of the state, under rule 35(a), was referred to the committee on Ways and Means.

Bill Called Up**S. 267**

Rep. Grad of Moretown called up House bill, entitled

An act relating to timing of a decree nisi in a divorce proceeding

Which had been ordered to lie. Thereupon, under House rule 39, the bill was ordered placed on the Calendar for action on the next legislative day.

Second Reading; Consideration Interrupted**H. 482**

Rep. Marcotte of Coventry, for the committee on Commerce and Economic Development, to which had been referred House bill entitled,

An act relating to consumer protection

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 9 V.S.A. § 41a is amended to read:

§ 41a. LEGAL RATES

(a) Except as specifically provided by law, the rate of interest or the sum allowed for forbearance or use of money shall be 12 percent per annum computed by the actuarial method.

(b) The rate of interest or the sum allowed:

* * *

(10) Interest on a judgment against a debtor in default on credit card debt incurred for personal, family, or household purposes shall accrue at the rate of 12 percent per annum using simple interest, unless a court suspends or reduces the accrual of interest pursuant to 12 V.S.A. § 2903a.

* * *

Sec. 2. 12 V.S.A. chapter 113 is amended to read:

CHAPTER 113. ~~JUDGMENT LIEN~~ JUDGMENTS AND JUDGMENT LIENS

* * *

§ 2903. DURATION AND EFFECTIVENESS

* * *

(c) ~~Interest~~ Unless a court suspends or reduces the accrual of interest pursuant to section 2903a of this title, interest on a judgment lien shall accrue at the rate of 12 percent per annum using simple interest.

(d) If a judgment lien is not satisfied within 30 days of recording, it may be foreclosed and redeemed as provided in this title and V.R.C.P. Rule 80.1 of the Vermont Rules of Civil Procedure. Unless the court finds that as of the date of

foreclosure the amount of the outstanding debt exceeds the value of the real property being foreclosed, section 4531 of this title shall apply to foreclosure of a judgment lien.

§ 2903a. ACCRUAL OF POSTJUDGMENT INTEREST ON CREDIT CARD DEBT; SUSPENSION; REDUCTION; REINSTATEMENT

(a) Upon or after entering a judgment against a debtor in default on credit card debt incurred for personal, family, or household purposes, a court may suspend or reduce the accrual of interest on the judgment if it finds:

(1) the judgment debtor's income and assets are exempt from collection; or

(2) based on his or her current income, assets, and expenses, the judgment debtor does not have more financial resources available than what is reasonably necessary to support the debtor and his or her dependents.

(b) To request suspension or reduction of interest on a judgment, the debtor shall submit to the court a motion to suspend or reduce interest that includes:

(1) a completed financial disclosure, on a form adopted by the Vermont Judiciary; and

(2) any additional documentation the court prescribes.

(c) If the court approves the request, it:

(1) shall provide in its order that the suspension or reduction of interest is based on the judgment debtor's current income, assets, and expenses; and

(2) may require the judgment debtor periodically to provide the judgment creditor with an updated financial disclosure form.

(d) The court may revise its order upon a motion by the judgment creditor or judgment debtor to reinstate, reduce further, or suspend the accrual of interest based on a substantial change in the judgment debtor's income, assets, or expenses.

* * *

Sec. 3. 9 V.S.A. chapter 63, subchapter 9 is added to read:

Subchapter 9. Debt Collectors and Debt Collection

§ 2491. DEFINITIONS

As used in this subchapter:

(1) "Credit card debtor" means a consumer who is in default on credit card debt incurred for personal, family, or household purposes.

(2) "Debt collector" means a person who engages, or directly or indirectly aids, in collecting a credit card debt incurred for personal, family, or household purposes, and includes a debt buyer.

§ 2491a. ENFORCEMENT

A person who violates a provision of this subchapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

§ 2491b. CREDIT CARD DEBT COLLECTION; NOTICES TO
CONSUMER

(a) Notice prior to initiating action. Prior to initiating an action to obtain a judgment against a credit card debtor, a debt collector shall deliver to the credit card debtor:

- (1) a claim of exemption form adopted by the Vermont Judiciary; and
- (2) a written notice that contains:

(A) the amount of the debt;

(B) the name of the person to whom the debt is owed;

(C) the name of the original creditor, the last four digits of the account, and the alleged date of the last payment if any;

(D) a statement that, if the credit card debtor indicates in writing that his or her current income and assets are exempt from collection, the debt collector will review the information in deciding whether and how to proceed in collecting the debt.

(b) Time for delivering notice prior to initiating action. A debt collector shall deliver the notice required in subsection (a) of this section not more than 90 days and not less than 30 days before initiating an action to obtain a judgment against a credit card debtor.

(c) Notice by assignee prior to filing a motion to collect on a judgment against credit card debtor. Prior to filing a motion to collect on a judgment against a credit card debtor, an assignee of the judgment shall deliver to the judgment debtor:

(1) a copy of the judgment against the credit card debtor;

(2) the date and parties to each assignment of the judgment;

(3) a claim of exemption form adopted by the Vermont Judiciary; and

(4) a written statement that, if the credit card debtor indicates in writing that his or her current income and assets are exempt from collection, the assignee will review the information in deciding whether and how to proceed in collecting on the judgment.

(d) Time for delivering notice by assignee prior to filing a motion to collect on a judgment against credit card debtor. The assignee of a judgment shall deliver the notice required in subsection (c) of this section not more than 90 days and not less than 30 days before filing a motion to collect on the judgment.

§ 2491c. DEBT COLLECTION AFTER STATUTE OF LIMITATIONS
EXPIRED; LIMITATIONS

(a)(1) A debt collector shall not initiate a civil action to collect a debt from a credit card debtor when the debt collector knows or reasonably should know that the statute of limitations provided in 12 V.S.A. § 511 has expired.

(2) Notwithstanding any other provision of law, when the limitations period provided in 12 V.S.A. § 511 expires, any subsequent payment toward,

written or oral affirmation of, or other activity on the debt does not revive or extend the limitations period.

(b) After the statute of limitations provided in 12 V.S.A. § 511 has expired, a debt collector may only communicate with a credit card debtor concerning the debt after providing written or verbal notice that the credit card debtor has the right to request that the debt collector cease all communications with the credit card debtor concerning the debt and providing one of the following disclosures:

(1) If the debt is not past the date for obsolescence set forth in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681c(a):

“The law limits how long you can be sued on a debt. Because of the age of your debt, we cannot sue you for it. However, if you do not pay the debt, [creditor or debt collector name] may [continue to] report it to the credit reporting agencies as unpaid for as long as the law permits this reporting.”

(2) If the debt is past the date for obsolescence set forth in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681c(a):

“The law limits how long you can be sued on a debt. Because of the age of your debt, [creditor or debt collector name] cannot sue you for it and will not report it to any credit reporting agency.”

Sec. 4. 12 V.S.A. § 2732 is amended to read:

§ 2732. GOODS, EFFECTS, AND CREDITS HELD BY THIRD PERSON

On request of the judgment creditor, the clerk of the court granting judgment shall issue ~~to the officer holding the execution~~ a summons as trustee to a third person having in his or her hands goods, effects, or credits, other than earnings, of the debtor that have not previously been attached on trustee process in connection with the action. The summons shall be in such form as the Supreme Court may by rule provide for a summons to a trustee in connection with the commencement of an action and shall state the date and amount of the judgment. The summons shall be served by the officer upon the trustee in like manner and with the same effect as mesne process. A copy of the summons shall be served upon the judgment debtor with the officer's endorsement thereon of the date of service upon the trustee. After service of the summons, proceedings shall be had as provided by law and by rule promulgated by the Supreme Court for trustee process in connection with the commencement of an action.

Sec. 5. 12 V.S.A. § 3170 is amended to read:

§ 3170. EXEMPTIONS; ISSUANCE OF ORDER

(a) No order approving the issuance of trustee process against earnings shall be entered against a judgment debtor who was, within the two-month period preceding the hearing provided in section 3169 of this title, a recipient of assistance from the Vermont Department for Children and Families or the

Department of Vermont Health Access. The judgment debtor must establish this exemption at the time of hearing.

(b) The earnings of a judgment debtor shall be exempt as follows:

(1) 75 percent of the debtor's weekly disposable earnings, or 30 times the federal minimum hourly wage, whichever is greater; or

(2) if the judgment debt arose from a consumer credit transaction, as that term is defined by 15 U.S.C. § 1602 and implementing regulations of the Federal Reserve Board, 85 percent of the debtor's weekly disposable earnings, or 40 times the federal minimum hourly wage, whichever is greater; or

(3) if the court finds that the weekly expenses reasonably incurred by the debtor for his or her maintenance and that of dependents exceed the amounts exempted by subdivisions (1) and (2) of this subsection, such greater amount of earnings as the court shall order.

* * *

Sec. 6. 12 V.S.A. § 3173 is added to read:

§ 3173. TRUSTEE PROCESS AGAINST JUDGMENT DEBTOR'S
BANK ACCOUNTS; PROCEDURE

(a)(1) A judgment creditor may, pursuant to this section, obtain trustee process against a judgment debtor's accounts or funds in the possession of a bank or other financial institution to enforce a money judgment in a civil action.

(2) Notwithstanding section 2732 of this title or any other provision of law, a judgment debtor's accounts or funds in the possession of a bank or other financial institution shall not be attached, be subject to trustee process, or be subject to execution by a judgment creditor unless the requirements of this section are satisfied.

(3) Nothing in this section shall prohibit a financial institution from exercising a contractual right of setoff against a judgment debtor's deposit accounts with the financial institution.

(b)(1) A judgment creditor may file an ex parte motion for trustee process against a judgment debtor's accounts or funds in the possession of a bank or other financial institution describing in detail the grounds for the motion, the amount alleged to be unpaid, including estimated costs anticipated to be expended for court fees and service on parties in connection with the trustee process procedure.

(2) The judgment creditor shall prepare a summons and a disclosure for the trustee, and a claim of exemption for the judgment debtor, on forms provided by the court.

(c)(1) Upon receipt of a motion for trustee process filed under this section when a judgment is final and has not been satisfied, the Superior clerk is authorized to issue one or more summonses to any trustee financial institution specified by the judgment creditor that possesses accounts or funds belonging

to the judgment debtor.

(2) If the judgment creditor requests issuance of more than one summons, the judgment creditor shall specify, and the clerk shall include in the summons, which financial institution shall not freeze the amounts exempted by subdivision 2740(15) of this title.

(3) The clerk shall issue a notice of hearing concurrently with the summons and shall set the matter for hearing not sooner than 30 days after issuing the notice and summons.

(4) A summons issued pursuant to this subsection shall contain instructions to the trustee financial institution directing it not to freeze any funds of the judgment debtor that, based on deposit or other information kept by the trustee financial institution, are protected under 31 C.F.R. part 212 or exempt under subdivision 2740(15) of this title.

(d)(1) The judgment creditor shall serve on the trustee financial institution and the judgment debtor pursuant to Rule 4 of the Vermont Rules of Civil Procedure, unless the judgment debtor files an appearance pursuant to Rule 5 of the Vermont Rules of Civil Procedure after the motion for trustee process is filed:

(A) the motion for trustee process;

(B) the summons and notice of hearing issued by the clerk pursuant to subdivisions (c)(1) and (3) of this section;

(C) a claim of exemptions form approved by the Court Administrator that permits the judgment debtor to identify any of the debtor's funds in the possession of the trustee financial institution that may be exempt from execution under section 2740 of this title; and

(D) a disclosure form for the trustee.

(2) If the judgment creditor does not provide proof of service on the judgment debtor by the time of the hearing and the judgment debtor does not appear at the hearing, the court shall issue an order denying the motion for trustee process and directing the trustee financial institution to release all of the judgment debtor's held funds to the judgment debtor, unless the hearing is continued for good cause.

(e) Upon receipt of a summons served pursuant to subsection (d) of this section, a trustee financial institution, based on the instructions contained in the summons and deposit or other information kept by the institution:

(1) shall not freeze any funds in its possession belonging to the judgment debtor that are protected under 31 C.F.R. part 212 or that are exempt under subdivision 2740(15) of this title;

(2) shall freeze any funds up to the amount owed as provided in the summons to the trustee that are not protected under 31 C.F.R. part 212 and that are not exempt under subdivision 2740(15) of this title; and

(3) shall return the disclosure form to the court and to the parties within

10 days.

(f)(1) A judgment debtor may request an expedited hearing to determine a claim of exemption.

(2) The judgment debtor shall:

(A) submit the request in writing; and

(B) send a copy of the request to the court, to the judgment creditor, and to the trustee financial institution.

(3) The court shall give notice to the parties and hold the hearing within three business days after the judgment debtor makes the request.

(4) If the judgment debtor requests an expedited hearing, he or she is deemed to have entered an appearance and waived any further service.

(g) At the hearing on the motion for trustee process or motion for expedited hearing, the court shall consider the disclosure form from the trustee and the testimony and affidavits offered by any party, provided that an affiant is available to testify in person or by telephone. The court shall issue an order granting or denying the motion for trustee process, which shall:

(1) state the amount of the judgment unpaid, including costs incurred since filing the motion;

(2) state the rate of postjudgment interest due under 9 V.S.A. § 41a(b)(10);

(3) identify any funds of the judgment debtor in the possession of the trustee financial institution that are exempt from execution under section 2740 of this title and order release of those funds to the judgment debtor;

(4) review any proposed settlement between the judgment creditor and the judgment debtor and make a finding as to whether any waiver of exemptions was knowing; and

(5) identify the amount of funds in the possession of the trustee financial institution that shall be released to the judgment creditor.

(h) A trustee financial institution shall not be subject to criminal or civil liability for any actions taken in reliance upon the provisions of this section.

Sec. 7. IMPLEMENTATION; REPORT

(a) On or before January 15, 2020, the Attorney General, in consultation with the Judicial Branch, representatives of creditors and debtors, and national nonprofit organizations representing the receivables industry, shall submit to the House and Senate Committees on Judiciary, the House Committee on Commerce and Economic Development, and the Senate Committee on Economic Development, Housing and General Affairs a report that addresses:

(1) the implementation, outcomes, and effectiveness of this act;

(2) whether to expand the applicability of the provisions of this act beyond credit card debt; and

(3) any recommendations for further legislative action related to this act.

(b) On or before January 15, 2019, the Attorney General, in consultation with the Judicial Branch and representatives of creditors and debtors, shall submit to the House and Senate Committees on Judiciary, the House Committee on Commerce and Economic Development, and the Senate Committee on Economic Development, Housing and General Affairs a report that addresses the potential costs and benefits of requiring a court to acquire and review a debtor's credit report when considering a request to reduce or suspend the accrual of postjudgment interest, who should be responsible for producing the credit report, and how to ensure consumer privacy if a credit report is used for those purposes in a court action.

Sec. 8. EFFECTIVE DATE

This act shall take effect on October 1, 2018.

and that after passage the title of the bill be amended to read: "An act relating to consumer protection, credit card debt, and trustee process"

Rep. Conquest of Newbury, for the committee on Judiciary, recommended the bill ought to pass when amended by the committee on Commerce and Economic Development.

The bill, having appeared on the Calendar one day for notice, was taken up and read second time.

Recess

At eleven o'clock and three minutes in the forenoon, the Speaker declared a recess until eleven o'clock and forty-five minutes in the forenoon.

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

Consideration Resumed; Bill Amended; Third Reading Ordered

H. 482

Consideration resumed on House bill, entitled

An act relating to consumer protection

Thereupon, the reports of the committee on Commerce and Economic Development and Judiciary were agreed to and third reading was ordered.

Bill Committed

S. 166

House bill, entitled

An act relating to the provision of medication-assisted treatment for inmates

Appearing on the Calendar for action, was taken up and pending the

reading of the report of the committee on Corrections and Institutions, on motion of **Rep. Emmons of Springfield**, the bill was committed to the committee on Appropriations.

Bill Recommended

S. 203

House bill, entitled

An act relating to systemic improvements of the mental health system

Appearing on the Calendar for action, was taken up and pending the reading of the report of the committee on Health Care, on motion of **Rep. Donahue of Northfield**, the bill was recommitted to the committee on Health Care.

Senate Proposal of Amendment Concurred in

H. 551

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

An act relating to flying the Green Mountain Boys Flag at the State House

The Senate proposes to the House to amend the bill as follows:

First: By adding a new Sec. 5 to read:

Sec. 5. 1 V.S.A. § 496c is added to read:

§ 496c. POW-MIA FLAG; FLYING ON STATE FLAGPOLES

The State of Vermont shall fly on State-owned flagpoles, where practicable, the National League of Families Prisoner of War and Missing in Action Flag, as designated in 36 U.S.C. § 189, provided the flag is donated.

Second: By adding a Sec. 6 to read:

Sec. 6. 1 V.S.A. § 496d is added to read:

§ 496d. FLAG PROTOCOL

The Department of Buildings and General Services shall adopt and update as necessary a protocol for the flying of any flag on a State-owned flagpole and on municipally owned flagpoles if statutorily directed. The protocol shall incorporate any existing flag-flying policies or protocols that the Department has previously adopted.

Third: By adding a Sec. 7 to read:

Sec. 7. REPEAL

29 V.S.A. § 7 (POW-MIA flag) is repealed.

And by renumbering the remaining section to be numerically correct

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

An act relating to flags and flag-flying protocol.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in

H. 566

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

An act relating to agreements not to compete

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

Sec. 1. 13 V.S.A. § 352 is amended to read:

§ 352. CRUELTY TO ANIMALS

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

(1) ~~intentionally~~ Intentionally kills or attempts to kill any animal belonging to another person without first obtaining legal authority or consent of the owner;

(2) ~~overworks~~ Overworks, overloads, tortures, torments, abandons, administers poison to, ~~cruelly beats~~ harms or mutilates an animal, or exposes a poison with intent that it be taken by an animal;

(3) ~~ties~~ Ties, tethers, or restrains an animal, either a pet or livestock, in a manner that is inhumane or is detrimental to its welfare. Livestock and poultry husbandry practices are exempted;

(4) ~~deprives~~ Deprives an animal ~~which~~ that a person owns, possesses, or acts as an agent for, of adequate food, water, shelter, rest, sanitation, or necessary medical attention, or transports an animal in overcrowded vehicles;

(5)(A) ~~owns~~ Owns, possesses, keeps, or trains an animal engaged in an exhibition of fighting, ~~or~~; possesses, keeps, or trains any animal with intent that it be engaged in an exhibition of fighting; or permits any such act to be done on premises under his or her charge or control; ~~or~~.

(B) ~~owns~~ Owns, possesses, ships, transports, delivers, or keeps a device, equipment, or implement for the purpose of training or conditioning an animal for participation in animal fighting, or enhancing an animal's fighting capability.

(6) ~~acts~~ Acts as judge or spectator at events of animal fighting or bets or

wagers on the outcome of such fight;

(7) as ~~As~~ poundkeeper, officer, ~~or~~ agent of a humane society or as an owner or employee of an establishment for treatment, board, or care of an animal, knowingly receives, sells, transfers, or otherwise conveys an animal in his or her care for the purpose of research or vivisection;

(8) ~~intentionally~~ Intentionally torments or harasses an animal owned or engaged by a police department or public agency of the State or its political subdivisions, or interferes with the lawful performance of a police animal;

(9) ~~knowingly~~ Knowingly sells, offers for sale, barter, or displays living baby chicks, ducklings, or other fowl ~~which~~ that have been dyed, colored, or otherwise treated so as to impart to them an artificial color, or fails to provide poultry with proper brooder facilities;

(10) ~~uses~~ Uses a live animal as bait or lure in a race, game, or contest, or in training animals in a manner inconsistent with 10 V.S.A. Part 4 or the rules adopted thereunder;

(11)(A) ~~engages~~ Engages in sexual conduct with an animal;

(B) ~~possesses~~ Possesses, sells, transfers, purchases, or otherwise obtains an animal with the intent that it be used for sexual conduct;

(C) ~~organizes~~ Organizes, promotes, conducts, aids, abets, or participates in as an observer an act involving any sexual conduct with an animal;

(D) ~~causes~~ Causes, aids, or abets another person to engage in sexual conduct with an animal;

(E) ~~permits~~ Permits sexual conduct with an animal to be conducted on premises under his or her charge or control;

(F) ~~advertises~~ Advertises, offers, or accepts the offer of an animal with the intent that it be subject to sexual conduct in this State.

Sec. 1a. 13 V.S.A. § 353(a) is amended to read:

(a) Penalties.

* * *

(5) A person who violates subdivision 352(1) of this title by intentionally killing or attempting to kill an animal belonging to another or subdivision 352(2) of this title by torturing, administering poison to, or cruelly ~~beating~~ harming or mutilating an animal shall be imprisoned not more than two years or fined not more than \$5,000.00, or both.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Action on Bill Postponed

H. 874

House bill, entitled

An act relating to inmate access to prescription drugs

Was taken up and pending the question shall the House concur in the Senate proposal of amendment? on motion of **Rep. Taylor of Colchester**, action on the bill was postponed until April 19, 2018.

Action on Bill Postponed

H. 906

House bill, entitled

An act relating to professional licensing for service members and veterans

Was taken up and pending the question shall the House concur in the Senate proposal of amendment? on motion of **Rep. Christie of Hartford**, action on the bill was postponed until April 18, 2018.

Adjournment

At twelve o'clock and thirty-four minutes in the afternoon, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at one o'clock in the afternoon.