

Journal of the House

Tuesday, May 8, 2018

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

Devotional Exercises

Devotional exercises were conducted by Rabbi Jan Salzman, Rauch haMaqom, Burlington, VT.

Pledge of Allegiance

Page Andrew Gould of Springfield led the House in the Pledge of Allegiance.

Bill Referred to Committee on Appropriations

S. 257

Senate bill, entitled

An act relating to miscellaneous changes to education law

Appearing on the Calendar, carrying an appropriation, under rule 35(a), was referred to the committee on Appropriations.

Senate Proposal of Amendment Concurred in With a Further Amendment Thereto

H. 526

The Senate proposed to the House to amend House bill, entitled
An act relating to regulating notaries public

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

Sec. 1. 26 V.S.A. chapter 103 is added to read:

CHAPTER 103. NOTARIES PUBLIC

Subchapter 1. General Provisions

§ 5301. SHORT TITLE

This chapter may be cited as the Uniform Law on Notarial Acts.

§ 5302. UNIFORMITY OF APPLICATION AND CONSTRUCTION

In applying and construing this uniform act, consideration shall be given to the need to promote uniformity of the law with respect to its subject matter

among states that enact it.

§ 5303. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

This act modifies, limits, and supersedes the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 et seq., but does not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. § 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that act, 15 U.S.C. § 7003(b).

§ 5304. DEFINITIONS

As used in this chapter:

(1) “Acknowledgment” means a declaration by an individual before a notary public that the individual has signed a record for the purpose stated in the record and, if the record is signed in a representative capacity, that the individual signed the record with proper authority and signed it as the act of the individual or entity identified in the record.

(2) “Certificate” or “notarial certificate” means the part of, or attachment to, a notarized document that is completed by a notary public, bears the required information set forth in section 5367 of this chapter, and states the facts attested to or certified by the notary public in a particular notarization.

(3) “Commission term” means the two-year period commencing on February 1 and continuing through January 31 of the second year following the commencement of the term.

(4) “Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(5) “Electronic signature” means an electronic symbol, sound, or process attached to or logically associated with a record and executed or adopted by an individual with the intent to sign the record.

(6) “In a representative capacity” means acting as:

(A) an authorized officer, agent, partner, trustee, or other representative for a person other than an individual;

(B) a public officer, personal representative, guardian, administrator, executor, trustee, or other representative, in the capacity stated in a record;

(C) an agent or attorney-in-fact for a principal; or

(D) an authorized representative of another in any other capacity.

(7)(A) “Notarial act” means an act, whether performed with respect to a

tangible or an electronic record, that a notary public may perform under the law of this State. The term includes taking an acknowledgment, administering an oath or affirmation, taking a verification on oath or affirmation, attesting a signature, and noting a protest of a negotiable instrument.

(B) “Notarial act” does not include a corporate officer attesting to another corporate officer’s signature in the ordinary course of the corporation’s business.

(C) Nothing in this chapter shall be construed to require the use of a notary public to witness a signature that is allowed by law to be witnessed by an individual who is not a notary public.

(8) “Notarial officer” means a notary public or other individual authorized to perform a notarial act.

(9) “Notary public” means an individual commissioned to perform a notarial act by the Office.

(10) “Office” means the Office of Professional Regulation within the Office of the Secretary of State.

(11) “Official stamp” means a physical image affixed to or embossed on a tangible record or an electronic process, seal, or image or electronic information attached to or logically associated with an electronic record.

(12) “Person” means an individual, corporation, business trust, statutory trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(13) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(14) “Sign” means, with present intent to authenticate or adopt a record:

(A) to execute or adopt a tangible symbol; or

(B) to attach to or logically associate with the record an electronic symbol, sound, or process.

(15) “Signature” means a tangible symbol or an electronic signature that evidences the signing of a record.

(16) “Stamping device” means:

(A) a physical device capable of affixing to or embossing on a tangible record an official stamp; or

(B) an electronic device or process capable of attaching to or

logically associating with an electronic record an official stamp.

(17) “State” means a state of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(18) “Verification on oath or affirmation” means a declaration, made by an individual on oath or affirmation before a notary public, that a statement in a record is true.

§ 5305. EXEMPTIONS

(a) Generally.

(1) The persons set forth in subdivision (2) of this subsection, when acting within the scope of their official duties, are exempt from all of the requirements of this chapter, except for the requirements:

(A) to apply for a commission as set forth in section 5341(a), (b)(1)–(3), (c), (d), and (e) of this chapter; and

(B) unless exempted under subsection (c) of this section, to pay the fee set forth in section 5324 of this chapter:

(2)(A) Persons employed by the Judiciary, including judges, Superior Court clerks, court operations managers, Probate registers, case managers, docket clerks, assistant judges, county clerks, and after-hours relief from abuse contract employees.

(B) Persons employed as law enforcement officers certified under 20 V.S.A. chapter 151; who are noncertified constables; or who are employed by a Vermont law enforcement agency, the Department of Public Safety, of Fish and Wildlife, of Motor Vehicles, of Liquor Control, or for Children and Families, the Office of the Defender General, the Office of the Attorney General, or a State’s Attorney or Sheriff.

(3) As used in subdivision (1) of this subsection, “acting within the scope of official duties” means that a person is notarizing a document that:

(A) he or she believes is related to the execution of his or her duties and responsibilities of employment or is the type of document that other employees notarize in the course of employment;

(B) is useful or of assistance to any person or entity identified in subdivision (2) of this subsection (a);

(C) is required, requested, created, used, submitted, or relied upon by any person or entity identified in subdivision (2) of this subsection (a);

(D) is necessary in order to assist in the representation, care, or

protection of a person or the State;

(E) is necessary in order to protect the public or property;

(F) is necessary to represent or assist crime victims in receiving restitution or other services;

(G) relates to a Vermont or federal court rule or statute governing any criminal, postconviction, mental health, family, juvenile, civil, probate, Judicial Bureau, Environmental Division, or Supreme Court matter; or

(H) relates to a matter subject to Title 4, 12, 13, 15, 18, 20, 23, or 33 of the Vermont Statutes Annotated.

(b) Attorneys.

(1) Attorneys licensed and in good standing in this State are exempt from:

(A) the examination requirement set forth in subsection 5341(b) of this chapter; and

(B) the continuing education requirement set forth in section 5343 of this chapter.

(2) If a complaint of a violation of this chapter is filed in regard to a Vermont licensed attorney, the Office shall refer the complaint to the Professional Responsibility Board and shall request a report back from the Board regarding the final disposition of the complaint.

(c) Fees. The following persons are exempt from the fee set forth in section 5324 of this chapter:

(1) a judge, clerk, or other court staff, as designated by the Court Administrator;

(2) State's Attorneys and their deputies and Assistant Attorneys General, public defenders, and their staff;

(3) justices of the peace and town clerks and their assistants; and

(4) State Police officers, municipal police officers, fish and game wardens, sheriffs and deputy sheriffs, motor vehicle inspectors, employees of the Department of Corrections, and employees of the Department for Children and Families.

Subchapter 2. Administration

§ 5321. SECRETARY OF STATE'S OFFICE DUTIES

The Office shall:

- (1) provide general information to applicants for commissioning as a notary public;
- (2) administer fees as provided under section 5324 of this chapter;
- (3) explain appeal procedures to notaries public and applicants and explain complaint procedures to the public; and
- (4) receive applications for commissioning, review applications, and grant and renew commissions when appropriate under this chapter.

§ 5322. ADVISOR APPOINTEES

(a) The Secretary of State shall appoint two notaries public to serve as advisors in matters relating to notarial acts. One of the advisors shall be an attorney selected from a list of at least three licensed attorneys provided by the Vermont Bar Association. The advisors shall be appointed for staggered five-year terms and serve at the pleasure of the Secretary. One of the initial appointments shall be for less than a five-year term.

(b) Each appointee shall have at least three years of experience as a notary public during the period immediately preceding appointment and shall be actively commissioned in Vermont and remain in good standing during incumbency.

(c) The Office shall seek the advice of the advisor appointees in carrying out the provisions of this chapter. The appointees shall be entitled to compensation and reimbursement of expenses as set forth in 32 V.S.A. § 1010 for attendance at any meeting called by the Office for this purpose.

§ 5323. RULES

(a) The Office, with the advice of the advisor appointees, may adopt rules to implement this chapter. The rules may:

- (1) prescribe the manner of performing notarial acts regarding tangible and electronic records;
- (2) include provisions to ensure that any change to or tampering with a record bearing a certificate of a notarial act is self-evident;
- (3) include provisions to ensure integrity in the creation, transmittal, storage, or authentication of electronic records or signatures;
- (4) prescribe the process of granting, renewing, conditioning, denying, suspending, or revoking or otherwise disciplining a notary public and assuring the trustworthiness of an individual holding a commission as notary public; and
- (5) include provisions to prevent fraud or mistake in the performance of

notarial acts.

(b) Rules adopted regarding the performance of notarial acts with respect to electronic records may not require, or accord greater legal status or effect to, the implementation or application of a specific technology or technical specification. In adopting, amending, or repealing rules regarding notarial acts with respect to electronic records, the Office shall consider, as far as is consistent with this chapter:

(1) the most recent standards regarding electronic records promulgated by national bodies, such as the National Association of Secretaries of State;

(2) standards, practices, and customs of other jurisdictions that substantially enact this chapter; and

(3) the views of governmental officials and entities and other interested persons.

§ 5324. FEES

For the issuance of a commission as a notary public, the Office shall collect a fee of \$15.00.

Subchapter 3. Commissions§ 5341. COMMISSION AS NOTARY PUBLIC; QUALIFICATIONS; NO IMMUNITY OR BENEFIT

(a) An individual qualified under subsection (b) of this section may apply to the Office for a commission as a notary public. The applicant shall comply with and provide the information required by rules adopted by the Office and pay the application fee set forth in section 5324 of this chapter.

(b) An applicant for a commission as a notary public shall:

(1) be at least 18 years of age;

(2) be a citizen or permanent legal resident of the United States;

(3) be a resident of or have a place of employment or practice in this State;

(4) not be disqualified to receive a commission under section 5342 of this chapter; and

(5) pass a basic examination approved by the Office based on the statutes, rules, and ethics relevant to notarial acts.

(c) Before issuance of a commission as a notary public, an applicant for the commission shall execute an oath of office and submit it to the Office.

(d) Upon compliance with this section, the Office shall issue a commission

as a notary public to an applicant, which shall be valid through the then current commission term end date.

(e) A commission to act as a notary public authorizes the notary public to perform notarial acts. The commission does not provide the notary public any immunity or benefit conferred by law of this State on public officials or employees.

§ 5342. GROUNDS TO DENY, REFUSE TO RENEW, REVOKE,
SUSPEND, OR CONDITION COMMISSION OF NOTARY
PUBLIC

(a) The Office may deny, refuse to renew, revoke, suspend, or impose a condition on a commission as notary public for any act or omission that demonstrates the individual lacks the honesty, integrity, competence, or reliability to act as a notary public, including:

(1) failure to comply with this chapter;

(2) a fraudulent, dishonest, or deceitful misstatement or omission in the application for a commission as a notary public submitted to the Office;

(3) a conviction of the applicant or notary public of any felony or a crime involving fraud, dishonesty, or deceit;

(4) a finding against, or admission of liability by, the applicant or notary public in any legal proceeding or disciplinary action based on the applicant's or notary public's fraud, dishonesty, or deceit;

(5) failure by the notary public to discharge any duty required of a notary public, whether by this chapter, rules of the Office, or any federal or State law;

(6) use of false or misleading advertising or representation by the notary public representing that the notary has a duty, right, or privilege that the notary does not have;

(7) violation by the notary public of a rule of the Office regarding a notary public;

(8) denial, refusal to renew, revocation, suspension, or conditioning of a notary public commission in another state; or

(9) committing any of the conduct set forth in 3 V.S.A. § 129a(a).

(b) If the Office denies, refuses to renew, revokes, suspends, or imposes conditions on a commission as a notary public, the applicant or notary public is entitled to timely notice and hearing in accordance with 3 V.S.A. chapter 25.

§ 5343. RENEWALS; CONTINUING EDUCATION

(a) Biennially, the Office shall provide a renewal notice to each commissioned notary public. Upon receipt of a notary public's completed renewal, payment of the fee as set forth in section 5324 of this chapter, and evidence of eligibility, the Office shall issue to him or her a new commission.

(b) A notary public applying for renewal shall complete continuing education approved by the Office, which shall not be required to exceed two hours, during the preceding two-year period.

(c) The Office, with the advice of the advisor appointees, shall establish by rule guidelines and criteria for continuing education credit.

§ 5344. DATABASE OF NOTARIES PUBLIC

The Office shall maintain an electronic database of notaries public:

(1) through which a person may verify the authority of a notary public to perform notarial acts; and

(2) that indicates whether a notary public has notified the Office that the notary public will be performing notarial acts on electronic records.

§ 5345. PROHIBITIONS; OFFENSES

(a) A person shall not perform or attempt to perform a notarial act or hold himself or herself out as being able to do so in this State without first having been commissioned.

(b) A person shall not use in connection with the person's name any letters, words, or insignia indicating or implying that the person is a notary public unless commissioned in accordance with this chapter.

(c) A person shall not perform or attempt to perform a notarial act while his or her commission has been revoked or suspended.

(d) A person who violates a provision of this section shall be subject to a fine of not more than \$5,000.00 or imprisonment for not more than one year, or both. Prosecution may occur upon the complaint of the Attorney General or a State's Attorney and shall not act as a bar to civil or administrative proceedings involving the same conduct.

(e) A commission as a notary public shall not authorize an individual to assist a person in drafting legal records, give legal advice, or otherwise practice law.

(f) Except as otherwise allowed by law, a notary public shall not withhold access to or possession of an original record provided by a person who seeks performance of a notarial act by the notary public.

Subchapter 4. Notarial Acts

§ 5361. NOTARIAL ACTS IN THIS STATE; AUTHORITY TO PERFORM

(a) A notarial act may only be performed in this State by a notary public commissioned under this chapter.

(b) The signature and title of an individual performing a notarial act in this State are prima facie evidence that the signature is genuine and that the individual holds the designated title.

§ 5362. AUTHORIZED NOTARIAL ACTS

(a) A notary public may perform a notarial act authorized by this chapter or otherwise by law of this State.

(b) A notary public shall not perform a notarial act with respect to a record to which the notary public or the notary public's spouse is a party, or in which either of them has a direct beneficial interest. A notarial act performed in violation of this subsection is voidable.

§ 5363. REQUIREMENTS FOR CERTAIN NOTARIAL ACTS

(a) Acknowledgments. A notary public who takes an acknowledgment of a record shall determine, from personal knowledge or satisfactory evidence of the identity of the individual, that the individual appearing before the officer and making the acknowledgment has the identity claimed and that the signature on the record is the signature of the individual.

(b) Verifications. A notary public who takes a verification of a statement on oath or affirmation shall determine, from personal knowledge or satisfactory evidence of the identity of the individual, that the individual appearing before the officer and making the verification has the identity claimed and that the signature on the statement verified is the signature of the individual.

(c) Signatures. A notary public who attests to a signature shall determine, from personal knowledge or satisfactory evidence of the identity of the individual, that the individual appearing before the officer and signing the record has the identity claimed.

(d) Protests. A notary public who makes or notes a protest of a negotiable instrument shall determine the matters set forth in 9A V.S.A. § 3-505(b), protest; certificate of dishonor.

§ 5364. PERSONAL APPEARANCE REQUIRED

(a) If a notarial act relates to a statement made in or a signature executed on a record, the individual making the statement or executing the signature shall appear personally before the notary public.

(b) A personal appearance does not include an acknowledgment using video conferencing software that uses the transmission of video images, or any other form of communication in which the notary public and the person requesting the notarial act are not in the same physical location at the same time.

§ 5365. IDENTIFICATION OF INDIVIDUAL

(a) Personal knowledge. A notary public has personal knowledge of the identity of an individual appearing before the officer if the individual is personally known to the officer through dealings sufficient to provide reasonable certainty that the individual has the identity claimed.

(b) Satisfactory evidence. A notary public has satisfactory evidence of the identity of an individual appearing before the officer if the officer can identify the individual:

(1) by means of:

(A) a passport, driver's license, or government issued non-driver identification card, which is current or expired not more than three years before performance of the notarial act; or

(B) another form of government identification issued to an individual, which is current or expired not more than three years before performance of the notarial act, contains the signature or a photograph of the individual, and is satisfactory to the officer; or

(2) by a verification on oath or affirmation of a credible witness personally appearing before the officer and known to the officer or whom the officer can identify on the basis of a passport, driver's license, or government issued non-driver identification card, which is current or expired not more than three years before performance of the notarial act.

(c) Additional information. A notary public may require an individual to provide additional information or identification credentials necessary to assure the notary public of the identity of the individual.

§ 5366. SIGNATURE IF INDIVIDUAL UNABLE TO SIGN

If an individual is physically unable to sign a record, the individual may direct an individual other than the notary public to sign the individual's name on the record. The notary public shall insert "Signature affixed by (name of other individual) at the direction of (name of individual)" or words of similar import.

§ 5367. CERTIFICATE OF NOTARIAL ACT

(a) A notarial act shall be evidenced by a certificate. The certificate shall:

(1) be executed contemporaneously with the performance of the notarial act;

(2) be signed and dated by the notary public and be signed in the same manner as on file with the Office;

(3) identify the jurisdiction in which the notarial act is performed;

(4) contain the title of office of the notary public; and

(5) indicate the date of expiration of the officer's commission.

(b)(1) If a notarial act regarding a tangible record is performed by a notary public, an official stamp shall be affixed to or embossed on the certificate or, in the alternative, the notary shall clearly print or type the notary public's name and commission number on the certificate.

(2) If a notarial act regarding an electronic record is performed by a notary public and the certificate contains the information specified in subdivisions (a)(2)–(4) of this section, an official stamp may be attached to or logically associated with the certificate.

(c) A certificate of a notarial act is sufficient if it meets the requirements of subsections (a) and (b) of this section and:

(1) is in a short form as set forth in section 5368 of this chapter;

(2) is in a form otherwise permitted by the law of this State;

(3) is in a form permitted by the law applicable in the jurisdiction in which the notarial act was performed; or

(4) sets forth the actions of the notary public and the actions are sufficient to meet the requirements of the notarial act as provided in sections 5362–5364 of this chapter or a law of this State other than this chapter.

(d) By executing a certificate of a notarial act, a notary public certifies that the notary public has complied with the requirements and made the determinations specified in sections 5363–5365 of this chapter.

(e) A notary public shall not affix the notary public's signature to, or logically associate it with, a certificate until the notarial act has been performed.

(f)(1) If a notarial act is performed regarding a tangible record, a certificate shall be part of, or securely attached to, the record.

(2) If a notarial act is performed regarding an electronic record, the certificate shall be affixed to, or logically associated with, the electronic record.

(3) If the Office has established standards by rule pursuant to section 5323 of this chapter for attaching, affixing, or logically associating the certificate, the process shall conform to those standards.

§ 5368. SHORT-FORM CERTIFICATES

The following short-form certificates of notarial acts shall be sufficient for the purposes indicated, if completed with the information required by subsections 5367(a) and (b) of this chapter:

(1) For an acknowledgment in an individual capacity:

State of Vermont [County] of _____
 This record was acknowledged before me on _____ by _____
 Date _____ Name(s) of individual(s) _____
 Signature of notary public _____
 Stamp [_____]
 Title of office _____ [My commission expires: _____]

(2) For an acknowledgment in a representative capacity:

State of Vermont [County] of _____
 This record was acknowledged before me on _____ by _____
 Date _____ Name(s) of individual(s) _____
 as _____ (type of authority, such as officer or
 trustee) of _____ (name of party on behalf of
 whom record was executed).
 Signature of notary public _____
 Stamp [_____]
 Title of office _____ [My commission expires: _____]

(3) For a verification on oath or affirmation:

State of Vermont [County] of _____
 Signed and sworn to (or affirmed) before me on _____
 by _____
 Date _____
 Name(s) of individual(s) making statement _____
 Signature of notary public _____
 Stamp [_____]
 Title of office _____ [My commission expires: _____]

(4) For attesting a signature:

State of Vermont [County] of _____
 Signed [or attested] before me on _____ by _____
 Date _____ Name(s) of individual(s) _____
 Signature of notary public _____
 Stamp [_____]

Title of office _____ [My commission expires: _____]

§ 5369. OFFICIAL STAMP

The official stamp of a notary public shall:

(1) include the notary public's name, jurisdiction, and other information required by the Office; and

(2) be capable of being copied together with the record to which it is affixed or attached or with which it is logically associated.

§ 5370. STAMPING DEVICE

(a) A notary public is responsible for the security of the notary public's stamping device and shall not allow another individual to use the device to perform a notarial act.

(b) If a notary public's stamping device is lost or stolen, the notary public or the notary public's personal representative or guardian shall notify promptly the Office on discovering that the device is lost or stolen.

§ 5371. NOTIFICATION REGARDING PERFORMANCE OF NOTARIAL ACT ON ELECTRONIC RECORD; SELECTION OF TECHNOLOGY

(a) A notary public may select one or more tamper-evident technologies to perform notarial acts with respect to electronic records from the tamper-evident technologies approved by the Office by rule. A person shall not require a notary public to perform a notarial act with respect to an electronic record with a technology that the notary public has not selected.

(b) Before a notary public performs the notary public's initial notarial act with respect to an electronic record, the notary public shall notify the Office that the notary public will be performing notarial acts with respect to electronic records and identify the technology the notary public intends to use from the list of technologies approved by the Office by rule. If the Office has established standards by rule for approval of technology pursuant to section 5323 of this chapter, the technology shall conform to the standards. If the technology conforms to the standards, the Office shall approve the use of the technology.

§ 5372. AUTHORITY TO REFUSE TO PERFORM NOTARIAL ACT

(a) A notary public may refuse to perform a notarial act if the notary public is not satisfied that:

(1) the individual executing the record is competent or has the capacity to execute the record; or

(2) the individual's signature is knowingly and voluntarily made.

(b) A notary public may refuse to perform a notarial act unless refusal is prohibited by law other than this chapter.

§ 5373. VALIDITY OF NOTARIAL ACTS

(a) Except as otherwise provided in subsection 5372(b) of this chapter, the failure of a notary public to perform a duty or meet a requirement specified in this chapter shall not impair the marketability of title or invalidate a notarial act or a certification evidencing the notarial act.

(b) An acknowledgment that contains a notary commission expiration date that is either inaccurate or expired shall not invalidate the acknowledgment if it can be established that on the date the acknowledgment was taken, the notary public's commission was active.

(c) The validity of a notarial act under this chapter shall not prevent an aggrieved person from seeking to invalidate the record or transaction that is the subject of the notarial act or from seeking other remedies based on law of this State other than this chapter or law of the United States.

(d) Defects in the written evidence of acknowledgment in a document in the public records may be cured by the notary public who performed the original notarial act. The notary public shall, under oath and before a different notary public, execute a writing correcting any defect. Upon recording, the corrective document corrects any deficiency and ratifies the original written evidence of acknowledgment as of the date the acknowledgment was originally taken.

(e) Notwithstanding any provision of law to the contrary, a document that conveys an interest in real property shall be recordable in the land records and, if recorded, shall be sufficient for record notice to third parties, notwithstanding the failure of a notary public to perform any duty or meet any requirement specified in this chapter. Such failure includes the failure to comply in full or in part with the requirements of sections 5367-5369 of this title.

(f) This section does not validate a purported notarial act performed by an individual who does not have the authority to perform notarial acts.

§ 5374. NOTARIAL ACT IN ANOTHER STATE

(a) A notarial act performed in another state has the same effect under the law of this State as if performed by a notary public of this State, if the act performed in that state is performed by:

(1) a notary public of that state;

(2) a judge, clerk, or deputy clerk of a court of that state; or

(3) any other individual authorized by the law of that state to perform the notarial act.

(b) If a deed or other conveyance or a power of attorney for the conveyance of land, the acknowledgment or proof of which is taken out of State, is certified agreeably to the laws of the state in which the acknowledgment or proof is taken, it shall be valid as though it were taken before a proper officer in this State.

(c) An acknowledgment for a deed or other conveyance or a power of attorney for the conveyance of land that is taken out of State before a proper officer of this State shall be valid as if taken within this State.

(d) The signature and title of an individual performing a notarial act in another state are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(e) The signature and title of a notarial officer described in subdivision (a)(1) or (2) of this section conclusively establish the authority of the officer to perform the notarial act.

§ 5375. NOTARIAL ACT UNDER AUTHORITY OF FEDERALLY
RECOGNIZED INDIAN TRIBE

(a) A notarial act performed under the authority and in the jurisdiction of a federally recognized Indian tribe has the same effect as if performed by a notary public of this State, if the act performed in the jurisdiction of the tribe is performed by:

(1) a notary public of the tribe;

(2) a judge, clerk, or deputy clerk of a court of the tribe; or

(3) any other individual authorized by the law of the tribe to perform the notarial act.

(b) The signature and title of an individual performing a notarial act under the authority of and in the jurisdiction of a federally recognized Indian tribe are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(c) The signature and title of a notarial officer described in subdivision (a)(1) or (2) of this section conclusively establish the authority of the officer to perform the notarial act.

§ 5376. NOTARIAL ACT UNDER FEDERAL AUTHORITY

(a) A notarial act performed under federal law has the same effect under

the law of this State as if performed by a notary public of this State, if the act performed under federal law is performed by:

(1) a judge, clerk, or deputy clerk of a court;

(2) an individual in military service or performing duties under the authority of military service who is authorized to perform notarial acts under federal law;

(3) an individual designated a notarizing officer by the U.S. Department of State for performing notarial acts overseas; or

(4) any other individual authorized by federal law to perform the notarial act.

(b) The signature and title of an individual acting under federal authority and performing a notarial act are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(c) The signature and title of an officer described in subdivision (a)(1), (2), or (3) of this section shall conclusively establish the authority of the officer to perform the notarial act.

§ 5377. EVIDENCE OF AUTHENTICITY OF NOTARIAL ACT
PERFORMED IN THIS STATE

(a) The authenticity of the official notarial stamp and signature of a notary public may be evidenced by either:

(1) A certificate of authority from the Secretary of State authenticated as necessary.

(2) An apostille from the Secretary of State in the form prescribed by the Hague convention of October 5, 1961 abolishing the requirement of legalization of foreign public documents.

(b) An apostille as specified by the Hague convention shall be attached to any document that requires authentication and that is sent to a nation that has signed and ratified this convention.

§ 5378. FOREIGN NOTARIAL ACT

(a) In this section, "foreign state" means a government other than the United States, a state, or a federally recognized Indian tribe.

(b) If a notarial act is performed under authority and in the jurisdiction of a foreign state or constituent unit of the foreign state or is performed under the authority of a multinational or international governmental organization, the act has the same effect under the law of this State as if performed by a notary public of this State.

(c) If the title of office and indication of authority to perform notarial acts in a foreign state appears in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.

(d) The signature and official stamp of an individual holding an office described in subsection (c) of this section are prima facie evidence that the signature is genuine and the individual holds the designated title.

(e) An apostille in the form prescribed by the Hague Convention of October 5, 1961, and issued by a foreign state party to the Convention, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.

(f) A consular authentication issued by an individual designated by the U.S. Department of State as a notarizing officer for performing notarial acts overseas and attached to the record with respect to which the notarial act is performed conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.

Sec. 2. 27 V.S.A. § 341 is amended to read:

§ 341. REQUIREMENTS GENERALLY; RECORDING

(a) Deeds and other conveyances of lands, or of an estate or interest therein, shall be signed by the party granting the same and acknowledged by the grantor before a ~~town clerk, notary public, master, or county clerk~~ and recorded at length in the clerk's office of the town in which such lands lie. Such acknowledgment before a notary public shall be valid without an official seal stamp being affixed to his or her signature.

(b) A deed or other conveyance of land ~~which~~ that includes a reference to a survey prepared or revised after July 1, 1988 may be recorded only if it is accompanied by the survey to which it refers, or cites the volume and page in the land records showing where the survey has previously been recorded.

(c) A lease of real property that has a term of more than one year from the making of the lease need not be recorded at length if a notice or memorandum of lease, which is executed and acknowledged as provided in subsection (a) of this section, is recorded in the land records of the town in which the leased property is situated. The notice of lease shall contain at least the following information:

- (1) the names of the parties to the lease as set forth in the lease;
- (2) a statement of the rights of a party to extend or renew the lease;
- (3) any addresses set forth in the lease as those of the parties;

- (4) the date of the execution of the lease;
- (5) the term of the lease, the date of commencement, and the date of termination;
- (6) a description of the real property as set forth in the lease;
- (7) a statement of the rights of a party to purchase the real property or exercise a right of first refusal with respect thereto;
- (8) a statement of any restrictions on assignment of the lease; and
- (9) the location of an original lease.

Sec. 3. 27 V.S.A. § 342 is amended to read:

§ 342. ACKNOWLEDGMENT AND RECORDING REQUIRED

A deed of bargain and sale, a mortgage or other conveyance of land in fee simple or for term of life, or a lease for more than one year from the making thereof shall not be effectual to hold such lands against any person but the grantor and his or her heirs, unless the deed or other conveyance is acknowledged and recorded as ~~provided in this chapter~~.

Sec. 4. 27 V.S.A. § 463 is amended to read:

§ 463. BY SEPARATE INSTRUMENT

(a) Mortgages may be discharged by an acknowledgment of satisfaction, executed by the mortgagee or his or her attorney, executor, administrator, or assigns, which shall be substantially in the following form:

I hereby certify that the following described mortgage is paid in full and satisfied, viz: _____ mortgagor to _____ mortgagee, dated _____ 20____, and recorded in book _____, page _____, of the land records of the town of _____.

(b) When such satisfaction is acknowledged before a ~~town clerk, notary public, master, or county clerk~~, and recorded, it shall discharge such mortgage and bar actions brought thereon.

Sec. 5. REPEALS

The following are repealed:

- (1) 24 V.S.A. chapter 5, subchapter 9 (notaries public);
- (2) 27 V.S.A. § 379 (conveyance of real estate; execution and acknowledgment; acknowledgment out of state);
- (3) 32 V.S.A. § 1403(b) (county clerk; notaries public without charge or fee);

(4) 32 V.S.A. § 1436 (fee for certification of appointment as notary public); and

(5) 32 V.S.A. § 1759 (notaries public fees).

Sec. 6. APPLICABILITY; NOTARY PUBLIC COMMISSION IN EFFECT

(a)(1) This act shall apply to a notarial act performed on or after the effective date of this act.

(2) A notary public, in performing notarial acts on and after the effective date of this act, shall comply with the provisions of this act.

(b)(1) A commission as a notary public in effect on the effective date of this act shall continue until its date of expiration.

(2) A notary public who applies to renew a commission as a notary public on or after the effective date of this act shall comply with the provisions of this act.

Sec. 7. SAVINGS CLAUSE

This act shall not affect the validity or effect of a notarial act performed prior to the effective date of this act.

Sec. 8. POTENTIAL ENACTMENT OF UNIFORM UNSWORN DECLARATIONS ACT; REPORT BY AFFECTED ENTITIES

(a) The General Assembly is considering enacting a law similar to the April 2015 draft of the Uniform Unsworn Declarations Act (UUDA) prepared by the National Conference of Commissioners on Uniform State Laws.

(b) In order to understand the UUDA's potential effect on State operations, on or before June 30, 2019, the Secretary of Administration on behalf of the Administration and the State's boards, councils, and commissions; the Attorney General; the Secretary of State; the Executive Director of the Department of State's Attorneys and Sheriffs; the Defender General; the Auditor of Accounts; the State Treasurer; and the Court Administrator shall each submit to the General Assembly a summary regarding the effect of the enactment of the UUDA on each entity and the users of its operations. The summary shall include the following in regard to the entity's operations:

(1) an identification of forms requiring a notarial act and any proceeding or action requiring the use of such forms that are created, used, or required by the entity;

(2) an explanation of whether continued use of a notarial act on a particular form is recommended and if so, why;

(3) any recommendations for amendments to the UUDA;

(4) a draft of any suggested legislation, rules, or forms, including amendments to existing rules and forms, as may be necessary to address issues arising from the enactment of the UUDA;

(5) an identification of the resources, timeline, and expenses related to any necessary rulemaking or form change based on the enactment of the UUDA.

Sec. 9. EFFECTIVE DATES; TRANSITIONAL PROVISIONS

This act shall take effect on July 1, 2019, except that:

(1) this section shall take effect on passage;

(2) the Office of Professional Regulation may adopt rules in accordance with the provisions of Sec. 1 prior to the effective date of that section;

(3) beginning on December 1, 2018, the Office of Professional Regulation shall perform the duties of the assistant judges and county clerks in regard to receiving applications and commissioning notaries public as set forth in 24 V.S.A. chapter 5, subchapter 9 (county officers; notaries public) for the two-year notaries public commission terms that begin on February 1, 2019 in accordance with Sec. 1; and

(4) in Sec. 1, the examination requirement for new notaries public applicants set forth in 26 V.S.A. § 5341(b)(5) and the continuing education requirement for notaries public renewal applicants set forth in 26 V.S.A. § 5343(b) shall take effect on February 1, 2021 and shall apply to those applicants for the notaries public commission terms that begin on that date.

Pending the question Will the House concur in the Senate proposal of amendment? **Rep. Townsend of South Burlington**, moved to concur in the Senate proposal of amendment with a further amendment thereto as follows:

First: In Sec. 1, 26 V.S.A. chapter 103 (notaries public), by striking out § 5323 (rules) in its entirety and inserting in lieu thereof a new § 5323 to read:

§ 5323. RULES

(a) The Office, with the advice of the advisor appointees, may adopt rules to implement this chapter. The rules may:

(1) prescribe the manner of performing notarial acts regarding tangible and electronic records;

(2) include provisions to ensure that any change to or tampering with a record bearing a certificate of a notarial act is self-evident;

(3) include provisions to ensure integrity in the creation, transmittal,

storage, or authentication of electronic records or signatures;

(4) prescribe the process of granting, renewing, conditioning, denying, suspending, or revoking the commission of or otherwise disciplining a notary public and assuring the trustworthiness of an individual holding a commission as notary public;

(5) include provisions to prevent fraud or mistake in the performance of notarial acts; and

(6) prescribe standards for remote online notarization, including standards for credential analysis, the process through which a third person affirms the identity of an individual, the methods for communicating through a secure communication link, the means by which the remote notarization is certified, and the form of notice to be appended disclosing the fact that the notarization was completed remotely on any document acknowledged through remote online notarization.

(b) Rules adopted regarding the performance of notarial acts with respect to electronic records and remote online notarization may not require, or accord greater legal status or effect to, the implementation or application of a specific technology or technical specification. In adopting, amending, or repealing rules regarding notarial acts with respect to electronic records and remote online notarization, the Office shall consider, as far as is consistent with this chapter:

(1) the most recent standards regarding electronic records and remote online notarization promulgated by national bodies, such as the National Association of Secretaries of State;

(2) standards, practices, and customs of other jurisdictions that substantially enact this chapter; and

(3) the views of governmental officials and entities and other interested persons.

(c) Neither electronic notarization nor remote online notarization shall be allowed until the Secretary of State has adopted rules and prescribed standards in these areas.

Second: In Sec. 1, 26 V.S.A. chapter 103, by striking out § 5364 (personal appearance required) in its entirety and inserting in lieu thereof a new § 5364 to read:

§ 5364. PERSONAL APPEARANCE REQUIRED

(a) If a notarial act relates to a statement made in or a signature executed on a record, the individual making the statement or executing the signature

- (8) Waterbury, Waterbury State Office Complex, Weeks building, renovation and fit-up: \$900,000.00 \$1,152,085.00
- (9) Newport, Northern State Correctional Facility, door control replacement and perimeter control: \$1,000,000.00 \$1,715,000.00
- (10) Montpelier, 109 and 111 State Street, final design and construction: \$4,000,000.00 \$1,000,000.00
- (11) Burlington, 108 Cherry Street, parking garage, repairs: \$5,000,000.00 [Repealed.]

* * *

- (13) Montpelier, 115 State Street, State House, switchgear and emergency generator: \$450,000.00
- (14) Rutland, Asa Bloomer building, rehabilitation of building components and systems, and planning and use study: \$1,050,000.00
- (15) Springfield, State Office Building, repair of the retaining wall, and environmental remediation associated with the retaining wall project: \$1,400,000.00
- (16) St. Albans, Franklin County Courthouse, ADA renovations, new handicap access ramp and related exterior renovations: \$300,000.00
- (17) Waterbury, Waterbury State Office Complex, Stanley and Wasson, demolition of Stanley Hall, and programming, schematic design, and design development for Wasson Hall: \$950,000.00
- (18) Rutland, Marble Valley Regional Correctional Facility, repair of the historic brick and stone masonry wall used as the perimeter security for the facility: \$600,000.00

* * *

(e)(1) On or before December 15, 2018, the Commissioner of Buildings and General Services shall submit to the House Committee on Corrections and Institutions and the Senate Committee on Institutions a report on the John J. Zampieri State Office Building at 108 Cherry Street in Burlington that shall include 20-year economic projections for each of the following options:

(A) selling 108 Cherry Street and leasing, purchasing, or building a new State office space; and

(B) renovating 108 Cherry Street and continuing to use it as State office space in its entirety for State employees; and

(C) renovating 108 Cherry Street and using it as State office space for all direct-service employees currently housed there and leasing the

remainder of the space to a non-State entity.

(2) When the General Assembly is not in session, if, based on the projections calculated in subdivision (1) of this subsection (e), the Commissioner of Buildings and General Services determines it is in the best interests of the State to sell the John J. Zampieri State Office Building at 108 Cherry Street in Burlington, he or she may notify the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and request the approval to sell. The Chairs shall recommend to approve or deny the request to the Joint Fiscal Committee. The Joint Fiscal Committee may approve or deny the recommendation of the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions; provided, however, that an approval to sell shall also require that the proceeds from the sale be appropriated to future capital construction projects and expended within two years after the date of sale.

(f) For the amount appropriated in subdivision (c)(13) of this section, the Commissioner of Buildings and General Services shall evaluate all proposals for a generator, including the use of a generator or battery backup. After evaluation of the proposals, the Commissioner of Buildings and General Services shall notify the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions of the decision prior to the purchase of a generator or battery backup. If required by 29 V.S.A. chapter 6, the Commissioner of Buildings and General Services shall ensure that the Capitol Complex Commission is provided with the proposal.

(g) The Commissioner of Buildings and General Services is authorized to use up to \$250,000.00 from the amount appropriated in subdivision (c)(2) of this section to prepare a State-owned building for sale if any renovations are needed.

Appropriation – FY 2018	\$27,857,525.00	\$25,138,619.00
Appropriation – FY 2019	\$27,853,933.00	\$28,131,610.00
Total Appropriation – Section 2	\$55,711,458.00	\$53,270,229.00

Sec. 2. 2017 Acts and Resolves No. 84, Sec. 3 is amended to read:

Sec. 3. HUMAN SERVICES

* * *

(b) The sum of \$300,000.00 is appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Human Services for the projects described in subsection (a) of this section. The following sums are appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Human Services:

(1) Statewide correctional facilities, cameras, locks, perimeter intrusion at correctional facilities: \$300,000.00

(2) Chittenden County Regional Correctional Facility and Northwest State Correctional Facility, renovations, beds for therapeutic placement: \$600,000.00

(3) Essex, Woodside Juvenile Rehabilitation Center, design and construction documents: \$500,000.00

(4) Brattleboro, Brattleboro Retreat, renovation and fit-up: \$4,500,000.00

(c) For the amount appropriated in subdivision (b)(2) of this section, it is the intent of the General Assembly that the funds be used to construct a therapeutic environment in the Chittenden Regional Correctional Facility and in the Northwest State Correctional Facility for persons in the custody of the Department of Corrections who do not meet the clinical criteria for inpatient hospitalization but would benefit from a more therapeutic placement. The therapeutic environment shall include three beds in the Chittenden Regional Correctional Facility and ten beds in the Northwest State Correctional Facility.

(d) For the amount appropriated in subdivision (b)(4) of this section:

(1) The use of funds shall be restricted to capital renovations and fit-up costs and shall not be used for any periodic lease payments, usage fees, or other operating expenses.

(2)(A) The Department of Buildings and General Services shall not expend funds until the Commissioner of Buildings and General Services and the Secretary of Human Services have notified the Commissioner of Finance and Management and the Chairs of House Committee on Corrections and Institutions and the Senate Committee on Institutions that an agreement has been executed between the Brattleboro Retreat and the State of Vermont.

(B) The agreement described in subdivision (2)(A) of this subsection (d) shall include the following provisions:

(i) the Brattleboro Retreat shall provide a minimum of 12 beds, including level-1 beds, to the State for a period determined by the Secretary to be in the best interests to the State; and

(ii) terms and conditions that ensure the protection of State investment of capital appropriations.

(C) Prior to execution, the State Treasurer shall approve the agreement described in subdivision (2)(A) of this subsection (d) to ensure that it is in compliance with applicable tax-exempt bond requirements.

(D) The Commissioner of Buildings and General Services and Secretary of Human Services may also propose draft legislation to the House Committee on Corrections and Institutions and the Senate Committee on Institutions that may be necessary to fulfill the agreement.

(3)(A) On or before October 15, 2018, the Secretary of Human Services shall notify the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions if an agreement between the Brattleboro Retreat and the State of Vermont cannot be reached and shall submit to them an alternative proposal for the 12 beds. The Secretary of Human Services shall also send the alternative proposal to the Joint Fiscal Committee.

(B) With approval of the Speaker of the House and the President Pro Tempore of the Senate, as appropriate, the House Committee on Corrections and Institutions and the Senate Committee on Institutions may meet up to two times when the General Assembly is not in session to evaluate, approve, or recommend alterations to the proposal. The House Committee on Corrections and Institutions' and the Senate Committee on Institutions' members shall be entitled to receive a per diem and expenses as provided in 2 V.S.A. § 406.

Appropriation – FY 2018		\$300,000.00
Appropriation – FY 2019	\$300,000.00	\$5,900,000.00
Total Appropriation – Section 3	\$600,000.00	\$6,200,000.00

Sec. 3. 2017 Acts and Resolves No. 84, Sec. 4 is amended to read:

Sec. 4. JUDICIARY

* * *

(c) The sum of \$1,496,398.00 is appropriated in FY 2019 to the Judiciary for the case management IT system.

Appropriation – FY 2018		\$3,050,000.00
Appropriation – FY 2019		\$1,496,398.00
Total Appropriation – Section 4	\$3,050,000.00	\$4,546,398.00

Sec. 4. 2017 Acts and Resolves No. 84, Sec. 5 is amended to read:

Sec. 5. COMMERCE AND COMMUNITY DEVELOPMENT

* * *

(c) The sum of ~~\$200,000.00~~ \$300,000.00 is appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Commerce and Community Development for major maintenance at historic sites

statewide.

(d) The following sums are appropriated in FY 2019 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Underwater preserves:	\$30,000.00
(2) Placement and replacement of roadside historic markers:	\$15,000.00 <u>\$29,000.00</u>
(3) VT Center for Geographic Information, digital orthophotographic quadrangle mapping:	\$125,000.00
(4) Schooner Lois McClure, repairs and upgrades:	<u>\$25,000.00</u>
(5) <u>Civil War Heritage Trail, signs:</u>	<u>\$30,000.00</u>

* * *

Appropriation – FY 2018	\$450,000.00
Appropriation – FY 2019	\$370,000.00 <u>\$539,000.00</u>
Total Appropriation – Section 5	\$820,000.00 <u>\$989,000.00</u>

Sec. 5. 2017 Acts and Resolves No. 84, Sec. 6 is amended to read:

Sec. 6. GRANT PROGRAMS

* * *

(b) The following sums are appropriated in FY 2019 for Building Communities Grants established in 24 V.S.A. chapter 137:

* * *

<u>(9) To the Enhanced 911 Board for the Enhanced 911 Compliance Grants Program for school safety:</u>	<u>\$400,000.00</u>
Appropriation – FY 2018	\$1,475,000.00
Appropriation – FY 2019	\$1,400,000.00 <u>\$1,800,000.00</u>
Total Appropriation – Section 6	\$2,875,000.00 <u>\$3,275,000.00</u>

Sec. 6. 2017 Acts and Resolves No. 84, Sec. 8 is amended to read:

Sec. 8. UNIVERSITY OF VERMONT

* * *

(b) The sum of ~~\$1,400,000.00~~ \$1,650,000.00 is appropriated in FY 2019 to the University of Vermont for the projects described in subsection (a) of this section.

Appropriation – FY 2018	\$1,400,000.00
Appropriation – FY 2019	\$1,400,000.00 <u>\$1,650,000.00</u>
Total Appropriation – Section 8	\$2,800,000.00 <u>\$3,050,000.00</u>

Sec. 6a. 2017 Acts and Resolves No. 84, Sec. 9 is amended to read:

Sec. 9. VERMONT STATE COLLEGES

* * *

(b) The sum of ~~\$2,000,000.00~~ \$3,000,000.00 is appropriated in FY 2019 to the Vermont State Colleges for the projects described in subsection (a) of this section.

Appropriation – FY 2018	\$2,000,000.00
Appropriation – FY 2019	\$2,000,000.00 <u>\$3,000,000.00</u>
Total Appropriation – Section 9	\$4,000,000.00 <u>\$5,000,000.00</u>

Sec. 7. 2017 Acts and Resolves No. 84, Sec. 10 is amended to read:

Sec. 10. NATURAL RESOURCES

* * *

(e) The following sums are appropriated in FY 2019 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

* * *

(3) State's share of the Federal Superfund and State Lead Hazardous Waste Program (Elizabeth Mine and Ely Mine): ~~\$2,755,000.00~~ \$177,259.00

* * *

Appropriation – FY 2018	\$10,914,000.00
Appropriation – FY 2019	\$8,205,000.00 <u>\$5,627,259.00</u>
Total Appropriation – Section 10	\$19,119,000.00 <u>\$16,541,259.00</u>

Sec. 8. 2017 Acts and Resolves No. 84, Sec. 11 is amended to read:

Sec. 11. CLEAN WATER INITIATIVES

* * *

(b) The following sums are appropriated in FY 2018 to the Agency of Natural Resources for the Department of Environmental Conservation projects described in this subsection:

* * *

(4) Municipal Pollution Control Grants, pollution control projects and planning advances for feasibility studies, new projects (Ryegate, Springfield, ~~St. Johnsbury~~, and St. Albans): \$2,704,232.00

* * *

(d)(1) The following sums are appropriated in FY 2018 to the Vermont Housing and Conservation Board for the following projects:

~~(1)~~(A) Statewide water quality improvement projects or other conservation projects: \$2,800,000.00

~~(2)~~(B) Water quality farm improvement grants or fee purchase projects that enhance water quality impacts by leveraging additional funds: \$1,000,000.00

(2) A grant issued under subdivision (1)(B) of this subsection:

(A) shall not be considered a State grant under 6 V.S.A. chapter 215, subchapter 3 for purposes of calculating the maximum amount of a State water quality assistance award under 6 V.S.A. § 4824 or 4826; and

(B) may be used to satisfy a grant recipient's cost share requirements.

(e)(1) ~~The following sum of \$2,000,000.00~~ is sums are appropriated in FY 2019 to the Agency of Agriculture, Food and Markets for projects described in this subsection:

(A) Best Management Practices and, the Conservation Reserve Enhancement Program, and the Capital Equipment Assistance Program: \$3,615,000.00

(B) Phosphorus removal equipment: \$1,500,000.00

(2) Notwithstanding 6 V.S.A. § 4828(d), an applicant for a grant issued under subdivision (1)(B) of this subsection to purchase or implement phosphorus removal technology or equipment shall pay at least 20 percent of the total eligible project cost. Each grant awarded pursuant to this subsection (e) shall not exceed \$300,000.00.

(f) The following sums are appropriated in FY 2019 to the Agency of Natural Resources for the Department of Environmental Conservation projects described in this subsection:

* * *

(2) ~~EcoSystem restoration and protection~~ Restoration and Protection grant programs: \$5,000,000.00

(A) Standard EcoSystem Restoration and Protection programs: \$3,760,000.00

<u>(B) Municipal Roads Grant-in-Aid:</u>	<u>\$3,090,000.00</u>
<u>(C) Multi-Sector Clean Water Block Grants:</u>	<u>\$2,000,000.00</u>
<u>(D) Lake Carmi, aeration system or artificial circulation, or both:</u>	<u>\$200,000.00</u>

(3) Municipal Pollution Control Grants, new projects (Colchester, Rutland City, St. Albans, Middlebury, and St. Johnsbury):

\$1,407,268.00 \$4,040,000.00

(4) Clean Water Act, implementation projects: \$11,112,944.00

The Commissioner of Environmental Conservation may use up to \$1,400,000.00 of the amounts appropriated in subdivision (2) of this subsection to support capital-eligible clean water projects for Lake Carmi; provided, however, that the Commissioner shall provide prior notification of any project and its cost to the Chairs of the House Committees on Corrections and Institutions and on Natural Resources, Fish, and Wildlife and of the Senate Committees on Institutions and on Natural Resources and Energy.

(5) The Commissioner of Forests, Parks and Recreation may use up to \$50,000.00 of the amounts appropriated in subdivision (2)(A) of this subsection for skidder bridges.

(6) For the amount appropriated in subdivision (2)(B) of this subsection, on or before January 15, 2019, the Commissioner of Environmental Conservation shall report back to the House Committees on Corrections and Institutions and on Transportation and of the Senate Committees on Institutions and on Transportation with a description and cost of each project that received funding.

(g)(1) The sum of 2,750,000.00 is following sums are appropriated in FY 2019 to the Vermont Housing and Conservation Board for:

(A) statewide water quality improvement projects or other conservation projects: \$2,750,000.00

(B) water quality farm improvement grants or fee purchase projects: \$1,000,000.00

(2) A grant issued under subdivision (1)(B) of this subsection:

(A) shall not be considered a State grant under 6 V.S.A. chapter 215, subchapter 3 for purposes of calculating the maximum amount of a State water quality assistance award under 6 V.S.A. § 4824 or 4826; and

(B) may be used to satisfy a grant recipient's cost-share requirements.

(h) It is the intent of the General Assembly that the Secretary of Natural Resources shall use the amount appropriated in ~~subdivision~~ subdivisions (b)(4) and (f)(6) of this section to fund new projects in Ryegate, Springfield, ~~St. Johnsbury,~~ and St. Albans City, and in FY 2019 in Colchester, Rutland City, Middlebury, St. Johnsbury, and St. Albans; provided, however, that if the Secretary determines that one of these projects is not ready in FY 2018 or FY 2019, or the amount appropriated exceeds the amount needed to fund these projects, the funds may be used for an eligible new project as authorized by 10 V.S.A. chapter 55 and 24 V.S.A. chapter 120.

* * *

(l) The following sums are appropriated in FY 2019 to the Municipal Mitigation Assistance Program in the Agency of Transportation:

- (1) Municipal Highway and Stormwater Mitigation Program: \$1,000,000.00
- (2) Better Roads Program: \$1,400,000.00

(m) The sum of \$200,000.00 is appropriated in FY 2019 to the Agency of Commerce and Community Development for the Downtown Transportation Fund pilot project.

Appropriation – FY 2018	\$21,936,616.00	
Appropriation – FY 2019	\$23,470,212.00	<u>\$25,755,000.00</u>
Total Appropriation – Section 11	\$45,406,828.00	<u>\$47,691,616.00</u>

Sec. 9. 2017 Acts and Resolves No. 84, Sec. 12 is amended to read:

Sec. 12. MILITARY

* * *

(b) The following sums are appropriated in FY 2019 to the Department of Military for the projects described in this subsection:

- (1) Maintenance, renovations, roof replacements, ADA renovations, and energy upgrades at State armories. To the extent feasible, these funds shall be used to match federal funds: ~~\$700,000.00~~ \$780,000.00
 - (2) Bennington Armory, site acquisition: \$60,000.00
- | | | |
|----------------------------------|---------------------------|-----------------------|
| Appropriation – FY 2018 | \$750,000.00 | |
| Appropriation – FY 2019 | \$760,000.00 | <u>\$840,000.00</u> |
| Total Appropriation – Section 12 | \$1,510,000.00 | <u>\$1,590,000.00</u> |

Sec. 10. 2017 Acts and Resolves No. 84, Sec. 13 is amended to read:

 Sec. 13. PUBLIC SAFETY

* * *

(b) ~~The sum of \$5,573,000.00 is~~ following sums are appropriated in FY 2019 to the Department of Buildings and General Services for:

(1) construction of the Williston Public Safety Field Station: \$5,573,000.00

(2) East Cottage, Robert H. Wood Criminal Justice and Fire Training Center, renovation and fit-up, and historic windows: \$1,850,000.00

(3) Berlin, scoping and preliminary design for the Berlin Public Safety Field Station: \$35,000.00

(c) The sum of \$4,000,000.00 is appropriated in FY 2019 to the Department of Public Safety for the School Safety and Security Grant Program.

Appropriation – FY 2018 \$1,927,000.00

Appropriation – FY 2019 \$5,573,000.00 \$11,458,000.00

Total Appropriation – Section 13 \$7,500,000.00 \$13,385,000.00

Sec. 11. 2017 Acts and Resolves No. 84, Sec. 16 is amended to read:

Sec. 16. VERMONT VETERANS' HOME

* * *

(c) ~~The sum of \$50,000.00 is~~ following sums are appropriated in FY 2019 to the Vermont Veterans' Home for:

(1) resident care furnishings: \$50,000.00

(2) security, access system, and safety upgrades: \$100,000.00

(d) It is the intent of the General Assembly that the amounts appropriated in ~~subsections~~ subsection (a) and subdivision (c)(1) of this section shall be used to match federal funds to purchase resident care furnishings for the Veterans' Home.

(e) The Veterans' Home shall only use the funds appropriated in 2015 Acts and Resolves No. 26, Sec. 16 for an electronic medical records system. These funds shall be used to match federal funds and shall only become available after the Veterans' Home notifies the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that the electronic medical records system is in compliance with the criteria for creating and maintaining connectivity established by the Vermont Information Technology Leaders

pursuant to 18 V.S.A. § 9352(i).

Appropriation – FY 2018	\$390,000.00
Appropriation – FY 2019	\$50,000.00 <u>\$150,000.00</u>
<u>Total Appropriation – Section 16</u>	<u>\$440,000.00</u> <u>\$540,000.00</u>

Sec. 12. 2017 Acts and Resolves No. 84, Sec. 16a is added to read:

Sec. 16a. DEPARTMENT OF LABOR

The sum of \$500,000.00 is appropriated in FY 2019 to the Department of Labor to fund the Adult Career and Technical Education Equipment Grant Pilot Program to provide equipment to support adult tech programs.

Sec. 13. 2017 Acts and Resolves No. 84, Sec. 16b is added to read:

Sec. 16b. SERGEANT AT ARMS

(a) The sum of \$15,000.00 is appropriated in FY 2019 to the Sergeant at Arms to contract with a third party to conduct an assessment of the sound system in the State House and 1 Baldwin Street pursuant to 2 V.S.A. § 62(a)(8). The Sergeant at Arms shall submit a copy of the assessment to the Committee on Joint Rules.

(b) On or before November 15, 2018, the Sergeant at Arms shall develop a proposal for a sound system for the State House and 1 Baldwin Street based on the assessment described in subsection (a) of this section. As part of the proposal development process, the Sergeant at Arms may consult with the Commissioner of Buildings and General Services.

(c) The Sergeant at Arms shall submit the proposal described in subsection (b) of this section to the Committee on Joint Rules, and to the Secretary of Administration to request inclusion in the Governor’s biennial capital budget report pursuant to 32 V.S.A. § 309.

Sec. 14. 2017 Acts and Resolves No. 84, Sec. 16c is added to read:

Sec. 16c. PUBLIC SERVICE

(a) The following sums are appropriated in FY 2019 to the Department of Public Service:

- (1) VTA wireless network: \$900,000.00
- (2) Northeast Kingdom Fiber Network, fiber access point construction: \$393,000.00

(b) On or before September 1, 2018, the Department of Public Service shall submit a report to the House Committees on Corrections and Institutions and on Energy and Technology and the Senate Committees on Finance and on

Institutions with an update on the status of the two projects described in subsection (a) of this section. The report shall include an update on the progress of each project and whether any requests for proposals have been issued.

Total Appropriation – Section 16c \$1,293,000.00

Sec. 15. 2017 Acts and Resolves No. 84, Sec. 18 is amended to read:

Sec. 18. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:

* * *

(22) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 5(a) (County courthouses, ADA compliance, repairs and upgrades):
\$2,079.09

(23) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 5(b) (County courthouses, ADA compliance, repairs and upgrades):
\$18,688.70

(24) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 4(b)(1) (UVM Health Lab, colocation):
\$383.90

(25) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 5(b) (Lamoille County Courthouse, planning):
\$540.00

(26) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (Woodside Juvenile Rehabilitation Center, project design and planning):
\$52,003.54

(27) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 5 (Judiciary, ADA compliance, county courthouses):
\$157,394.00

(28) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 13(b) (Robert H. Wood Vermont Fire Academy, burn building):
\$10,646.82

(29) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 8 (Lyndon State College):
\$48,634.00

(30) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 11 (Public safety, Waterbury State Office Complex, blood analysis laboratory, renovations):
\$252,085.35

(31) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2 (Department of Libraries, centralized facility renovation):
\$447,739.00

* * *

(d) The following unexpended funds appropriated to the Agency of Natural Resources for capital construction projects are reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

* * *

(4) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 11(a)(1) (water pollution control): \$8,221.85

(5) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 11(a)(8) (municipal pollution control grants, Waterbury): \$136,824.00

(e) The following unexpended funds appropriated to the Agency of Commerce and Community Development for capital construction projects are reallocated to defray expenditures authorized in Sec. 5(d) of this act, placement and replacement of historic site markers:

(1) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 6(a)(2) (Bennington monument, structural repairs and ADA compliance): \$1,224.51

(2) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 6(b) (Bennington monument, elevator, roof repairs): \$1,997.73

(3) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 6(c) (Bennington monument, elevator, roof repairs): \$6,469.60

(f) Of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 3 (cellular and broadband infrastructure) to the Vermont Telecommunications Authority for capital construction projects, the amount of \$1,972,322.98 in unexpended funds is reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

Total Reallocations and Transfers – Section 18

\$14,822,286.78 \$17,939,541.85

Sec. 16. 2017 Acts and Resolves No. 84, Sec. 19 is amended to read:

Sec. 19. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

(a) The State Treasurer is authorized to issue general obligation bonds in the amount of \$132,460,000.00 for the purpose of funding the appropriations of this act. The State Treasurer, with the approval of the Governor, shall determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or

(2) On or before October 1, 2018, the Commissioner of Buildings and General Services shall have a survey prepared to more particularly describe and delineate the land and boardwalk to be sold or transferred that is described in subdivision (1) of this subsection.

Sec. 18. 2012 Acts and Resolves, No. 104, Sec. 14, amending 2011 Acts and Resolves, No. 40, Sec. 26, is further amended to read:

Sec. 16. Sec. 26 of No. 40 of the Acts of 2011 is amended to read:

Sec. 26. PROPERTY TRANSACTIONS; MISCELLANEOUS

~~(a) The commissioner of buildings and general services may sell the Asa Bloomer State Office Building and the Rutland Multi-Modal Transit Center in accordance with the requirements of 29 V.S.A. § 166(d) and following negotiations with the City of Rutland. If negotiations with the city result in the city's management of the Transit Center, the commissioner may use \$81,000 in unexpended capital funds previously appropriated to the department for other purposes to purchase a flexible parking machine for the Transit Center. It is the intent of the general assembly that state offices remain downtown. [Repealed.]~~

* * *

Sec. 19. 2013 Acts and Resolves No. 1, Sec. 100(c), as amended by 2014 Acts and Resolves No. 179, Sec. E.113.1, 2015 Acts and Resolves No. 58, Sec. E.113.1, and 2017 Acts and Resolves No. 84, Sec. 29, is further amended to read:

~~(c) Sec. 97 (general obligation debt financing) shall take effect on July 1, 2018 July 1, 2019.~~

* * * Human Services * * *

Sec. 20. AGENCY OF HUMAN SERVICES; FACILITIES PLAN; UPDATE

On or before February 1, 2019, the Secretary of Human Services, in consultation with the Commissioner of Buildings and General Services, shall update the facilities plan and recommendations required by 2017 Acts and Resolves No. 84, Sec. 31, taking into consideration changes proposed in the 2018 legislative session. The Agency's update shall include a review of the populations and bed capacity needs described in 2017 Acts and Resolves No. 84, Sec. 31.

* * * Labor * * *

Sec. 21. 2017 Acts and Resolves No. 84, Secs. 33a and 33b are added to read:

Sec. 33a. ADULT CAREER AND TECHNICAL EDUCATION

EQUIPMENT GRANT PILOT PROGRAM

(a) The General Assembly hereby establishes a pilot grant program to authorize the Department of Labor, in consultation with the State Workforce Development Board, to administer the Adult Career and Technical Education Equipment Grant Pilot Program to support the purchase of equipment necessary for the delivery of occupational training for students enrolled in a postsecondary course offered by Vermont's Career and Technical Education Centers.

(b) An applicant's training program shall qualify for a grant described in subsection (a) of this section if it includes all of the following requirements:

(1) meets current occupational demand, as evidenced by current labor market information;

(2) aligns with a career pathway or set of stackable credentials involving a college or university accredited in Vermont;

(3) guarantees delivery of equipment to more than one region of the State;

(4) is supported with a business or industry partnership;

(5) sets forth how equipment will be maintained, insured, shared, and transported, if applicable; and

(6) is endorsed by the Adult Career and Technical Education Association.

(c) Grants awarded under this program shall be used to purchase capital-eligible equipment. Grants shall not be used to support curriculum development, instruction, or program administration.

(d) On or before July 15, 2018, the Department shall develop and publish a simplified grant application that meets the criteria described in subsection (b) of this section. The Department shall consult with the Agency of Education and the State Workforce Development Board in reviewing applications and selecting grantees.

(e) Grantees shall have ownership over any share of equipment purchased with the use of these funds. Any equipment purchased from this program may also be used by secondary career technical education programs.

(f) On or before February 15, 2019, the Department of Labor shall submit a report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions that includes the following:

(1) how the funds were used, expected outcomes, recommended

performance metrics to ensure success of the program, and any other relevant information that would inform future decisions about the use of this program;

(2) assessment of the functionality and accessibility of shared-equipment agreements; and

(3) how, and the extent to which, the program shall be funded in the future.

* * * Sunset of Adult Career and Technical Education
Equipment Grant Program * * *

Sec. 33b. REPEAL OF ADULT CAREER AND TECHNICAL
EDUCATION EQUIPMENT GRANT PROGRAM

The Adult Career and Technical Education Equipment Grant Program established in Sec. 33a of this act shall be repealed on July 1, 2019.

* * * NATURAL RESOURCES * * *

Sec. 22. 3 V.S.A. § 2873(b) is amended to read:

(b) The Department ~~shall~~ may perform design and construction supervision services for major maintenance and capital construction projects for the Agency and all of its components.

Sec. 23. 2017 Acts and Resolves No. 84, Sec. 35b is added to read:

Sec. 35b. ALBURGH CEMETERY; LAND TRANSFER

(a) The Commissioner of Forests, Parks and Recreation may enter into an agreement with the Vermont Housing and Conservation Board and The Nature Conservancy to amend their easements not to exceed a total of one acre on land in the town of Alburgh that abuts the west side of the South Alburgh Cemetery to allow the State to convey that land to the Alburgh Cemetery Association.

(b) On or before January 15, 2019, the Commissioner shall report back to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on whether the Vermont Housing and Conservation Board and The Nature Conservancy have amended their easements. If the easements have been amended, the Commissioner shall submit a proposal to the General Assembly, either by legislation or resolution, to approve the land transfer to the Alburgh Cemetery Association.

* * * School Safety and Security * * *

Sec. 24. 30 V.S.A. § 7051 is amended to read:

§ 7051. DEFINITIONS

As used in this chapter:

* * *

(14) “Dispatchable Location” means the location information delivered to the public safety answering point with a 911 call.

(15) “Enterprise Communications Systems (ECS)” means any networked communication system serving two or more stations, or living units, within an enterprise. ECS includes circuit-switched networks, such as multi-line telephone systems or legacy ECS, IP-enabled service, and cloud-based technology.

(16) “Station” means a telephone handset, customer premise equipment (CPE) or calling device that is capable of initiating a call to 911.

Sec. 25. 30 V.S.A. § 7057 is amended to read:

§ 7057. PRIVATELY OWNED TELEPHONE SYSTEMS ENTERPRISE COMMUNICATIONS SYSTEMS

Any privately owned telephone system enterprise communications system shall provide to those end users the same level of 911 service that other end users receive and shall provide ANI signaling, station identification data, including dispatchable location, and updates to Enhanced 911 databases under rules adopted by the Board. The Board may waive the provisions of this section for any privately owned telephone system enterprise communications system, provided that in the judgment of the Board, the owner of the system is actively engaged in becoming compliant with this section, is likely to comply with this section in a reasonable amount of time, and will do so in accordance with standards and procedures adopted by the Board by rule.

Sec. 26. 2017 Acts and Resolves No. 84, Secs. 36a and 37a are added to read:

Sec. 36a. SCHOOL SAFETY AND SECURITY GRANT PROGRAM

(a) Creation. There is created the School Safety and Security Grant Program to be administered by the Department of Public Safety to enhance safety and security in Vermont schools, as defined in 16 V.S.A. § 3447.

(b) Use of funds. Grants authorized in subsection (a) of this section shall be used for the planning, delivery, and installation of equipment for upgrades to existing school security equipment and new school security equipment identified through threat assessment planning and surveys designed to enhance building security.

(c) Guidelines. The following guidelines shall apply to capital grants for school safety measures:

(1) Grants shall be awarded competitively to schools for capital-eligible expenses to implement safety and security measures identified in a security assessment. Capital-eligible expenses may include video monitoring and surveillance equipment, intercom systems, window coverings, exterior and interior doors, locks, and perimeter security measures.

(2) Grants shall only be awarded after a security assessment has been completed by the Agency of Education and Department of Public Safety.

(3) The Program is authorized to award grants of up to \$25,000.00 per school.

(d) Administration. The Department of Public Safety, in coordination with the Agency of Education, shall administer and coordinate grants made pursuant to this section. Grant funds shall not be used to administer the Program.

(e) Reporting. The Department of Public Safety shall provide notice of any grants awarded under this section to the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions.

* * * Sunset of School Security Grant Program * * *

Sec. 36b. REPEAL OF SCHOOL SECURITY GRANT PROGRAM

The School Safety and Security Grant Program established in Sec. 17 of this act shall be repealed on July 1, 2019.

* * * School Planning Grants * * *

Sec. 27. APPLICATIONS FOR PLANNING GRANTS FOR CAPITAL CONSTRUCTION; UNIFIED UNION SCHOOL DISTRICTS; SCHOOL CONSOLIDATION

(a) Applications for planning grants. The Secretary of Education shall accept applications for planning grants for capital construction that would result in the consolidation of student populations and the closure of at least one building pursuant to the provisions of this section.

(b) Districts eligible to apply. A district is eligible to apply for a planning grant under this section (eligible district) if it:

(1) is a unified union school district created by the affirmative votes of the electorate between June 30, 2015 and December 31, 2018;

(2) is either its own supervisory district or is a member district within a supervisory union;

(3) is fully operational or will be fully operational before July 2, 2019; and

(4) provides or has intended to provide education for students in the same grade, after becoming fully operational, by operating more than one school building offering that grade.

(c) Eligible projects.

(1) An eligible district can apply for a grant to reimburse the cost of architects, engineers, or other professional planning costs under this section if the proposed project will:

(A) consolidate the provision of education for all resident students in at least four grade levels into one existing building that will house those grades either by renovating or adding additional square-footage to that building or both; and

(B) result in the closure of at least one existing building that houses those grades in the year prior to the proposed consolidation of students.

(2) Notwithstanding the provisions of subdivision (1)(A) of this subsection, if an eligible district operates more than two schools providing education in the pertinent grades, then a project is eligible under this section if the project will result in the closure of at least one school building and the consolidation of students into one or more remaining buildings.

(d) Process.

(1) An eligible district shall submit a written application to the Secretary of Education on or before October 1, 2018. The application shall specify the purpose of and need for the proposed eligible project, shall include educational specifications based upon a facility analysis and enrollment projections, and shall concisely provide details addressing the ways in which the proposed project:

(A) will cause the eligible district to provide education in a manner that is more educationally appropriate;

(B) will cause the eligible district to provide education in a manner that provides greater educational opportunities in a more equitable manner;

(C) will result in or lead to sustained financial savings for the eligible district;

(D) will result in or lead to more efficient use of statewide education funds;

(E) will result in improvements that comply with standards for school construction adopted by the Division of Fire Safety, the Agency of Natural Resources, the Division for Historic Preservation, the Department of Health, the Agency of Agriculture, Food and Markets, the Agency of

Transportation, and any standards of other State or federal agencies and local or regional planning authorities; and

(F) will incorporate recommendations received after consultation with the School Energy Management Program and Efficiency Vermont, as appropriate.

(2) The Secretary, in consultation with other public and private entities at the Secretary's discretion, shall evaluate and rank all eligible projects based upon the proposed project's ability:

(A) to promote the goals outlined in subdivision (1) of this subsection (d);

(B) to support increased connectivity, energy efficiency, and use of renewable resources; and

(C) to cease using buildings that are inappropriate for direct instruction due to, for example, conditions that threaten the health or safety of students or employees, difficulty in complying with the requirements of the Americans with Disabilities Act or other State or federal laws or regulations, or excessive energy use.

(3) On or before January 15, 2019, the Secretary shall present a prioritized list of eligible projects to the General Assembly together with a request for capital funding not to exceed a total of \$300,000.00 to provide planning grants for some or all projects on the list. Nothing shall prohibit the Secretary from declining to include one or more projects on the prioritized list if the Secretary, in his or her sole judgment, determines that the project does not sufficiently promote the goals outlined in subdivision (1) of this subsection.

(e) Disclaimers. Nothing in this section shall be construed:

(1) to guarantee that the General Assembly shall appropriate funds during the 2019 Legislative Session or after for planning grants contemplated by this section; or

(2) to suggest that the General Assembly intends to lift the suspension of state aid for school construction imposed by 2013 Acts and Resolves No. 51, Sec. 45.

* * * Effective Date * * *

Sec. 28. EFFECTIVE DATE

This act shall take effect on passage.

Pending the question Will the House concur in the Senate proposal of

amendment? **Rep. Emmons of Springfield**, moved to concur in the Senate proposal of amendment with a further amendment thereto as follows:

First: In Sec. 1, amending 2017 Acts and Resolves No. 84, Sec. 2, in subdivision (b)(13), by striking out “\$2,281,094.00” and inserting in lieu thereof “\$2,181,094.00”, in (e)(2), in the first sentence, by striking out “may” and inserting in lieu thereof “shall” and by striking out all after subsection (g) and inserting in lieu thereof the following:

Appropriation – FY 2018	\$27,857,525.00	\$25,038,619.00
Appropriation – FY 2019	\$27,853,933.00	\$28,131,610.00
Total Appropriation – Section 2	\$55,711,458.00	\$53,170,229.00

Second: In Sec. 2, amending 2017 Acts and Resolves No. 84, Sec. 3, by striking out all after the ellipses and inserting in lieu thereof the following:

(b) The sum of \$300,000.00 is appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Human Services for the projects described in subsection (a) of this section. The following sums are appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Human Services:

(1) Statewide correctional facilities, cameras, locks, perimeter intrusion at correctional facilities: \$300,000.00

(2) Chittenden County Regional Correctional Facility and Northwest State Correctional Facility, renovations, beds for therapeutic placement: \$600,000.00

(3) Essex, Woodside Juvenile Rehabilitation Center, design and construction documents: \$500,000.00

(4) Brattleboro, Brattleboro Retreat, renovation and fit-up: \$4,500,000.00

(5) Serenity House, residential treatment center, addition and renovations: \$300,000.00

(c) For the amount appropriated in subdivision (b)(2) of this section:

(1) it is the intent of the General Assembly that the funds be used to construct a therapeutic environment in the Chittenden Regional Correctional Facility and in the Northwest State Correctional Facility for persons in the custody of the Department of Corrections who do not meet the clinical criteria for inpatient hospitalization but would benefit from a more therapeutic placement. The therapeutic environment shall include three beds in the Chittenden Regional Correctional Facility and ten or more beds in the Alpha

Unit at the Northwest State Correctional Facility.

(2) the Commissioner of Buildings and General Services may use up to \$100,000.00 of the funds appropriated in subdivision (b)(1) of this section to support this project.

(d) For the amount appropriated in subdivision (b)(3) of this section, the Commissioner of Buildings and General Services shall consult with the Secretary of Human Services on the design and construction documents.

(e) For the amount appropriated in subdivision (b)(4) of this section:

(1) The use of funds shall be restricted to capital renovations and fit-up costs and shall not be used for any periodic lease payments, usage fees, or other operating expenses.

(2)(A) The State of Vermont shall execute an agreement with the Brattleboro Retreat for the renovation and fit-up project at the Brattleboro Retreat. The agreement shall include the following provisions:

(i) the Brattleboro Retreat shall provide access to a minimum of an additional 12 level-1 beds to the State for a period determined by the Secretary to be in the best interests of the State;

(ii) the Brattleboro Retreat shall target a completion date for the renovation and fit-up project of December 2019; and

(iii) terms and conditions that ensure the protection of State investment of capital appropriations, including:

(I) an initial strategic plan for long-term reuse of renovated facilities;

(II) authority for the Agency of Human Services to access Brattleboro Retreat's financials to ensure the success of the strategic plan described in subdivision (I) of this subdivision (2)(A)(iii); and

(III) a process for sharing information necessary to the Department of Mental Health for its statutory oversight responsibilities.

(B) Prior to execution, the State Treasurer shall approve the agreement described in subdivision (A) of this subdivision (2) to ensure that it is in compliance with applicable tax-exempt bond requirements.

(3) The Department of Buildings and General Services shall not expend funds until the Commissioner of Buildings and General Services and the Secretary of Human Services have notified the Commissioner of Finance and Management and the Chairs of the House Committees on Corrections and Institutions and on Health Care, and of the Senate Committees on Health and

Welfare and on Institutions that the agreement described in subdivision (2)(A) of this subsection (e) has been executed.

(4) The Commissioner of Buildings and General Services and the Secretary of Human Services may also propose draft legislation to the House Committees on Corrections and Institutions and on Health Care, and the Senate Committees on Health and Welfare and on Institutions that may be necessary to fulfill the agreement.

(5)(A) On or before October 15, 2018, the Secretary of Human Services shall notify the Chairs of the House Committees on Corrections and Institutions and on Health Care, and of the Senate Committees on Health and Welfare and on Institutions if an agreement between the Brattleboro Retreat and the State of Vermont cannot be reached and shall submit to them an alternative proposal for the 12 beds. With approval of the Speaker of the House and the President Pro Tempore of the Senate, as appropriate, the House Committees on Corrections and Institutions and on Health Care and the Senate Committees on Health and Welfare and on Institutions may meet up to two times when the General Assembly is not in session to evaluate, approve, or recommend alterations to the proposal. Members of the House Committees on Corrections and Institutions and on Health Care, and the Senate Committees on Health and Welfare and on Institutions shall be entitled to receive a per diem and expenses as provided in 2 V.S.A. § 406.

(B) The Secretary of Human Services shall submit a copy of the alternative proposal described in subdivision (A) of this subdivision (5) to the Joint Fiscal Committee.

Appropriation – FY 2018		\$300,000.00
Appropriation – FY 2019	\$300,000.00	<u>\$6,200,000.00</u>
Total Appropriation – Section 3	\$600,000.00	<u>\$6,500,000.00</u>

Third: In Sec. 4, amending 2017 Acts and Resolves No. 84, Sec. 5, by striking out all after subsection (c) and inserting in lieu thereof the following:

(d) The following sums are appropriated in FY 2019 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Lake Champlain Maritime Museum:

(A) Underwater preserves: \$30,000.00

(B) Schooner Lois McClure project, repairs and upgrades:

\$25,000.00

(2) Placement and replacement of roadside historic markers:
~~\$15,000.00~~ \$29,000.00

(3) VT Center for Geographic Information, digital orthophotographic quadrangle mapping: \$125,000.00

(4) Civil War Heritage Trail, signs: \$30,000.00

(e) The amounts appropriated in subdivisions (a)(2) ~~and~~, (a)(3), (d)(1)(B), and (d)(4) of this section shall be used as a one-to-one matching grant. The funds shall become available after the Agency notifies the Department that the funds have been matched.

(f) It is the intent of the General Assembly that any requests for capital funds be submitted to the Agency of Commerce and Community Development for inclusion in the Governor’s annual consolidated capital budget request, pursuant to 32 V.S.A. § 309.

Appropriation – FY 2018 \$450,000.00

Appropriation – FY 2019 ~~\$370,000.00~~ \$539,000.00

Total Appropriation – Section 5 ~~\$820,000.00~~ \$989,000.00

Fourth: In Sec. 8, amending 2017 Acts and Resolves No. 84, Sec. 11, in subdivision (e)(1)(B), by striking out “\$1,500,000.00” and inserting in lieu thereof “\$1,400,000.00”, in subdivision (f)(4), by striking out “subdivision (2)” and inserting in lieu thereof “subdivision (2)(A)”, in subdivision (g)(1)(B), by striking out “\$1,000,000.00” and inserting in lieu thereof “\$1,100,000.00”, and in subsection (m), by striking out “\$200,000.00” and inserting in lieu thereof “\$100,000.00”

Fifth: In Sec. 10, amending 2017 Acts and Resolves No. 84, Sec. 13, by striking out all after subsection (c) and inserting in lieu thereof the following:

(c)(1) The sum of \$4,000,000.00 is appropriated in FY 2019 to the Department of Public Safety for the School Safety and Security Grant Program.

(2) It is the intent of the General Assembly that the amount appropriated in subdivision (1) of this subsection (c) shall be supported by an additional \$1,000,000.00 in federal funds.

Appropriation – FY 2018 \$1,927,000.00

Appropriation – FY 2019 ~~\$5,573,000.00~~ \$11,458,000.00

Total Appropriation – Section 13 ~~\$7,500,000.00~~ \$13,385,000.00

Sixth: In Sec. 12, adding 2017 Acts and Resolves No. 84, Sec. 16a, by striking out “\$500,000.00” and inserting in lieu thereof “\$400,000.00”

Seventh: By striking out Sec. 26 (amending 2017 Acts and Resolves No. 84, by adding Secs. 36a and 37a) in its entirety and inserting in lieu thereof a new Sec. 26 to read:

Sec. 26. 2017 Acts and Resolves No. 84, Secs. 36a-36c are added to read:

Sec. 36a. SCHOOL SAFETY AND SECURITY CAPITAL GRANT PROGRAM

(a) Creation. There is created the School Safety and Security Capital Grant Program to be administered by the Department of Public Safety to enhance safety and security in Vermont schools, as defined in 16 V.S.A. § 3447. The amount appropriated in Sec. 10 of this act, adding 2017 Acts and Resolves No. 84, Sec. 13(c)(1), shall be used to fund this Program.

(b) Use of funds. Capital grants authorized in subsection (a) of this section shall be used for the planning, delivery, and installation of equipment for upgrades to existing school security equipment and for new school security equipment identified through threat assessment planning and surveys designed to enhance building security.

(c) Guidelines. The following guidelines shall apply to capital grants for school safety measures:

(1) Grants shall be awarded competitively to schools for capital-eligible expenses to implement safety and security measures identified in a security assessment. Capital-eligible expenses may include video monitoring and surveillance equipment, intercom systems, window coverings, exterior and interior doors, locks, and perimeter security measures.

(2) Grants shall only be awarded after a security assessment has been completed by the Agency of Education and Department of Public Safety.

(3) The Program is authorized to award capital grants of up to \$25,000.00 per school. Each school shall be required to provide a 25 percent match to the grant amount. The required match shall be met through dollars raised and not in-kind services.

(d) Administration. The Department of Public Safety, in coordination with the Agency of Education, shall administer and coordinate capital grants made pursuant to this section. Grant funds shall not be used to administer the Program.

(e) Reporting. The Department of Public Safety shall provide notice of any capital grants awarded under this section to the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions.

*** Sunset of School Security Grant Program ***

Sec. 36b. REPEAL OF SCHOOL SECURITY GRANT PROGRAM

The School Safety and Security Grant Program established in Sec. 17 of this act shall be repealed on July 1, 2019.

*** School Safety Advisory Group ***

Sec. 36c. SCHOOL SAFETY ADVISORY GROUP; REPORT

(a) Creation. There is created the School Safety Advisory Group to develop statewide guidelines and best practices concerning school safety and the prevention of school shootings.

(b) Membership. The Advisory Group shall be composed of the following six members:

(1) the Secretary of Administration or designee;

(2) the Secretary of Education or designee;

(3) the Commissioner of Public Safety or designee;

(4) the Executive Director of the Vermont School Boards Association or designee;

(5) the President of the Vermont-National Education Association or designee; and

(6) a representative of the Vermont Principals' Association.

(c) Powers and duties. The Advisory Group shall study the following issues and develop specific guidelines and best practices for Vermont schools concerning them:

(1) improving security in and around school buildings and property;

(2) ensuring staff and students know what they should do in the event of a school shooting or other incident;

(3) training for staff and students, including the type and frequency of the training;

(4) sharing information with parents and community if an event occurs; and

(5) gathering information on security measures implemented in schools from corresponding state education and public safety departments in states where school shootings have occurred.

(d) Assistance. The Advisory Group shall have the administrative, technical, and legal assistance of the Agency of Education and the Department

of Public Safety.

(e) Report. On or before July 1, 2018, the Advisory Group shall submit a written report to the General Assembly with its findings, including specific guidelines and best practices, and any recommendations for legislative action necessary to ensure that all schools in Vermont begin implementing those guidelines and best practices and have a plan for compliance before the beginning of the next school year.

(f) Meetings.

(1) The Secretary of Education shall call the first meeting of the Advisory Group.

(2) The Commissioner of Public Safety or designee shall be the Chair.

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

(4) The Advisory Group shall cease to exist on July 1, 2019.

(g) Compensation and reimbursement. Members of the Advisory Group who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for meetings. These payments shall be made from monies appropriated to the General Assembly.

Eighth: In Sec. 27, by striking out all after subdivision (d)(1) and inserting in lieu thereof the following:

(2) On or before October 15, 2018, the Secretary shall present a prioritized list of eligible projects, if any, to the Secretary of Administration for inclusion in the Governor's annual consolidated capital budget request, pursuant to 32 V.S.A. § 309.

(e) Notwithstanding the grant program authorized in this section, State aid for school construction remains suspended pursuant to the terms of 2008 Acts and Resolves No. 200, Sec. 45 as amended by 2009 Acts and Resolves No. 54, Sec. 22, as further amended by 2013 Acts and Resolves No. 51, Sec. 45.

Ninth: By striking out all after Sec. 27, and inserting in lieu thereof the following:

* * * Corrections * * *

Sec. 28. 28 V.S.A. § 1354 is amended to read:

§ 1354. ARTICLE IV; THE STATE COUNCIL

(a) A ~~The Vermont state council for interstate adult offender supervision~~ State Council for Interstate Adult Offender Supervision is created. The state

~~council~~ State Council shall consist of ~~five~~ six members:

(1) ~~one representative of the legislative branch appointed by the general assembly pursuant to a process determined by the joint rules committee~~ one member of the House of Representatives, who shall be appointed by the Speaker, and one member of the Senate, who shall be appointed by the Committee on Committees;

(2) ~~one representative of the judicial branch~~ Judicial Branch appointed by the ~~chief justice~~ Chief Justice of the ~~supreme court~~ Supreme Court;

(3) ~~one representative of the executive branch~~ Executive Branch appointed by the ~~governor~~ Governor;

(4) ~~one representative of a victims group appointed by the governor~~ Governor; and

(5) ~~one individual who in addition to serving as a member of the council~~ Council shall serve as the compact administrator for this ~~state~~ State, appointed by the ~~governor~~ Governor after consultation with the ~~general assembly~~ General Assembly and the ~~supreme court~~ Supreme Court.

* * *

* * * Effective Date * * *

Sec. 29. EFFECTIVE DATE

This act shall take effect on passage.

Which was agreed to.

**Rules Suspended; Senate Proposal of Amendment Not Concurred in;
Committee of Conference Requested and Appointed**

H. 911

Pending entrance of the bill on the Calendar for notice, on motion of **Rep Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to changes in Vermont's personal income tax and education financing system

Was taken up for immediate consideration.

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:

* * * Personal Income Tax Changes * * *

* * * Taxable Income * * *

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

§ 5811. DEFINITIONS

* * *

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

* * *

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

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

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

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

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

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

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

(C) Decreased by the following exemptions and deductions:

(i) the amount of personal exemptions taken at the federal level a personal exemption of \$4050.00 per person for the taxpayer, for the spouse or the deceased spouse of the taxpayer whose filing status under section 5822 of this chapter is married filing a joint return or surviving spouse, and for each individual qualifying as a dependent of the taxpayer under 26 U.S.C. § 152, provided that no exemption may be claimed for an individual who is a dependent of another taxpayer;

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

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

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

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

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

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

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

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

(III) in no event shall the total amount of deductions allowed under subdivisions (I) and (II) of this subdivision (21)(C)(iii) reduce the total amount of itemized deductions below the federal standard deduction allowable to the taxpayer an additional deduction of \$1,000.00 for each federal deduction for which the taxpayer qualified and received under 26 U.S.C. § 63(f); and

(iv) the dollar amounts of the personal exemption allowed under subdivision (i) of this subdivision (21)(C), the standard deduction allowed under subdivision (ii) of this subdivision (21)(C), and the additional deduction allowed under subdivision (iii) of this subdivision (21)(C) shall be adjusted annually for inflation by the Commissioner of Taxes by using the percentage increase in the Consumer Price Index beginning with taxable year 2019 and ending with the taxable year in question. As used in this subdivision, "consumer price index" means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

* * *

* * * Personal Income Tax Rates * * *

Sec. 2. PERSONAL INCOME TAX RATES

(a) 2009 Spec. Sess. Acts and Resolves No. 2, Sec. 20 is repealed.

(b) For taxable year 2018 and after, income tax rates under 32 V.S.A. § 5822(a)(1)-(5), after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows:

(1) taxable income that without the passage of this act would have been subject to a rate of 3.55 percent shall be taxed at the rate of 3.35 percent instead;

(2) taxable income that without the passage of this act would have been subject to a rate of 6.80 percent shall be taxed at the rate of 6.60 percent instead;

(3) taxable income that without the passage of this act would have been subject to a rate of 7.80 percent shall be taxed at the rate of 7.60 percent instead;

(4) taxable income that without the passage of this act would have been subject to a rate of 8.80 percent shall be taxed at the rate of 8.70 percent instead; and

(5) taxable income that without the passage of this act would have been subject to a rate of 8.95 percent shall be taxed at the rate of 8.85 percent instead;

(c) When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall revise the tables in 32 V.S.A. § 5822(a)(1)-(5) to reflect the changes to the tax rates and tax brackets made in this section.

* * * Charitable Credit; Earned Income Tax Credit; Social Security Income;
Other Adjustments * * *

Sec. 3. 32 V.S.A. § 5822 is amended to read:

§ 5822. TAX ON INCOME OF INDIVIDUALS, ESTATES, AND TRUSTS

(a) A tax is imposed for each taxable year upon the taxable income earned or received in that year by every individual, estate, and trust, subject to income taxation under the laws of the United States, in an amount determined by the following tables, and adjusted as required under this section:

* * *

(b) As used in this section:

(1) “Married individuals,” “surviving spouse,” “head of household,” “unmarried individual,” “estate,” and “trust” have the same meaning as under the Internal Revenue Code.

(2) The amounts of taxable income shown in the tables in this section shall be adjusted annually for inflation by the Commissioner of Taxes, using

the Consumer Price Index adjustment percentage, in the manner prescribed for inflation adjustment of federal income tax tables for the taxable year by the Commissioner of Internal Revenue, beginning with taxable year 2003 percentage increase in the Consumer Price Index beginning with taxable year 2019 and ending with the taxable year in question. As used in this subdivision, "consumer price index" means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

* * *

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer's federal income tax for the taxable year as follows: credit for people who are elderly or permanently totally disabled, investment tax credit attributable to the Vermont-property portion of the investment, and child care and dependent care credits.

* * *

(3) Individuals shall receive a nonrefundable charitable contribution credit against the tax imposed under this section for the taxable year. The credit shall be five percent of the charitable contributions made during the taxable year that are allowable under 26 U.S.C. § 170. This credit shall be available irrespective of a taxpayer's election not to itemize at the federal level.

* * *

Sec. 4. 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be ~~32~~ 35 percent of the earned income tax credit granted to the individual under the laws of the United States, multiplied by the percentage ~~which~~ that the individual's earned income that is earned or received during the period of the individual's residency in this State bears to the individual's total earned income.

Sec. 5. 32 V.S.A. § 5830e is added to read:

§ 5830e. SOCIAL SECURITY INCOME

The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately,

head of household, or qualifying widow or widower:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$45,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$45,000.00 but less than \$55,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$45,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$55,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$55,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$60,000.00, all federally taxable benefits received under the Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$60,000.00 but less than \$70,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$60,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$70,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or

greater than \$70,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

Sec. 6. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

* * *

(w) The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security payments.

Sec. 7. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect for ~~taxable year 2016~~ on December 31, 2017, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

Sec. 8. FEDERAL TAX REFORM

On or before November, 15, 2018, the Office of Legislative Council, with the assistance of the Joint Fiscal Office and the Department of Taxes, shall report to the Joint Fiscal Committee, the Senate Committee on Finance, and the House Committee on Ways and Means on the federal and state implementation of changes necessitated by the Tax Cut and Jobs Act and shall identify potential areas for legislative or administrative reactions.

* * * Education Financing Changes * * *

* * * Yield, Applicable Percentage and Nonresidential Rate for
Fiscal Year 2019 * * *

Sec. 9. PROPERTY DOLLAR EQUIVALENT YIELD AND INCOME
DOLLAR EQUIVALENT YIELD FOR FISCAL YEAR 2019

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the property dollar equivalent yield shall be \$9,863.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the income dollar equivalent yield shall be \$11,920.00.

Sec. 10. NONRESIDENTIAL PROPERTY TAX RATE FOR FISCAL YEAR
2019

Notwithstanding any other provision of law, for fiscal year 2019 only, the nonresidential education property tax imposed under 32 V.S.A. § 5402(a)(2)

shall be \$1.606 per \$100.00.

Sec. 11. 32 V.S.A. § 5402b(a)(4) is amended to read:

(4) the percentage change in the ~~median~~ average education tax bill applied to nonresidential property, and the percentage change in the ~~median~~ average education tax bill of homestead property, and the percentage change in the ~~median~~ average education tax bill for taxpayers who claim an adjustment under subsection 6066(a) of this title are equal.

* * *Statewide education property tax bills* * *

Sec. 12. 32 V.S.A. § 5402(b) is amended to read:

(b) The statewide education tax shall be calculated as follows:

* * *

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonresidential property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes with an aggregated total of the taxes due.

* * *

Sec. 13. 32 V.S.A. § 6066a(f) is amended to read:

(f) Property tax bills.

(1) For taxpayers and amounts stated in the notice to towns on July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Nothing in this subdivision, however, shall be interpreted as altering the requirement under subdivision 5402(b)(1) of this title that the statewide education homestead tax be billed in a manner that is stated clearly and separately from any other tax. Municipalities shall apply the amount allocated under this chapter to current-year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the November 1 notice sent by the Commissioner under subsection (a) of this section, issuance of ~~such~~ the corrected new bill does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid ~~current~~

~~year~~ current-year taxes, interest, or penalties and no ~~past-year~~ past-year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

* * *

* * * Effective Dates* * *

Sec. 14. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 1-6 (income tax changes) shall take effect retroactively on January 1, 2018 and apply to taxable year 2018 and after.

(c) Notwithstanding 1 V.S.A. § 214, Sec. 7 (income tax link to the federal tax statutes) shall take effect retroactively on January 1, 2017 and apply to taxable years beginning on January 1, 2017 and after.

(d) Secs. 9-10 (yields; nonresidential rate) shall take effect on July 1, 2018 and apply to fiscal year 2019 only.

(e) Secs. 8 (federal tax reform), 11 (Commissioner’s recommendation), 12-13 (tax bills) shall take effect on July 1, 2018.

Pending the question, Will the House concur in the Senate proposal of amendment? **Rep. Ancel of Calais** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

- Rep. Ancel of Calais**
- Rep. Sharpe of Bristol**
- Rep. Beck of St. Johnsbury**

Rules Suspended; Bill Messaged to Senate Forthwith

On motion of **Rep. Savage of Swanton**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith.

H. 526

House bill, entitled
An act relating to regulating notaries public

H. 911

House bill, entitled
An act relating to changes in Vermont’s personal income tax and education financing system

H. 923

House bill, entitled

An act relating to capital construction and State bonding budget adjustment

Second Reading; Consideration Interrupted**S. 40**

Rep. Stevens of Waterbury, for the committee on General, Housing, and Military Affairs, to which had been referred Senate bill, entitled

An act relating to increasing the minimum wage

Reported in favor of its passage in concurrence with proposal of amendment as follows:

First: In Sec. 1, 21 V.S.A. § 384, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read:

(a)(1) An employer shall not employ any employee at a rate of less than \$9.15. Beginning January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and beginning, Beginning on January 1, 2019, an employer shall not employ any employee at a rate of less than \$11.10. Beginning on January 1, 2020, an employer shall not employ any employee at a rate of less than \$11.75. Beginning on January 1, 2021, an employer shall not employ any employee at a rate of less than \$12.50. Beginning on January 1, 2022, an employer shall not employ any employee at a rate of less than \$13.25. Beginning on January 1, 2023, an employer shall not employ any employee at a rate of less than \$14.10. Beginning on January 1, 2024, an employer shall not employ any employee at a rate of less than \$15.00, and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.

(2) An employer shall not employ a secondary school student at a rate of less than the minimum wage established pursuant to subdivision (1) of this subsection minus \$3.00.

(3) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate

less than one-half the minimum wage. As used in this subsection, “a service or tipped employee” means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.

(4) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the U.S. government.

Second: In Sec. 4, 21 V.S.A. § 383, after the ellipsis and before subdivision (3) by inserting subdivisions (G), (H), and (I) to read:

(G) taxi-cab drivers; and

(H) outside salespersons; and

(I) ~~students working during all or any part of the school year or regular vacation periods.~~ [Repealed.]

Third: By striking out Sec. 5 in its entirety and inserting in lieu thereof a new Sec. 5 to read:

Sec. 5. EFFECTIVE DATES

(a) In Sec. 1, 21 V.S.A. § 384, subdivision (a)(2) shall take effect on January 1, 2019. The remaining provisions of Sec. 1 shall take effect on July 1, 2018.

(b) In Sec. 4, 21 V.S.A. § 383, the amendments to subdivisions (2)(G), (H), and (I) shall take effect on January 1, 2019. The remaining provisions of Sec. 4 shall take effect on July 1, 2018.

(c) The remaining sections of this act shall take effect on July 1, 2018.

Rep. Toll of Danville, for the committee on Appropriations, reported the bill without recommendation.

Recess

At eleven o'clock and forty-eight minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

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

Message from the Senate No. 70

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

Madam Speaker:

I am directed to inform the House that:

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

H. 910. An act relating to the Open Meeting Law and the Public Records Act.

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Collamore
Senator Pearson
Senator White

Message from the Senate No. 71

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

Madam Speaker:

I am directed to inform the House that:

The Senate has considered House proposals of amendment to Senate bill of the following title:

S. 281. An act relating to the mitigation of systemic racism.

And has concurred therein with an amendment in the passage of which the concurrence of the House is requested.

The Senate has considered House proposals of amendment to Senate proposals of amendment to House bill of the following title:

H. 806. An act relating to the Southeast State Correctional Facility.

And has concurred therein.

**Consideration Resumed; Proposal of Amendment Agreed to;
Third Reading Ordered**

S. 40

Consideration resumed on Senate bill, entitled

An act relating to increasing the minimum wage

Pending the question, Shall the House propose to the Senate to amend the bill as offered by the committee on General, Housing, and Military Affairs?

Rep. Browning of Arlington moved to amend the proposal of amendment as recommended by the committee on General, Housing, and Military Affairs by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. DISTRIBUTION OF MINIMUM WAGE WORKERS AND
UNEMPLOYMENT; JOINT FISCAL OFFICE; REPORT

(a) The Joint Fiscal Office, in consultation with the legislative economist and the Department of Labor, shall:

(1) examine Vermont industries with significant concentrations of minimum wage workers and the regional rates of unemployment in Vermont;

(2) determine whether any industries with significant concentrations of minimum wage workers are primarily located in or employ a significant portion of the workforce in regions with rates of unemployment that are above the State average; and

(3) estimate the potential rate of disemployment resulting from an increase in the minimum wage to \$15.00 by 2025 in regions with rates of unemployment that are above the State average and in industries in those regions that have significant concentrations of minimum wage workers.

(b) On or before January 15, 2019, the Joint Fiscal Office shall submit a written report containing its findings to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and to the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

Sec. 2. DISINCENTIVES TO HIRING WORKERS; LEGISLATIVE
COUNCIL; REPORT

(a) The office of Legislative Council, in consultation with the Joint Fiscal Office, shall identify and examine:

(1) State and federal laws and rules that create financial disincentives to hire and retain workers;

(2) State and federal laws and rules that comparatively incentivize investments in capital over the creation and retention of jobs; and

(3) statutory changes that have been proposed or adopted in other states to more effectively incentivize the creation and retention of jobs.

(b) On or before January 15, 2019, the Office of Legislative Council shall submit a written report containing its findings to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and to the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

Sec. 3. VOLUNTARY PARENTAL AND FAMILY LEAVE PROGRAM;
LEGISLATIVE COUNCIL; REPORT

(a) The Office of Legislative Council, in consultation with the State Treasurer and the Joint Fiscal Office, shall examine the potential for creating a voluntary parental and family leave insurance program administered by the State Treasurer and offered in conjunction with the Green Mountain Secure Retirement Plan. In particular, the Office of Legislative Council shall examine the feasibility of a voluntary parental and family leave insurance program, any potential legal issues related to offering such a program in conjunction with the Green Mountain Secure Retirement Plan, and any legislative, regulatory, and administrative changes necessary to implement a voluntary parental and family leave insurance program.

(b) On or before January 15, 2019, the Office of Legislative Council shall submit a written report containing its findings to the House Committees on Appropriations, on General, Housing, and Military Affairs, on Government Operations, and on Ways and Means and to the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, on Finance, and on Government Operations.

Sec. 4. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

Terms used in this subchapter have the following meanings, unless a different meaning is clearly apparent from the language or context:

(1) “Commissioner,” means the Commissioner of Labor or designee;

(2) “Employee,” means any individual employed or permitted to work by an employer except:

* * *

(G) taxi-cab drivers; and

(H) outside salespersons; and

(I) ~~students working during all or any part of the school year or regular vacation periods. [Repealed.]~~

(3) “Occupation,” means an industry, trade, ~~or~~ business or branch thereof, or a class of work in which workers are gainfully employed.

(4) “Tip” means a sum of money gratuitously and voluntarily left by a customer for service, or indicated on a bill or charge statement, to be paid to a service or tipped employee for directly and personally serving the customer in a hotel, motel, tourist place, or restaurant. An employer-mandated service charge shall not be considered a tip.

Sec. 5. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a)(1) ~~An employer shall not employ any employee at a rate of less than \$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and beginning on January 1, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.~~

(2) An employer shall not employ a secondary school student at a rate of less than the minimum wage established pursuant to subdivision (1) of this subsection minus \$3.00.

(3) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than one-half the minimum wage. As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.

(4) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the U.S. government.

* * *

(e)(1) A tip shall be the sole property of the employee or employees to whom it was paid, given, or left. An employer that permits patrons to pay tips by credit card shall pay an employee the full amount of the tip that the customer indicated, without any deductions for credit card processing fees or costs that may be charged to the employer by the credit card company.

(2) An employer shall not collect, deduct, or receive any portion of a tip left for an employee or credit any portion of a tip left for an employee against the wages due to the employee pursuant to subsection (a) of this section.

(3) This subsection shall not be construed to prohibit the pooling of tips among service or tipped employees as defined pursuant to subsection (a) of this section.

 Sec. 6. EFFECTIVE DATES

(a) In Sec. 4, 21 V.S.A. § 383, the amendments to subdivisions (2)(G), (H), and (I) shall take effect on January 1, 2019. The remaining provisions of Sec. 4 shall take effect on July 1, 2018.

(b) In Sec. 5, 21 V.S.A. § 384, subdivision (a)(2) shall take effect on January 1, 2019. The remaining provisions of Sec. 1 shall take effect on July 1, 2018.

(c) The remaining sections of this act shall take effect on July 1, 2018.

Pending the question, Shall the report of the Committee on General, Housing, and Military Affairs be amended as offered by Rep. Browning of Arlington? **Rep. Browning of Arlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the report of the Committee on General, Housing, and Military Affairs be amended as offered by Rep. Browning of Arlington? was decided in the negative. Yeas, 67. Nays, 78.

Those who voted in the affirmative are:

Ainsworth of Royalton	Graham of Williamstown	Norris of Shoreham
Bancroft of Westford	Harrison of Chittenden	Noyes of Wolcott
Baser of Bristol	Hebert of Vernon	Pajala of Londonderry
Batchelor of Derby	Helm of Fair Haven	Parent of St. Albans Town
Beck of St. Johnsbury	Higley of Lowell	Quimby of Concord
Beyor of Highgate	Jickling of Randolph	Read of Fayston
Brennan of Colchester	Joseph of North Hero	Rosenquist of Georgia
Browning of Arlington *	Juskiewicz of Cambridge	Savage of Swanton
Brumsted of Shelburne	Keefe of Manchester	Scheuermann of Stowe
Burditt of West Rutland	Keenan of St. Albans City	Shaw of Pittsford
Canfield of Fair Haven	LaClair of Barre Town	Sibilia of Dover
Corcoran of Bennington	Lawrence of Lyndon	Smith of Derby
Cupoli of Rutland City	Lefebvre of Newark	Smith of New Haven
Dakin of Colchester	Lewis of Berlin	Strong of Albany
Devereux of Mount Holly	Marcotte of Coventry	Sullivan of Dorset
Dickinson of St. Albans Town	Martel of Waterford	Taylor of Colchester
Donahue of Northfield *	Mattos of Milton	Terenzini of Rutland Town
Fagan of Rutland City	McCoy of Poultney	Turner of Milton
Feltus of Lyndon	McFaun of Barre Town	Van Wyck of Ferrisburgh
Frenier of Chelsea	Morrissey of Bennington	Viens of Newport City
Gage of Rutland City	Murphy of Fairfax	Willhoit of St. Johnsbury
Gamache of Swanton	Myers of Essex	Wright of Burlington
	Nolan of Morristown	

Those who voted in the negative are:

Ancel of Calais	Gannon of Wilmington	Ode of Burlington
Bartholomew of Hartland	Gardner of Richmond	O'Sullivan of Burlington
Belaski of Windsor	Giambatista of Essex	Partridge of Windham

Bissonnette of Winooski	Gonzalez of Winooski	Poirier of Barre City
Bock of Chester	Grad of Moretown	Potter of Clarendon
Botzow of Pownal	Haas of Rochester	Pugh of South Burlington
Briglin of Thetford	Head of South Burlington	Rachelson of Burlington
Buckholz of Hartford	Hill of Wolcott	Scheu of Middlebury
Burke of Brattleboro	Hooper of Montpelier	Sheldon of Middlebury
Carr of Brandon	Hooper of Randolph	Squirrell of Underhill
Chesnut-Tangerman of Middletown Springs	Houghton of Essex	Stevens of Waterbury
Christensen of Weathersfield	Howard of Rutland City	Stuart of Brattleboro
Christie of Hartford	Jessup of Middlesex	Sullivan of Burlington
Cina of Burlington	Kimbell of Woodstock	Till of Jericho
Colburn of Burlington	Kitzmiller of Montpelier	Toleno of Brattleboro
Conlon of Cornwall	Krowinski of Burlington	Toll of Danville
Connor of Fairfield	Lalonde of South Burlington	Townsend of South Burlington
Conquest of Newbury	Lanpher of Vergennes	Trieber of Rockingham
Copeland-Hanzas of Bradford	Lippert of Hinesburg	Troiano of Stannard
Deen of Westminster	Long of Newfane	Walz of Barre City
Donovan of Burlington	Macaig of Williston	Webb of Shelburne
Dunn of Essex	Masland of Thetford	Weed of Enosburgh
Emmons of Springfield	McCormack of Burlington	Wood of Waterbury
Fields of Bennington	McCullough of Williston	Yacovone of Morristown
Forguites of Springfield	Miller of Shaftsbury	Yantachka of Charlotte
	Morris of Bennington	Young of Glover
	Mrowicki of Putney	

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

Condon of Colchester	Pearce of Richford
Lucke of Hartford	Sharpe of Bristol

Rep. Browning of Arlington explained her vote as follows:

“Madam Speaker:

I vote yes to try to be sure that future minimum wage increases truly benefit all minimum wage workers and to be sure that the effects on economic activity in rural parts of the state are taken into account. This amendment would ensure that we do not try to do too much too fast, and that we understand the full consequences of our actions.”

Rep. Donahue of Northfield explained her vote as follows:

“Madam Speaker:

A thoughtful, balanced, rational approach to a troubling dilemma. All features of problem-solving that we appear to abandon in the way we often deliberate in this body.”

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the committee on General, Housing, and Military Affairs? **Rep. Helm of Fair Haven** moved to amend the proposal of

amendment as offered by the committee on General, Housing, and Military Affairs as follows:

Sec. 1. FINDINGS

(a) The General Assembly finds that:

(1) Vermont has a population of 623,657 persons. Approximately 25 percent of the State's population, or 161,382 persons, reside in Chittenden County.

(2) A significant portion of the State's economic growth is currently located in Chittenden County.

(3) Because of its stronger economic growth, Chittenden County can more easily support an increase in the minimum wage than the other regions of the State.

(b) Therefore, the General Assembly deems it prudent to increase the minimum wage in Chittenden County to \$15.00 by 2024, while increasing the minimum wage by the rate of inflation in the other regions of the State.

Sec. 2. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

~~(a)(1) An employer shall not employ any employee at a rate of less than \$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018~~ Except as otherwise provided in subdivision (2) of this subsection, an employer shall not employ any employee at a rate of less than \$10.50, and beginning on January 1, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased.

(2) An employer shall not employ any employee working in Chittenden County at a rate of less than:

(A) \$10.50;

(B) \$11.10 beginning on January 1, 2019;

(C) \$11.75 beginning on January 1, 2020;

(D) \$12.50 beginning on January 1, 2021;

(E) \$13.25 beginning on January 1, 2022;

(F) \$14.10 beginning on January 1, 2023;

(G) \$15.00 beginning on January 1, 2024; and

(H) a minimum wage rate on each subsequent January 1 that equals the previous minimum wage rate increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage established pursuant to this subdivision (2) be decreased.

(3) The minimum wage shall be rounded off to the nearest \$0.01.

(4) An employer shall not employ a secondary school student at a rate of less than the minimum wage established pursuant to subdivisions (1) and (2) of this subsection minus \$3.00.

(5) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than one-half the applicable minimum wage. As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.

(6) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont pursuant to subdivision (1) or (2) of this subsection for any year, the minimum wage rate pursuant to the affected subdivision for that year shall be the rate established by the U.S. government.

* * *

(e)(1) A tip shall be the sole property of the employee or employees to whom it was paid, given, or left. An employer that permits patrons to pay tips by credit card shall pay an employee the full amount of the tip that the customer indicated, without any deductions for credit card processing fees or costs that may be charged to the employer by the credit card company.

(2) An employer shall not collect, deduct, or receive any portion of a tip left for an employee or credit any portion of a tip left for an employee against the wages due to the employee pursuant to subsection (a) of this section.

(3) This subsection shall not be construed to prohibit the pooling of tips among service or tipped employees as defined pursuant to subsection (a) of this section.

Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; STATE

 PLAN

To the extent funds are appropriated, the Commissioner for Children and Families shall amend the Department for Children and Families' federal Child Care and Development Fund State Plan to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with each minimum wage increase required pursuant to this act to ensure that the benefit percentage at each new minimum wage level remains the same as the percentage applied under the former minimum wage; and

(2) adjust the market rate used to inform the fee scale in a manner that offsets the estimated increased cost of child care in Vermont resulting from the increase in the minimum wage required pursuant to this act.

Sec. 4. MINIMUM WAGE; ADJUSTMENT FOR INFLATION; REPORT

On or before January 15, 2023, the Legislative Council and the Joint Fiscal Office shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding potential mechanisms for indexing the minimum wage established pursuant to 21 V.S.A. § 384 to inflation after 2024. In particular, the report shall:

(1) identify and examine mechanisms that other jurisdictions use to index their minimum wages to inflation and the potential benefits and disadvantages of each mechanism; and

(2) identify and examine any alternative mechanisms to index the minimum wage to inflation, including alternative measures of inflation, and the potential benefits and disadvantages of each mechanism.

Sec. 5. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

Terms used in this subchapter have the following meanings, unless a different meaning is clearly apparent from the language or context:

(1) "Commissioner;" means the Commissioner of Labor or designee;

(2) "Employee;" means any individual employed or permitted to work by an employer except:

* * *

(G) taxi-cab drivers; and

(H) outside salespersons; and.

~~(I) students working during all or any part of the school year or regular vacation periods. [Repealed.]~~

(3) “Occupation,” means an industry, trade, or business or branch thereof, or a class of work in which workers are gainfully employed.

(4) “Tip” means a sum of money gratuitously and voluntarily left by a customer for service, or indicated on a bill or charge statement, to be paid to a service or tipped employee for directly and personally serving the customer in a hotel, motel, tourist place, or restaurant. An employer-mandated service charge shall not be considered a tip.

Sec. 6. 21 V.S.A. § 384(a)(2) is amended to read:

~~(2) An employer shall not employ any employee working in Chittenden County at a rate of less than:~~

~~(A) \$10.50;~~

~~(B) \$11.10 beginning on January 1, 2019;~~

~~(C) \$11.75 beginning on January 1, 2020;~~

~~(D) \$12.50 beginning on January 1, 2021;~~

~~(E) \$13.25 beginning on January 1, 2022;~~

~~(F) \$14.10 beginning on January 1, 2023;~~

~~(G) \$15.00 beginning on January 1, 2024; and~~

~~(H) a minimum wage rate on each subsequent January 1 that equals the previous minimum wage rate increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage established pursuant to this subdivision (2) be decreased. [Repealed.]~~

Sec. 7. EFFECTIVE DATES

(a) In Sec. 2, 21 V.S.A. § 384, subdivision (a)(4) shall take effect on January 1, 2019. The remaining provisions of Sec. 2 shall take effect on July 1, 2018.

(b) In Sec. 5, 21 V.S.A. § 383, the amendments to subdivisions (2)(G), (H), and (I) shall take effect on January 1, 2019. The remaining provisions of Sec. 5 shall take effect on July 1, 2018.

(c) Sec. 6 shall take effect on July 1, 2024.

(d) The remaining sections of this act shall take effect on July 1, 2018.

Pending the question, Shall the report of the Committee on General, Housing, and Military Affairs be amended as offered by Rep. Helm of Fair Haven? **Rep. Helm of Fair Haven** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the report of the Committee on General, Housing, and Military Affairs be amended as offered by Rep. Helm of Fair Haven? was decided in the negative. Yeas, 19. Nays, 127.

Those who voted in the affirmative are:

Beck of St. Johnsbury	Higley of Lowell	McFaun of Barre Town
Cupoli of Rutland City	Juskiewicz of Cambridge	Quimby of Concord
Devereux of Mount Holly	Keefe of Manchester	Rosenquist of Georgia
Gamache of Swanton	LaClair of Barre Town	Shaw of Pittsford
Graham of Williamstown	Lewis of Berlin	Smith of Derby
Hebert of Vernon	Martel of Waterford	
Helm of Fair Haven	McCoy of Poultney	

Those who voted in the negative are:

Ainsworth of Royalton	Frenier of Chelsea	O'Sullivan of Burlington
Ancel of Calais	Gage of Rutland City	Pajala of Londonderry
Bancroft of Westford	Gannon of Wilmington	Parent of St. Albans Town
Bartholomew of Hartland	Gardner of Richmond	Partridge of Windham
Baser of Bristol	Giambatista of Essex	Poirier of Barre City
Batchelor of Derby	Gonzalez of Winooski	Potter of Clarendon
Belaski of Windsor	Grad of Moretown	Pugh of South Burlington
Beyor of Highgate	Haas of Rochester	Rachelson of Burlington
Bissonnette of Winooski	Harrison of Chittenden	Read of Fayston
Bock of Chester	Head of South Burlington	Savage of Swanton
Botzow of Pownal	Hill of Wolcott	Scheu of Middlebury
Brennan of Colchester	Hooper of Montpelier	Scheuermann of Stowe
Briglin of Thetford	Hooper of Randolph	Sharpe of Bristol
Browning of Arlington	Houghton of Essex	Sheldon of Middlebury
Brumsted of Shelburne	Howard of Rutland City	Sibilia of Dover
Buckholz of Hartford	Jessup of Middlesex	Smith of New Haven
Burditt of West Rutland	Jickling of Randolph	Squirrell of Underhill
Burke of Brattleboro	Joseph of North Hero	Stevens of Waterbury
Canfield of Fair Haven	Keenan of St. Albans City	Strong of Albany
Carr of Brandon	Kimbell of Woodstock	Stuart of Brattleboro
Chesnut-Tangerman of Middletown Springs	Kitzmillier of Montpelier	Sullivan of Dorset
Christensen of Weathersfield	Krowinski of Burlington	Sullivan of Burlington
Christie of Hartford	Lalonde of South Burlington	Taylor of Colchester
Cina of Burlington	Lanpher of Vergennes	Terenzini of Rutland Town
Colburn of Burlington	Lawrence of Lyndon	Till of Jericho
Conlon of Cornwall	Lefebvre of Newark	Toleno of Brattleboro
Connor of Fairfield	Lippert of Hinesburg	Toll of Danville
Conquest of Newbury	Long of Newfane	Townsend of South Burlington
Copeland-Hanzas of	Macaig of Williston	Trieber of Rockingham
	Marcotte of Coventry	

Bradford	Masland of Thetford	Troiano of Stannard
Corcoran of Bennington	Mattos of Milton	Turner of Milton
Dakin of Colchester	McCormack of Burlington	Van Wyck of Ferrisburgh
Deen of Westminster	McCullough of Williston	Viens of Newport City
Dickinson of St. Albans Town	Miller of Shaftsbury	Walz of Barre City
Donahue of Northfield	Morris of Bennington	Webb of Shelburne
Donovan of Burlington	Morrissey of Bennington	Weed of Enosburgh
Dunn of Essex	Mrowicki of Putney	Willhoit of St. Johnsbury
Emmons of Springfield	Murphy of Fairfax	Wood of Waterbury
Fagan of Rutland City	Myers of Essex	Wright of Burlington
Feltus of Lyndon	Nolan of Morristown	Yacovone of Morristown
Fields of Bennington	Norris of Shoreham	Yantachka of Charlotte
Forguites of Springfield	Noyes of Wolcott	Young of Glover
	Ode of Burlington	

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

Condon of Colchester	Lucke of Hartford	Pearce of Richford
----------------------	-------------------	--------------------

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the committee on General, Housing, and Military Affairs? **Rep. Poirier of Barre City** moved to amend the proposal of amendment as offered by the committee on General, Housing, and Military Affairs as follows:

First: In Sec. 1, 21 V.S.A. § 384, by striking out the section in its entirety and inserting a new Sec. 1 to read:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a)(1) An employer shall not employ any employee at a rate of less than ~~\$9.15.~~ ~~Beginning January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60.~~ ~~Beginning January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00.~~ ~~Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and beginning~~ Beginning on January 1, 2019, an employer shall not employ any employee at a rate of less than \$12.00. Beginning on January 1, 2020, an employer shall not employ any employee at a rate of less than \$13.50. Beginning on January 1, 2021, an employer shall not employ any employee at a rate of less than \$15.00, and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.

(2) An employer shall not employ a secondary school student at a rate of less than the minimum wage established pursuant to subdivision (1) of this subsection minus \$3.00.

(3) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than one-half the minimum wage. As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.

(4) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the U.S. government.

* * *

(e)(1) A tip shall be the sole property of the employee or employees to whom it was paid, given, or left. An employer that permits patrons to pay tips by credit card shall pay an employee the full amount of the tip that the customer indicated, without any deductions for credit card processing fees or costs that may be charged to the employer by the credit card company.

(2) An employer shall not collect, deduct, or receive any portion of a tip left for an employee or credit any portion of a tip left for an employee against the wages due to the employee pursuant to subsection (a) of this section.

(3) This subsection shall not be construed to prohibit the pooling of tips among service or tipped employees as defined pursuant to subsection (a) of this section.

Second: In Sec. 3, minimum wage, report regarding adjustments for inflation, after "On or before January 15," by striking out "2023" and inserting in lieu thereof "2020"

Third: In Sec. 3, minimum wage, report regarding adjustments for inflation, after "inflation after" by striking out "2024" and inserting in lieu thereof "2021"

Pending the question, Shall the report of the Committee on General, Housing, and Military Affairs be amended as offered by Rep. Poirier of Barre City? **Rep. Poirier of Barre City** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the report of the Committee on General, Housing, and Military Affairs be amended as offered by Rep. Poirier of Barre City? was decided in the negative. Yeas, 12. Nays, 134.

Those who voted in the affirmative are:

Cina of Burlington	Graham of Williamstown	McCullough of Williston
Colburn of Burlington	Hooper of Randolph	Morris of Bennington
Fields of Bennington	Howard of Rutland City	Poirier of Barre City *
Gonzalez of Winooski	Macaig of Williston	Walz of Barre City

Those who voted in the negative are:

Ainsworth of Royalton	Gamache of Swanton	Ode of Burlington
Ancel of Calais	Gannon of Wilmington	O'Sullivan of Burlington
Bancroft of Westford	Gardner of Richmond	Pajala of Londonderry
Bartholomew of Hartland	Giambatista of Essex	Parent of St. Albans Town
Baser of Bristol	Grad of Moretown	Partridge of Windham
Batchelor of Derby	Haas of Rochester	Potter of Clarendon
Beck of St. Johnsbury	Harrison of Chittenden	Pugh of South Burlington
Belaski of Windsor	Head of South Burlington	Quimby of Concord
Beyor of Highgate	Hebert of Vernon	Rachelson of Burlington
Bissonnette of Winooski	Helm of Fair Haven	Read of Fayston
Bock of Chester	Higley of Lowell	Rosenquist of Georgia
Botzow of Pownal	Hill of Wolcott	Savage of Swanton
Brennan of Colchester	Hooper of Montpelier	Scheu of Middlebury
Briglin of Thetford	Houghton of Essex	Scheuermann of Stowe
Browning of Arlington	Jessup of Middlesex	Sharpe of Bristol
Brumsted of Shelburne	Jickling of Randolph	Shaw of Pittsford
Buckholz of Hartford	Joseph of North Hero	Sheldon of Middlebury
Burditt of West Rutland	Juskiewicz of Cambridge	Sibilia of Dover
Burke of Brattleboro	Keefe of Manchester	Smith of Derby
Canfield of Fair Haven	Keenan of St. Albans City	Smith of New Haven
Carr of Brandon	Kimbell of Woodstock	Squirrell of Underhill
Chesnut-Tangerman of Middletown Springs *	Kitzmiller of Montpelier	Stevens of Waterbury
Christensen of Weathersfield	Krowinski of Burlington	Strong of Albany
Christie of Hartford	LaClair of Barre Town	Stuart of Brattleboro
Conlon of Cornwall	Lalonde of South Burlington	Sullivan of Dorset
Connor of Fairfield	Lanpher of Vergennes	Sullivan of Burlington
Conquest of Newbury	Lawrence of Lyndon	Taylor of Colchester
Copeland-Hanzas of Bradford	Lefebvre of Newark	Terenzini of Rutland Town
Corcoran of Bennington	Lewis of Berlin	Till of Jericho
Cupoli of Rutland City	Lippert of Hinesburg	Toleno of Brattleboro
Dakin of Colchester	Long of Newfane	Toll of Danville
Deen of Westminster	Marcotte of Coventry	Townsend of South Burlington
Devereux of Mount Holly	Martel of Waterford	Trieber of Rockingham
Dickinson of St. Albans Town	Masland of Thetford	Troiano of Stannard
Donahue of Northfield	Mattos of Milton	Turner of Milton
Donovan of Burlington	McCormack of Burlington	Van Wyck of Ferrisburgh
Dunn of Essex	McCoy of Poultney	Viens of Newport City
Emmons of Springfield	McFaun of Barre Town *	Webb of Shelburne
Fagan of Rutland City	Miller of Shaftsbury	Weed of Enosburgh *
Feltus of Lyndon	Morrissey of Bennington	Willhoit of St. Johnsbury
Forguites of Springfield	Mrowicki of Putney	Wood of Waterbury
	Murphy of Fairfax	Wright of Burlington
	Myers of Essex	Yacovone of Morristown
	Nolan of Morristown	

Frenier of Chelsea
Gage of Rutland City

Norris of Shoreham
Noyes of Wolcott

Yantachka of Charlotte
Young of Glover

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

Condon of Colchester

Lucke of Hartford

Pearce of Richford

Rep. Chesnut-Tangerman of Middletown Springs explained his vote as follows:

“Madam Speaker:

In my district there are no large employers. There are farmers, loggers, slate quarries, and small shops. While I would love to see all Vermonters earning at least \$15/hour today, the reality that I see is that these small businesses cannot make this big a jump this fast. I reluctantly voted NO.”

Rep. McFaun of Barre Town explained his vote as follows:

“Madam Speaker:

I vote no on S.40 Poirier amendment. Increasing the earned income tax credit is a much more stable way to decrease poverty – and it doesn’t have any side effects like job loss or hours of work cut or benefit reductions.”

Rep. Poirier of Barre City explained his vote as follows:

“Madam Speaker:

I voted yes because this amendment was a chance to bring the minimum wage to an amount that reflects people’s chances to join the ranks of being self-independent. Madam Speaker, our vote on this amendment is a sad day for the working poor.”

Rep. Weed of Enosburgh explained her vote as follows:

“Madam Speaker:

I voted no, but not because I think that workers don’t deserve – they do. Instead I trust the good work of your General, Housing, and Military Affairs committee in thoroughly vetting this bill. This is indeed a good small step forward. We must consider small business and I believe that we have.”

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on General, Housing, and Military Affairs? **Rep. Krowinski of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on General, Housing, and Military Affairs? was decided in the affirmative. Yeas, 77. Nays, 69.

Those who voted in the affirmative are:

Ancel of Calais	Fields of Bennington	Noyes of Wolcott
Bartholomew of Hartland	Forguites of Springfield	Ode of Burlington
Belaski of Windsor	Gardner of Richmond	O'Sullivan of Burlington
Bissonnette of Winooski	Giambatista of Essex	Partridge of Windham
Bock of Chester	Gonzalez of Winooski	Potter of Clarendon
Botzow of Pownal	Grad of Moretown *	Pugh of South Burlington
Briglin of Thetford	Haas of Rochester	Rachelson of Burlington
Brumsted of Shelburne	Head of South Burlington	Scheu of Middlebury
Buckholz of Hartford	Hill of Wolcott	Sharpe of Bristol
Burke of Brattleboro	Hooper of Montpelier	Sheldon of Middlebury
Carr of Brandon	Hooper of Randolph	Squirrell of Underhill
Chesnut-Tangerman of Middletown Springs	Houghton of Essex	Stevens of Waterbury *
Christensen of Weathersfield	Howard of Rutland City	Stuart of Brattleboro *
Christie of Hartford *	Jessup of Middlesex	Sullivan of Dorset *
Cina of Burlington *	Kitzmiller of Montpelier	Sullivan of Burlington
Colburn of Burlington	Krowinski of Burlington	Till of Jericho
Conlon of Cornwall	Lalonde of South Burlington	Toleno of Brattleboro
Connor of Fairfield	Lanpher of Vergennes	Toll of Danville
Conquest of Newbury	Lippert of Hinesburg	Townsend of South Burlington
Copeland-Hanzas of Bradford	Long of Newfane	Troiano of Stannard
Corcoran of Bennington	Macaig of Williston	Walz of Barre City
Deen of Westminster	Masland of Thetford	Webb of Shelburne
Donovan of Burlington	McCormack of Burlington	Weed of Enosburgh
Dunn of Essex	McCullough of Williston	Yacovone of Morristown
Emmons of Springfield	Miller of Shaftsbury	Yantachka of Charlotte *
	Morris of Bennington *	
	Mrowicki of Putney *	

Those who voted in the negative are:

Ainsworth of Royalton	Hebert of Vernon	Parent of St. Albans Town
Bancroft of Westford	Helm of Fair Haven	Poirier of Barre City
Baser of Bristol	Higley of Lowell	Quimby of Concord
Batchelor of Derby	Jickling of Randolph	Read of Fayston *
Beck of St. Johnsbury	Joseph of North Hero	Rosenquist of Georgia
Beyor of Highgate	Juskiewicz of Cambridge	Savage of Swanton
Brennan of Colchester	Keefe of Manchester	Scheuermann of Stowe
Browning of Arlington *	Keenan of St. Albans City	Shaw of Pittsford
Burditt of West Rutland	Kimbell of Woodstock	Sibilia of Dover
Canfield of Fair Haven	LaClair of Barre Town	Smith of Derby
Cupoli of Rutland City	Lawrence of Lyndon	Smith of New Haven
Dakin of Colchester	Lefebvre of Newark	Strong of Albany
Devereux of Mount Holly	Lewis of Berlin	Taylor of Colchester
Dickinson of St. Albans Town	Marcotte of Coventry	Terenzini of Rutland Town
Donahue of Northfield	Martel of Waterford	Trieber of Rockingham
Fagan of Rutland City	Mattos of Milton	Turner of Milton *
Feltus of Lyndon	McCoy of Poultney	Van Wyck of Ferrisburgh *
Frenier of Chelsea	McFaun of Barre Town	Viens of Newport City
	Morrissey of Bennington	Willhoit of St. Johnsbury

Gage of Rutland City	Murphy of Fairfax	Wood of Waterbury *
Gamache of Swanton *	Myers of Essex	Wright of Burlington *
Gannon of Wilmington	Nolan of Morristown	Young of Glover
Graham of Williamstown	Norris of Shoreham	
Harrison of Chittenden *	Pajala of Londonderry	

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

Condon of Colchester	Lucke of Hartford	Pearce of Richford
----------------------	-------------------	--------------------

Rep. Browning of Arlington explained her vote as follows:

“Madam Speaker:

Good intentions will not suspend the laws of economics. I vote no because: 1) this bill will hurt some of the Vermonters it is intended to help; 2) this bill will likely hurt regions of the state that are already struggling; 3) House Appropriations could not support this bill, perhaps due to uncertainty about the effects on the budget, and 4) this bill was never referred to House Ways & Means despite potential effects on the revenues of the state.”

Rep. Christie of Hartford explained his vote as follows:

“Madam Speaker:

I simply voted yes as I put my buttons on my jacket. I pulled out my VALIC button which simply says “remember low income Vermonters.”

Rep. Cina of Burlington explained his vote as follows:

“Madam Speaker:

No one who works 40 hours a week should be living on the cusp of poverty. By raising the minimum wage over time to \$15 per hour, we take another step towards a more just economy. A rising tide lifts all boats.”

Rep. Gamache of Swanton explained her vote as follows:

“Madam Speaker:

I voted No! If the goal of this legislative body is to reduce poverty in VT, then this body would pan regulatory and tax laws that would create economic policies where all businesses would thrive and grow, so that employment and wages would increase organically. This bill does not accomplish that goal and places additional hardships on businesses.”

Rep. Grad of Moretown explained her vote as follows:

“Madam Speaker:

I voted yes because raising the minimum wage is a key element of effective criminal justice reform and vital to support Vermonters’ enjoyment of their

civil liberties.

Raising the minimum wage can be expected to have a positive effect on reducing Vermont's crime and incarceration rates, saving Vermont money and improving the lives of Vermonters and their families.

According to a White House study of 2016, studies have found that increases in the minimum wage significantly decrease crime. When low-skilled workers are paid higher wages, violent and property crimes are reduced.

According to a study done by the ACLU of New Jersey, crime and poverty are correlated and criminal behavior is often motivated by a lack of economic opportunity. Studies estimate that a 10 percent increase in wages for non-college educated men could result in a 10-20 percent reduction in crime rates.

Access to life's basic needs is critical to order to enjoy the rights and freedoms guaranteed by the Vermont and federal constitutions. People cannot participate fully in society and therefore utilize their constitutional and civil liberties if they are struggling to provide for themselves and their families. Without a sufficient wage, the basic necessities are out of reach for too many Vermonters.

Safe communities are good for the economy. Raising the minimum wage is workforce development and an integral part of sound justice reform."

Rep. Harrison of Chittenden explained his vote as follows:

"Madam Speaker:

We do not possess a magic wand. We cannot pass an edict from Montpelier for \$15 and assume there will not be negative consequences to our economy and our small businesses."

Rep. Morris of Bennington explained her vote as follows:

"Madam Speaker:

As a person who has wrestled with the pains and trauma of poverty as a child and adult, I can say with certainty that a dignified wage provides a dignified life. When my family struggled we disappeared from our local economy. We survived and made choices to not support restaurants, theaters and retailers to save money. This should not be underestimated as we seek to uplift Vermonters and support the local economies those workers sustain."

Rep. Mrowicki of Putney explained his vote as follows:

"Madam Speaker:

For many Americans our economy is "upside-down." Those on the bottom

are working harder without getting ahead and the middle class, the Foundation of America, continues to shrink.

Economic justice demands we level the playing field and this bill makes a start.”

Rep. Read of Fayston explained his vote as follows:

“Madam Speaker:

If I’m fortunate enough to be re-elected, I’ll have some Economics textbooks in my desk and encourage the members of the body to read through them when they get an opportunity. You may well be enlightened.”

Rep. Stevens of Waterbury explained his vote as follows:

“Madam Speaker:

I voted yes for S.40 because I know that if it is signed into law, Vermonters who work will get a raise. Anytime I have the opportunity to vote to give more money to Vermonters, I’ll do it.”

Rep. Stuart of Brattleboro explained her vote as follows:

“Madam Speaker:

As long as I live, I shall never forget a 10-year-old boy I met some years ago in the cafeteria. He was with an advocate. He was poor. And he was homeless.

At one point early in our conversation, he squirmed, looked around and whispered to his advocate he didn’t want to talk in the cafeteria anymore. He didn’t want to talk anymore because he thought people would know he was poor and he was homeless.

Madam Speaker, No one in Vermont or in the United States of America should be poor or homeless, let alone suffer the stigma our society casts on our fellow human beings plagued by poverty.

Madam Speaker, We are a wealthy country, and we should pay our people a decent wage so they can care for themselves and their families. I am proud to support the minimum wage increase, which will help Vermont’s working poor lift themselves out of poverty.”

Rep. Sullivan of Dorset explained her vote as follows:

“Madam Speaker:

In principle I support raising the minimum wage. However, I think there will always be unknowns with a move like this. I think it is important to keep in mind that VT already has a minimum wage well above what most other

states have and ours is indexed to inflation. So we start from a better place than many other states. The proposed headline of \$15 minimum wage actually just means that the increases will be well higher than inflation for the next number of years.

If the economy goes swimmingly, that will mean just a bit of a bump from what would have been the case anyway. If the economy goes into the tank then these increases may start to look like they might exacerbate a tough economy in terms of availability of employment.

A no recommendation from House Appropriations signals to me that the Committee that is responsible for considering the fiscal impact has grave concerns about the practicability of an increase to minimum wage in Vermont at this time. I concur.

I have been charged with being my constituents' voice. Hence my yes vote."

Rep. Turner of Milton explained his vote as follows:

"Madam Speaker:

Rising tide sinks boats that are moored to heavy burdens of increased minimum wages, government regulation and expanding tort process.

I support the increase in the minimum wage as it exists in current law and that's why I voted no on S.40. I believe we need to work to improve the economy so our small businesses can thrive. This proposal does the opposite."

Rep. Van Wyck of Ferrisburgh explained his vote as follows:

"Madam Speaker:

I voted No. The minimum wage is zero or less for many dairy farmers working over sixty hours per week. This bill ensures hundreds more current or would-be workers will have no job and a wage of zero."

Rep. Wood of Waterbury explained her vote as follows:

"Madam Speaker:

Today I wish I could have supported raising the minimum wage. But with many decisions there are consequences. I could not live with the consequences of this bill. I voted no because this bill will have a detrimental impact on older Vermonters, individuals with disabilities and their families who rely on state and federal funding for help with basic activities of daily living like dressing, bathing and eating. Their services are funded by state and federal dollars. An increase in the minimum wage without a comparable increase in the funding to support those who cannot work, is an automatic decrease in the very services

that these individuals rely on just to live every day. This bill does not raise the water for everyone. Today I stand for those individuals whose voice needs to be heard.”

Rep. Wright of Burlington explained his vote as follows:

“Madam Speaker:

I voted no. This bill will cost jobs, reduce hours and benefits. In addition, the bill is an anti-small business bill that in this case will create a rising tide that may drown anything in its path. Ready to row, Governor.”

Rep. Yantachka of Charlotte explained his vote as follows:

“Madam Speaker:

I vote yes to raise the minimum wage not because it’s good politics, but because it reflects my values, specifically that everyone deserves to be paid a fair wage for the work they do. The majority of Vermonters will tell us that Vermont is unaffordable, regardless of the amount of wealth they have. Those who are most affected by the lack of affordability are those at the bottom of the wage ladder and they are the ones this bill will help.”

Thereupon, third reading was ordered.

Senate Proposal of Amendment Concurred in With a Further Amendment Thereto

H. 912

The Senate proposed to the House to amend House bill, entitled
An act relating to the health care regulatory duties of the Green Mountain Care Board

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

First: In Sec. 4, 18 V.S.A. § 9405(b), by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) ~~The Plan shall include~~ In developing the Plan, the Board shall:

(A) ~~A statement of principles reflecting the policies consider the principles in section 9371 of this title, as well as the purposes enumerated in sections 9401 and 9431 of this chapter to be used in allocating resources and in establishing priorities for health services.~~ title;

(B) ~~Identification of the current supply and distribution of hospital, nursing home, and other inpatient services; home health and mental health services; treatment and prevention services for alcohol and other drug abuse; emergency care; ambulatory care services, including primary care resources,~~

~~federally qualified health centers, and free clinics; major medical equipment; and health screening and early intervention services.~~

~~(C) Consistent with the principles set forth in subdivision (A) of this subdivision (1), recommendations for the appropriate supply and distribution of resources, programs, and services identified in subdivision (B) of this subdivision (1), options for implementing such recommendations and mechanisms which will encourage the appropriate integration of these services on a local or regional basis. To arrive at such recommendations, the Green Mountain Care Board shall consider at least the following factors:~~

- ~~(i) the values and goals reflected in the State Health Plan;~~
- ~~(ii) the needs of the population on a statewide basis;~~
- ~~(iii) the needs of particular geographic areas of the State, as identified in the State Health Plan;~~
- ~~(iv) the needs of uninsured and underinsured populations;~~
- ~~(v) the use of Vermont facilities by out-of-state residents;~~
- ~~(vi) the use of out-of-state facilities by Vermont residents;~~
- ~~(vii) the needs of populations with special health care needs;~~
- ~~(viii) the desirability of providing high quality services in an economical and efficient manner, including the appropriate use of midlevel practitioners;~~
- ~~(ix) the cost impact of these resource requirements on health care expenditures;~~
- ~~(x) the overall quality and use of health care services as reported by the Vermont Program for Quality in Health Care and the Vermont Ethics Network;~~
- ~~(xi) the overall quality and cost of services as reported in the annual hospital community reports;~~
- ~~(xii) individual hospital four-year capital budget projections; and~~
- ~~(xiii) the four-year projection of health care expenditures prepared by the Board~~

(B) identify priorities using information from:

- (i) the State Health Improvement Plan;
- (ii) the community health needs assessments required by section 9405a of this title;

(iii) available health care workforce information;

(iv) materials provided to the Board through its other regulatory processes, including hospital budget review, oversight of accountable care organizations, issuance and denial of certificates of need, and health insurance rate review; and

(v) the public input process set forth in this section;

(C) use existing data sources to identify and analyze the gaps between the supply of health resources and the health needs of Vermont residents and to identify utilization trends to determine areas of underutilization and overutilization; and

(D) consider the cost impacts of fulfilling any gaps between the supply of health resources and the health needs of Vermont residents.

Second: By striking out Sec. 11, 32 V.S.A. § 307(d), in its entirety and inserting in lieu thereof the following:

Sec. 11. [Deleted.]

Third: By inserting a reader assistance heading and a new section to be Sec. 13a to read as follows:

* * * Accountable Care Organizations; Fair and Equitable
Payment Amounts * * *

Sec. 13a. 18 V.S.A. § 9382 is amended to read:

§ 9382. OVERSIGHT OF ACCOUNTABLE CARE ORGANIZATIONS

(a) In order to be eligible to receive payments from Medicaid or commercial insurance through any payment reform program or initiative, including an all-payer model, each accountable care organization shall obtain and maintain certification from the Green Mountain Care Board. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish standards and processes for certifying accountable care organizations. To the extent permitted under federal law, the Board shall ensure these rules anticipate and accommodate a range of ACO models and sizes, balancing oversight with support for innovation. In order to certify an ACO to operate in this State, the Board shall ensure that the following criteria are met:

* * *

(3) The ACO has established appropriate mechanisms to receive and distribute payments to its participating health care providers in a fair and equitable manner. To the extent that the ACO has the authority and ability to establish provider reimbursement rates, the ACO shall minimize differentials

in payment methodology and amounts among comparable participating providers across all practice settings, as long as doing so is not inconsistent with the ACO's overall payment reform objectives.

* * *

Fourth: By striking out Sec. 15 in its entirety and adding six new sections to read as follows:

* * * Medicaid Budget Estimates * * *

Sec. 15. 32 V.S.A. § 305a(c) is amended to read:

(c)(1)(A) The January estimates shall include estimated caseloads and estimated per-member per-month expenditures for the current and next succeeding fiscal years for each Medicaid enrollment group as defined by the Agency and the Joint Fiscal Office for State Health Care Assistance Programs or premium assistance programs supported by the State Health Care Resources and Global Commitment Funds, and for the Programs under any Medicaid Section 1115 waiver.

(B) For Board consideration, there shall be provided ~~two~~ three versions of the next succeeding fiscal year's estimated per-member per-month expenditures:

(i) one version shall include an increase in Medicaid provider reimbursements in order to ensure that the expenditure estimates reflect amounts attributable to health care inflation as required by subdivisions 307(d)(5) and (d)(6) of this title and inflation trends as set forth in subdivision 307(d)(5) of this title;

(ii) one version shall be without the inflationary adjustment; and

(iii) one version shall reflect any additional increase or decrease to Medicaid provider reimbursements that would be necessary to attain Medicare levels as set forth in subdivision 307(d)(6) of this title.

(C) For VPharm, the January estimates shall include estimated caseloads and estimated per-member per-month expenditures for the current and next succeeding fiscal years by income category.

(D) The January estimates shall include the expenditures for the current and next succeeding fiscal years for the Medicare Part D phased-down State contribution payment and for the disproportionate share hospital payments.

(2) In July, the Administration and the Joint Fiscal Office shall make a report to the Emergency Board on the most recently ended fiscal year for all Medicaid and Medicaid-related programs, including caseload and expenditure

information for each Medicaid eligibility group. Based on this report, the Emergency Board may adopt revised estimates for the current fiscal year and estimates for the next succeeding fiscal year.

Sec. 16. 32 V.S.A. § 307(d) is amended to read:

(d) The Governor's budget shall include his or her recommendations for an annual budget for Medicaid and all other health care assistance programs administered by the Agency of Human Services. The Governor's proposed Medicaid budget shall include a proposed annual financial plan, and a proposed five-year financial plan, with the following information and analysis:

* * *

(5) health care inflation trends ~~consistent with that~~ reflect consideration of provider reimbursements approved under 18 V.S.A. § 9376 and expenditure trends reported under 18 V.S.A. § 9375a 9383;

* * *

* * * Green Mountain Care Board Billback Formula * * *

Sec. 17. 18 V.S.A. § 9374(h) is amended to read:

(h)(1) The Board may assess and collect from each regulated entity the actual costs incurred by the Board, including staff time and contracts for professional services, in carrying out its regulatory duties for health insurance rate review under 8 V.S.A. § 4062; hospital budget review under chapter 221, subchapter 7 of this title; and accountable care organization certification and budget review under section 9382 of this title.

(2)(A) Except In addition to the assessment and collection of actual costs pursuant to subdivision (1) of this subsection and except as otherwise provided in subdivision (2) subdivisions (2)(C) and (3) of this subsection, all other expenses incurred to obtain information, analyze expenditures, review hospital budgets, and for any other contracts authorized by of the Board shall be borne as follows:

(A)(i) 40 percent by the State from State monies;

(B)(ii) ~~15~~ 30 percent by the hospitals;

(C)(iii) 15 ~~24~~ percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125;

(D) ~~15 percent by,~~ health insurance companies licensed under 8 V.S.A. chapter 101; ~~and~~

(E) ~~15 percent by,~~ and health maintenance organizations licensed under 8 V.S.A. chapter 139; ~~and~~

(iv) six percent by accountable care organizations certified under section 9382 of this title.

(B) Expenses under subdivision (A)(iii) of this subdivision (2) shall be allocated to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this subdivision (2) shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care, limited benefits, disability, credit or stop loss, or excess loss insurance coverage.

(C) Expenses incurred by the Board for regulatory duties associated with certificates of need shall be assessed pursuant to the provisions of section 9441 of this title and not in accordance with the formula set forth in subdivision (A) of this subdivision (2).

~~(2)~~(3) The Board may determine the scope of the incurred expenses to be allocated pursuant to the formula set forth in subdivision ~~(1)~~(2) of this subsection if, in the Board's discretion, the expenses to be allocated are in the best interests of the regulated entities and of the State.

~~(3) Expenses under subdivision (1) of this subsection shall be billed to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this section shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care or limited benefits, disability, credit or stop loss, or excess loss insurance coverage.~~

(4) If the amount of the proportional assessment to any entity calculated in accordance with the formula set forth in subdivision (2)(A) of this subsection would be less than \$150.00, the Board shall assess the entity a minimum fee of \$150.00. The Board shall apply the amounts collected based on the difference between each applicable entity's proportional assessment amount and \$150.00 to reduce the total amount assessed to the regulated entities pursuant to subdivisions (2)(A)(ii)-(iv) of this subsection.

* * * Composition of Green Mountain Care Board and Advisory Group * * *

Sec. 18. 18 V.S.A. § 9374 is amended to read:

§ 9374. BOARD MEMBERSHIP; AUTHORITY

(a)(1) On July 1, 2011, the Green Mountain Care Board is created and shall consist of a chair and four members. The Chair and all of the members shall be State employees and shall be exempt from the State classified system. The Chair shall receive compensation equal to that of a Superior judge, and the compensation for the remaining members shall be two-thirds of the amount

received by the Chair.

(2) The Chair and the members of the Board shall be nominated by the Green Mountain Care Board Nominating Committee established in subchapter 2 of this chapter using the qualifications described in section 9392 of this chapter and shall be otherwise appointed and confirmed in the manner of a Superior judge. The Governor shall not appoint a nominee who was denied confirmation by the Senate within the past six years. At least one member of the Board shall be an individual licensed to practice medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as a registered nurse or an advanced practice registered nurse under 26 V.S.A. chapter 28.

* * *

(c)(1) No Board member shall, during his or her term or terms on the Board, be an officer of, director of, organizer of, employee of, consultant to, or attorney for any person subject to supervision or regulation by the Board; provided that ~~for a health care practitioner, the employment restriction in this subdivision shall apply only to administrative or managerial employment or affiliation with a hospital or other health care facility, as defined in section 9432 of this title, and shall not be construed to limit generally the ability of the health care practitioner to practice his or her profession~~ these restrictions shall not preclude a Board member who is a health care professional from participating in an accountable care organization as long as the Board member is not otherwise affiliated in any way with a person subject to supervision or regulation by the Board.

* * *

* * * Regulation of Freestanding Health Care Facilities * * *

Sec. 19. REGULATION OF FREESTANDING HEALTH CARE FACILITIES; WORKING GROUP; REPORT

(a) The Secretary of Human Services or designee shall convene a working group to develop recommendations for the regulation of freestanding health care facilities and their role in a coordinated and cohesive health care delivery system. The recommendations shall include:

(1) whether and how the State should license and regulate ambulatory surgical centers, freestanding birth centers, urgent care clinics, retail health clinics, and other freestanding health care facilities; and

(2) whether and to what extent these facilities should participate in Vermont's health care reform initiatives.

(b) The working group shall comprise representatives of ambulatory

surgical centers, urgent care clinics, hospitals, the Green Mountain Care Board, the Department of Vermont Health Access, the Department of Health, the Office of the Health Care Advocate, the Vermont Program for Quality in Health Care, Inc., and other interested stakeholders.

(c) On or before February 1, 2019, the working group shall provide its recommendations to the House Committees on Health Care and on Ways and Means, the Senate Committees on Health and Welfare and on Finance, and the Health Reform Oversight Committee.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) Secs. 6 (certificate of need) and 17 (billback formula) shall take effect on July 1, 2018, provided that for applications for a certificate of need that are already in process on that date, the rules and procedures in place at the time the application was filed shall continue to apply until a final decision is made on the application.

(b) Sec. 18 shall take effect on passage and shall apply beginning with the first vacancy occurring on the Green Mountain Care Board on or after that date; provided, however, that it shall not be construed to disqualify a non-health care professional member serving on the Board on the date of passage of this act from being reappointed after the date of passage to serve one or more additional terms.

(c) The remaining sections of this act shall take effect on passage.

Pending the question Will the House concur in the Senate proposal of amendment? **Rep. Donahue of Northfield**, moved that the House concur in the Senate Proposal of Amendment with further proposal of amendment as follows:

First: By striking out Sec. 18, 18 V.S.A. § 9374, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

Sec. 18. [Deleted.]

Second: In Sec. 20, effective dates, by striking out subsection (b) in its entirety and redesignating subsection (c) to be subsection (b)

Which was agreed to.

Senate Proposal of Amendment Concurred in With a Further Amendment Thereto

H. 913

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

An act relating to boards and commissions

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:

* * * Merger of Groundwater and Well Water Committees * * *

Sec. 1. 10 V.S.A. § 1392 is amended to read:

§ 1392. DUTIES; POWERS OF SECRETARY

(a) The Secretary shall develop a comprehensive groundwater management program to protect the quality of groundwater resources by:

* * *

(c)(1) The Secretary shall establish a groundwater coordinating committee, with representation from the Division of Drinking Water and Groundwater Protection within the Department, the Division of Geology and Mineral Resources within the Department, the Agency of Agriculture, Food and Markets, and the Departments of Forests, Parks and Recreation and of Health to provide advice in the development of the program and its implementation, on issues concerning groundwater quality and quantity, and on groundwater issues relevant to well-drilling activities and the licensure of well drillers.

(2) In carrying out his or her duties under this subchapter, the Secretary shall give due consideration to the recommendations of the groundwater coordinating committee.

(3) The Secretary may request representatives of other agencies and the private sector, including licensed well drillers, to serve on the groundwater coordinating committee.

* * *

Sec. 2. 10 V.S.A. § 1395b is amended to read:

§ 1395b. ~~WATER WELL ADVISORY COMMITTEE~~

~~(a) The Vermont water well advisory committee is created. The committee shall consist of seven members: the director of the groundwater and water supply division, the state geologist, a representative from the department of health, and four members appointed by the governor. Three of the four public members shall be licensed well drillers, with at least five years of experience. The fourth public member shall be a person not associated with the well-drilling business who has an interest in wells and water quality.~~

~~(b) The purpose of the committee is to advise and assist agency personnel in the formulation of policy, including recommended statutory and regulatory changes, regarding the proper installation and maintenance of water wells,~~

~~licensing of well drillers, and groundwater issues impacted by well-drilling activities. The committee shall promote and encourage cooperation and communication between governmental agencies, licensed well drillers, and members of the general public.~~

~~(c) Members shall be appointed for terms of five years, with the initial appointments of the public members made for lesser terms, so that the appointments do not all expire simultaneously. Vacancies shall be filled by the governor for the length of an unexpired term.~~

~~(d) The committee shall elect a chair and a secretary, and shall meet from time to time as may be necessary, but not less than quarterly.~~

~~(e) The public members of the committee shall be volunteers, and will serve without compensation. [Repealed.]~~

Sec. 3. IMPLEMENTATION

~~(a) The terms of the members of the Vermont Water Well Advisory Committee shall expire on the effective date of this act.~~

~~(b) The Secretary of Natural Resources may provide those members with the opportunity to serve on the groundwater coordinating committee.~~

* * * Repeal of Valuation Appeal Board * * *

Sec. 4. 32 V.S.A. § 5407 is amended to read:

§ 5407. VALUATION APPEAL BOARD

~~(a) There is established a Valuation Appeal Board to consist of five members. The members shall be appointed by the Governor with the advice and consent of the Senate, for three-year terms beginning February 1 of the year in which the appointment is made, except that one of the initial appointments shall be for a term of one year and two of the initial appointments shall be for a term of two years. A vacancy in the Board shall be filled in the same manner as the original appointment for the unexpired portion of the term vacated.~~

~~(b) Persons serving on the Appeal Board shall be knowledgeable and experienced in at least one of the following fields: agriculture, business management, law, taxation, appraisal and valuation techniques, municipal affairs, or related areas. No member of the Valuation Appeal Board shall be otherwise employed by the State or be a lister. In making appointments, attention shall be given to the desirability of providing geographical balance to the degree reasonably practical.~~

~~(c) A Chair shall be designated biennially by the Governor from among the members of the Board and any vacancy in the Office of the Chair shall be~~

~~filled by designation of the Governor.~~

~~(d) Members of the Valuation Appeal Board shall receive a sum not to exceed \$80.00 per diem for each day of official duties of the Board together with reimbursement of reasonable expenses incurred in the performance of their duties, as determined by the Director of Property Valuation and Review.~~

~~(e) The Board shall be attached for administrative purposes to the Division of Property Valuation and Review of the Department of Taxes of the Agency of Administration. [Repealed.]~~

Sec. 5. 32 V.S.A. § 5408 is amended to read:

§ 5408. PETITION FOR REDETERMINATION

(a) Not later than 35 days after mailing of a notice under section 5406 of this title, a municipality may petition the Director of Property Valuation and Review for a redetermination of the municipality's equalized education property value and coefficient of dispersion. ~~Such~~ The petition shall be in writing and shall be signed by the chair of the legislative body of the municipality or his or her designee.

(b)(1) Upon receipt of a petition for redetermination under subsection (a) of this section, the Director shall, after written notice, grant a hearing upon the petition to the aggrieved town.

(2) The Director shall thereafter notify the town and the Secretary of Education of his or her redetermination of the equalized education property value and coefficient of dispersion of the town or district, in the manner provided for notices of original determinations under section 5406 of this title.

(c)(1) A municipality, within 30 days ~~of~~ after the Director's redetermination, may appeal the redetermination to the ~~Valuation Appeal Board~~. ~~The Board shall notify the appellee of the filing of the appeal. The appeal shall be heard de novo in the manner provided by 3 V.S.A. chapter 25 for the hearing of contested cases.~~

~~(d) A municipality or the Division of Property Valuation and Review may appeal from a decision of the Valuation Appeal Board to the Superior Court of the county in which the municipality is located. The Superior Court shall hear the matter de novo in the manner provided by V.R.C.P. Rule 74 of the Vermont Rules of Civil Procedure.~~

(2) An appeal from the decision of the Superior Court shall be to the Supreme Court under the Vermont Rules of Appellate Procedure.

* * * Permitting Per Diems Currently Prohibited * * *

Sec. 6. 3 V.S.A. § 22 is amended to read:

§ 22. THE COMMISSION ON WOMEN

(a)(1) The Commission on Women is created as the successor to the Governor's Commission on Women established by Executive Order No. 20-86. The Commission shall be organized and have the duties and responsibilities as provided in this section.

(2) The Commission shall be an independent agency of the government of Vermont and shall not be subject to the control of any other department or agency.

(3) Members of the Commission shall be drawn from throughout the State and from diverse racial, ethnic, religious, age, sexual orientation, and socioeconomic backgrounds, and shall have had experience working toward the improvement of the status of women in society.

(b) The Commission shall consist of 16 members, appointed as follows:

(1) Eight members shall be appointed by the Governor; ~~no, not~~ more than four of whom shall be from one political party.

(2)(A) ~~Six~~ Eight members shall be appointed by the legislature General Assembly, ~~three~~ four by the Senate Committee on Committees, and ~~three~~ four by the Speaker of the House; ~~no~~.

(B) Not more than two appointees shall be members of the legislature. ~~Each~~ General Assembly, and each appointing authority shall appoint ~~no~~ not more than two members from the same political party.

(3) ~~Two members, one each from the two major political parties.~~

(c) The terms of members shall be four years. ~~Members of the Commission currently appointed and serving pursuant to Executive Order No. 20-86 on July 1, 2002 may continue to serve for the duration of the four year term to which they were appointed. As terms of currently serving members expire, appointments of successors shall be in accord with the provisions of subsection (b) of this section, and made in the following order:~~

(1) ~~For terms expiring on June 30, 2002, two shall be made by the Governor, one shall be made by the Committee on Committees and one shall be made by the speaker.~~

(2) ~~For terms expiring on June 30, 2003, two shall be made by the Governor, and one each shall be made by the two major political parties.~~

(3) ~~For terms expiring on June 30, 2004, two shall be made by the Governor, one shall be made by the Committee on Committees and one shall be made by the speaker.~~

~~(4) For terms expiring on June 30, 2005, two shall be made by the Governor, one shall be made by the Committee on Committees and one shall be made by the Speaker. Thereafter, appointments~~ 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.

(d)(1) Members of the Commission shall elect biennially by majority vote a the Chair of the Commission.

(2) Members of the Commission shall ~~receive no be entitled to receive per diem compensation for their services, but shall be entitled to and reimbursement for of expenses in the manner and amount provided to employees of the State as permitted under 32 V.S.A. § 1010, which shall be paid by the Commission.~~

* * *

(i)(1) No part of any funds appropriated to the Commission by the legislature General Assembly shall, in the absence of express authorization by the Legislature General Assembly, be used directly or indirectly for legislative or administrative advocacy. The Commission shall review and amend as necessary all existing contracts and grants to ensure compliance with this subsection.

(2) ~~For purposes of~~ As used in this subsection, legislative or administrative advocacy means employment of a lobbyist as defined in 2 V.S.A. chapter 11, or employment of, or establishment of, or maintenance of, a lobbyist position whose primary function is to influence legislators or State officials with respect to pending legislation or ~~regulations~~ rules.

Sec. 7. COMMISSION ON WOMEN; CURRENT TERMS

A member of the Commission on Women on the effective date of this act whose appointing authority is repealed under the provisions of Sec. 6 of this act may serve the remainder of her or his term.

Sec. 8. 10 V.S.A. § 1372 is amended to read:

§ 1372. MEMBERS₅; APPOINTMENT₅; TERM

(a) Within 30 days after he or she has executed the ~~compact~~ Compact with any or all of the states legally joined therein, the ~~governor~~ Governor shall appoint three persons to serve as commissioners to the New England Interstate Water Pollution Control Commission. The ~~commissioner of environmental conservation~~ Commissioner of Environmental Conservation and the ~~commissioner of health~~ Commissioner of Health shall serve as ex officio commissioners ~~thereon~~ on the Commission.

(b) The commissioners so appointed shall hold office for six years. ~~Vacancies~~ A vacancy occurring in the office of the commissioners a commissioner shall be filled by the governor Governor for the unexpired portion of the term.

(c) The commissioners shall ~~serve without be entitled to per diem compensation but shall be paid for their actual and reimbursement of expenses incurred in and incident to the performance of their duties as permitted under 32 V.S.A. § 1010.~~

(d) The commissioners shall have the powers and duties and be subject to limitations as set forth in the ~~compact~~ Compact.

* * * Joint Information Technology Oversight Committee * * *

Sec. 9. 2 V.S.A. chapter 18 is added to read:

CHAPTER 18. JOINT INFORMATION TECHNOLOGY
OVERSIGHT COMMITTEE

* * *

§ 614. JOINT INFORMATION TECHNOLOGY OVERSIGHT
COMMITTEE

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

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

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

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

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

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

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

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

(4) cybersecurity.

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

(e) Meetings.

(1) The Speaker of the House and the Committee on Committees shall appoint one member from the House and one member of the Senate as co-chairs of the Committee.

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

(3) The Committee may meet when the General Assembly is in session or at the call of the co-chairs.

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

* * * Sunset Advisory Commission * * *

Sec. 10. 3 V.S.A. § 268 is added to read:

§ 268. BOARDS AND COMMISSIONS; SUNSET ADVISORY
COMMISSION

(a) Creation.

(1) There is created the Sunset Advisory Commission to review existing State boards and commissions, to recommend the elimination of any board or commission that it deems no longer necessary or the revision of any of the powers and duties of a board or commission, and to recommend whether members of the boards and commissions should be entitled to receive per diem compensation.

(2) As used in this section, "State boards and commissions" means professional or occupational licensing boards or commissions, advisory boards or commissions, appeals boards, promotional boards, interstate boards, supervisory boards and councils, and any other boards or commissions of the State.

(b) Membership.

(1) The Commission shall be composed of the following six members:

(A) two current members of the House of Representatives who shall not both be from the same political party and one of whom shall be appointed co-chair, who shall be appointed by the Speaker of the House;

(B) two current members of the Senate, who shall not both be from the same political party and one of whom shall be appointed co-chair, who shall be appointed by the Committee on Committees; and

(C) two persons appointed by the Governor.

(2) Members shall be appointed at the beginning of each biennium. A member shall serve biennially and until his or her successor is appointed, except that a legislative member's term on the Commission shall expire on the date he or she ceases to be a member of the General Assembly.

(c) Powers and duties. The Commission shall have the following powers and duties:

(1) Inventory; group; review schedule.

(A)(i) The Commission shall inventory all of the State boards and commissions, organize them into groups, and establish a schedule to conduct a review of one group each biennium.

(ii) The inventory shall include the names of the members of the State boards and commissions, their term length and expiration, and their appointing authority.

(B) The Commission shall provide its inventory of the State boards and commissions to the Secretary of State for the Secretary to maintain as set forth in section 116a of this title.

(2) Biennial review.

(A) Each biennium, the Commission shall review all of the State boards and commissions within one of its inventoried groups and shall take testimony regarding whether each of those boards and commissions should continue to operate or be eliminated and whether the powers and duties of any of those boards and commissions should be revised.

(B) In its review of each State board and commission, the Commission shall consider:

(i) the purpose of the board or commission and whether that purpose is still needed;

(ii) how well the board or commission performs in executing that purpose; and

(iii) if the purpose is still needed, whether State government

would be more effective and efficient if the purpose were executed in a different manner.

(C) Each board and commission shall have the burden of justifying its continued operation.

(D) For any board or commission that the Commission determines should continue to operate, the Commission shall also determine whether members of that board or commission should be entitled to receive per diem compensation and if so, the amount of that compensation.

(3) Biennial report. On or before the end of the biennium during which it reviews a group, the Commission shall submit to the House and Senate Committees on Government Operations its findings, any recommendation to eliminate a State board or commission within that group or to revise the powers and duties of a board or commission within the group, its recommendations regarding board or commission member per diem compensation, and any other recommendations for legislative action. The Commission shall also specifically recommend whether there should be changes to the information the Secretary of State provides in his or her inventory of the State boards and commissions as set forth in 3 V.S.A. § 116a. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

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

(e) Compensation and expense reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings per year. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings per year. These payments shall be made from monies appropriated to the Agency of Administration.

Sec. 11. TRANSITIONAL PROVISION; INITIAL SUNSET ADVISORY COMMISSION

The members of the initial Sunset Advisory Commission established in 3 V.S.A. § 268 in Sec. 10 of this act shall be appointed on or before October 1, 2018 and shall meet prior to the 2019-2020 biennium in order to

inventory all of the State boards and commissions and organize them into groups as described in Sec. 10 of this act in 3 V.S.A. § 268(c) so as to be able to review all groups within two bienniums, and during the 2019-2020 biennium those members shall conduct the first biennial review of a group in accordance with that subsection.

Sec. 12. SUNSET OF THE SUNSET ADVISORY COMMISSION

3 V.S.A. § 268 (boards and commissions; Sunset Advisory Commission) is repealed on January 4, 2023.

* * * Secretary of State; Inventory of Boards and Commissions * * *

Sec. 13. 3 V.S.A. § 116a is added to read:

§ 116a. MAINTENANCE OF INVENTORY OF STATE BOARDS AND COMMISSIONS

(a)(1) The Secretary of State shall maintain and make available on his or her official website an inventory of the State boards and commissions, and shall update that inventory when changes are made that affect the information provided in the inventory.

(2)(A) The inventory shall include the names of the members of each State board and commission, their term length and expiration, and their appointing authority.

(B) Each State board and commission shall be responsible for providing to the Secretary of State this inventory information and any updates to it.

(b) As used in this section, “State boards and commissions” means professional or occupational licensing boards or commissions, advisory boards or commissions, appeals boards, promotional boards, interstate boards, supervisory boards and councils, and any other boards or commissions of the State.

* * * Membership of Health Reform Oversight Committee * * *

Sec. 13a. 2 V.S.A. § 691 is amended to read:

§ 691. COMMITTEE CREATION

There is created the legislative Health Reform Oversight Committee. The Committee shall be composed of the following eight members:

* * *

(8) ~~the Chair of the Senate Committee on Economic Development, Housing and General Affairs~~ one member of the Senate appointed by the Committee on Committees.

* * * Effective Dates * * *

Sec. 14. EFFECTIVE DATES

This act shall take effect on July 1, 2018, except that Sec. 9, 2 V.S.A. chapter 18 shall take effect on passage and Sec. 13, 3 V.S.A. § 116a (Secretary of State; maintenance of inventory of State boards and commissions) shall take effect on January 1, 2019.

Pending the question Will the House concur in the Senate proposal of amendment? **Rep. Gannon of Wilmington**, moved to concur in the Senate proposal of amendment with a further amendment thereto as follows:

First: By striking out Sec. 9, 2 V.S.A. chapter 18 (Joint Information Technology Oversight Committee) in its entirety and inserting in lieu thereof the following:

Sec. 9. [Deleted.]

Second: In Sec. 14 (effective dates), following “This act shall take effect on July 1, 2018, except that” by striking out “Sec. 9, 2 V.S.A. chapter 18 shall take effect on passage and”

Which was agreed to.

**Rules Suspended; Senate Proposal of Amendment Not Concurred in;
Committee of Conference Requested and Appointed**

S. 192

Pending entrance of the bill on the Calendar for notice, on motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

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

Was taken up for immediate consideration.

The Senate concurs in the House proposal of amendment with the following proposal of amendment thereto by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 20 V.S.A. § 2405 is amended to read:

§ 2405. COUNCIL HEARING AND SANCTION PROCEDURE

(a) Generally. Except as otherwise provided in this subchapter, ~~the Council~~ all proceedings under this subchapter shall conduct its proceedings be conducted in accordance with the Vermont Administrative Procedure Act. This includes the ability to summarily suspend the certification of a law

enforcement officer in accordance with 3 V.S.A. § 814(c).

(b) Prosecutor.

(1) An Assistant Attorney General assigned by the Office of the Attorney General shall be responsible for prosecuting unprofessional conduct cases under this subchapter.

(2) The burden of proof shall be on the State to show by a preponderance of the evidence that a law enforcement officer has engaged in unprofessional conduct.

(c) Hearing officer.

(1) The Council shall appoint a hearing officer, who shall be an attorney admitted to practice law in this State, to conduct any unprofessional conduct hearing under this subchapter. The Council shall choose the hearing officer from a list of hearing officers provided by the Office of Professional Regulation.

(2) The hearing officer may administer oaths and exercise powers properly incidental to the conduct of the hearing.

(3) Any hearing officer sitting in an unprofessional conduct case shall do so impartially and without any ex parte knowledge of the case in controversy.

(4)(A) The hearing officer shall issue findings of fact and conclusions of law regarding the prosecutor's charges of unprofessional conduct.

(B) For the purposes of subdivision 2406(b)(1)(B) of this subchapter, the hearing officer shall determine at the hearing and shall include in his or her findings of fact whether there is a pending labor proceeding related to any unprofessional conduct that the hearing officer concludes a law enforcement officer committed.

(5) The hearing officer shall report the findings of fact and conclusions of law to a Council Disciplinary Panel within 30 days after the conclusion of the hearing, unless the Council grants an extension. The provisions of 3 V.S.A. § 811 regarding proposals for decision shall not apply to the hearing officer's report.

(d) Council Disciplinary Panel.

(1) The Council shall appoint on a case-by-case basis a Council Disciplinary Panel to make sanction recommendations based on the hearing officer's findings of fact and conclusions of law. The Panel shall comprise six members of the Council, at least half of whom shall not be law enforcement officers, and all of whom shall be balanced in regard to labor and management

positions to the greatest extent practicable.

(2)(A) Unless the Council grants an extension, the Panel shall meet and make sanction recommendations within 10 days after the date the hearing officer reports his or her findings of fact and conclusions of law to the Panel.

(B) Unless the Council grants an extension, the Panel shall issue its sanction recommendations to the hearing officer within 10 days after its meeting.

(3) The hearing officer shall not be bound by the Panel's sanction recommendations, which shall be advisory only.

Sec. 2. 20 V.S.A. § 2406 is amended to read:

§ 2406. PERMITTED COUNCIL HEARING OFFICER SANCTIONS

(a) Generally. The Council Within 10 days after receiving the Council Disciplinary Panel's sanction recommendations, the hearing officer may impose any of the following sanctions on a law enforcement officer's certification upon its ~~finding~~ his or her conclusion 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 recertification at the discretion of the Council; or

(4) permanent revocation.

(b) Intended revocation; temporary voluntary surrender.

(1)(A) If, after ~~an evidentiary~~ a sanction hearing, the Council hearing officer intends to revoke a law enforcement officer's certification due to its ~~finding~~ his or her conclusion that the officer committed unprofessional conduct, the Council hearing officer shall issue a ~~decision~~ an order to that effect.

(B) Within 10 business days ~~from~~ after the date of that ~~decision~~ order, such an officer may voluntarily surrender his or her certification if the hearing officer determined under subdivision 2405(c)(4)(B) of this subchapter that there is a pending labor proceeding related to the Council's unprofessional conduct ~~findings~~ the hearing officer concluded the law enforcement officer

committed.

(C) A voluntary surrender of an officer's certification 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 ~~Council's~~ hearing officer's final sanction hearing on the matter. At that hearing, the ~~Council~~ hearing officer may modify ~~its findings and decision~~ his or her sanction order on the basis of additional evidence set forth in the labor proceeding decision, but shall not be bound by any outcome of the labor proceeding.

(2) If an officer fails to voluntarily surrender his or her certification in accordance with subdivision (1) of this subsection, the ~~Council's~~ hearing officer's original ~~findings and decision~~ sanction order shall take effect.

Sec. 3. REPEAL

20 V.S.A. § 2410 (Council Advisory Committee) is repealed.

Sec. 4. 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~~ January 1, 2019, 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.

(2) Vermont Criminal Justice Training Council. On or before ~~April 1, 2018~~ July 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.

(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.

(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.

~~(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~~ 2020 and ending in the year ~~2022~~ 2023, the Executive Director of the Vermont Criminal Justice Training Council shall report to the ~~General Assembly~~ House and Senate Committees on Government Operations regarding the Executive Director's analysis of the implementation of this act and any recommendations he or she may have for further legislative action.

(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.

Sec. 5. 2017 Acts and Resolves No. 56, Sec. 6 is amended to read:

Sec. 6. EFFECTIVE DATES

This act shall take effect on ~~July 1, 2018~~ January 1, 2019, except:

(1) this section and Sec. 2 (transitional provisions to implement this act) shall take effect on passage; and

(2) the following shall take effect on July 1, 2017:

(A) in Sec. 1, 20 V.S.A. chapter 151 (Vermont Criminal Justice Training Council):

(i) § 2351 (creation and purpose of Council);

(ii) § 2351a (definitions);

(iii) § 2352 (Council membership);

(iv) § 2354 (Council meetings);

(v) § 2355 (Council powers and duties), except that subsection (a) shall take effect on ~~July 1, 2018~~ January 1, 2019;

(vi) § 2358 (minimum training standards; definitions); and

(vii) § 2362a (potential hiring agency; duty to contact former agency);

(B) Sec. 3, 20 V.S.A. § 1812 (definitions); and

(C) Sec. 4, 20 V.S.A. § 1922 (creation of State Police Advisory

Commission; members; duties).

Sec. 6. 13 V.S.A. § 3251 is amended to read:

§ 3251. DEFINITIONS

As used in this chapter:

* * *

(9) “Law enforcement officer” means a person certified as a law enforcement officer under the provisions of 20 V.S.A. chapter 151.

Sec. 7. 13 V.S.A. § 3259 is added to read:

§ 3259. SEXUAL EXPLOITATION OF A PERSON IN THE CUSTODY OF A LAW ENFORCEMENT OFFICER

(a) No law enforcement officer shall engage in a sexual act with a person whom the officer is detaining, arresting, or otherwise holding in custody or who the officer knows is being detained, arrested, or otherwise held in custody by another officer.

(b) A person who violates subsection (a) of this section shall be imprisoned for not more than five years or fined not more than \$10,000.00, or both.

Sec. 8. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 1, 20 V.S.A. § 2405 (Council hearing and sanction procedure) and 2, 20 V.S.A. § 2406 (permitted hearing officer sanctions) shall take effect on January 1, 2019; and

(2) Sec. 3 (repeal of 20 V.S.A. § 2410 (Council Advisory Committee)) shall take effect on July 1, 2018.

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

An act relating to the Vermont Criminal Justice Training Council’s professional regulation of law enforcement officers

Pending the question, Will the House concur in the Senate proposal of amendment? **Rep. LaClair of Barre Town** moved that the House refuse to concur and ask for a Committee of Conference which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. LaClair of Barre Town

Rep. Gardner of Richmond

Rep. Lewis of Berlin

**Rules Suspended; Senate Proposal of Amendment Concurred in
With a Further Amendment Thereto**

H. 917

Appearing on the Calendar for notice, on motion of **Rep. Savage of Swanton**, the rules were suspended and House bill, entitled

An act relating to the Transportation Program and miscellaneous changes to transportation-related law

Was taken up for immediate consideration.

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:

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation's proposed fiscal year 2019 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2019 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Secretary" means the Secretary of Transportation.

(3) The table heading "As Proposed" means the Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; and the terms "change" or "changes" in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading.

(4) "TIB funds" means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

* * * Federal Infrastructure Funding * * *

Sec. 2. FEDERAL INFRASTRUCTURE FUNDING

(a) Subsection (b) of this section shall expire on February 1, 2019.

(b)(1) If a federal infrastructure bill or other federal legislation that provides for infrastructure funding is enacted that provides Vermont with additional federal funding for transportation-related projects, to the extent that federal monies allocated to the State of Vermont are subject to a requirement

that the monies be obligated or under contract by the State within a specified time period, the Secretary is authorized to exceed spending authority in the fiscal year 2018 and 2019 Transportation Programs and to obligate and expend the federal monies:

(A) on eligible projects in the fiscal year 2018 or 2019 Transportation Program; and

(B) on additional town highway projects or activities that meet federal eligibility and readiness criteria.

(2) Nothing in this subsection shall be construed to authorize the Secretary to obligate or expend State Transportation or TIB funds above amounts authorized in the fiscal year 2018 or 2019 Transportation Program.

(c) The Agency shall promptly report the obligation or expenditure of monies under the authority of this section to the House and Senate Committees on Transportation and to the Joint Fiscal Office while the General Assembly is in session, and to the Joint Fiscal Office, the Joint Fiscal Committee, and the Joint Transportation Oversight Committee when the General Assembly is not in session.

* * * Infrastructure for Rebuilding America Grant * * *

Sec. 3. INFRASTRUCTURE FOR REBUILDING AMERICA GRANT

(a)(1) According to the Agency, in 2018, the U.S. Department of Transportation (USDOT) may solicit applications for grants under the Infrastructure for Rebuilding America (INFRA) Program.

(2) If USDOT does solicit INFRA grant applications in 2018, the Agency may submit an application for an INFRA grant for bridge and culvert projects on Interstate 89 with a total cost of up to \$105,000,000.00, which amount includes a State match of up to \$21,000,000.00. If it submits a grant application, the Agency shall identify Transportation Infrastructure Bonds as a possible source of State matching dollars and, promptly upon its submission to the USDOT, the Agency shall send an electronic copy of the grant application to the Joint Fiscal Office, which shall then transmit it to the Joint Fiscal Committee and to the chairs of the House and Senate Committees on Transportation.

(b) If the Agency is awarded an INFRA grant as described in subsection (a) of this section and the grant requires that work under the grant begin during fiscal year 2019, the Agency shall include in its fiscal year 2019 budget adjustment proposal any adjustments to fiscal year 2019 appropriations and to the approved fiscal year 2019 Transportation Program that may be required to comply with the terms of the grant.

* * * Program Development; Traffic & Safety Operations * * *

Sec. 4. PROGRAM DEVELOPMENT—TRAFFIC & SAFETY OPERATIONS

The following project is added to the candidate list of the Program Development—Traffic & Safety Program within the fiscal year 2019 Transportation Program: South Burlington STP SGNL () I-89 Exit 14 signal upgrades.

* * * Program Development; Bike & Pedestrian Facilities * * *

Sec. 5. PROGRAM DEVELOPMENT—BIKE & PEDESTRIAN FACILITIES

Spending authority on the Statewide—New Awards activity within the fiscal year 2019 Program Development—Bike & Pedestrian Facilities Program is amended as follows:

<u>FY19</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	0	0	0
ROW	0	0	0
Const	600,000	900,000	300,000
Total	600,000	900,000	300,000
<u>Sources of funds</u>			
State	300,000	450,000	150,000
Local	300,000	450,000	150,000
Federal	0	0	0
Total	600,000	900,000	300,000

* * * Aviation Program * * *

Sec. 6. AVIATION PROGRAM

For fiscal year 2019:

(1) The sources of funds for the AV-FY18-001 (local match of FAA projects; Burlington Airport) project within the Aviation Program are amended to read:

<u>FY19</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
<u>Sources of funds</u>			
State	750,000	600,000	-150,000
Local	500,000	650,000	150,000
Federal	11,250,000	11,250,000	0
Total	12,500,000	12,500,000	0

(2) Spending authority of transportation funds in the Aviation Program

is reduced by \$150,000.00.

* * * Town Highway Bridge Program * * *

Sec. 7. TOWN HIGHWAY BRIDGE PROGRAM

The following project is added to the candidate list of the Town Highway Bridge Program within the fiscal year 2019 Transportation Program: Salisbury – Cornwall BO 1445(), scoping for replacement of BR8 over the Otter Creek.

* * * Maintenance Program and District Leveling * * *

Sec. 8. MAINTENANCE PROGRAM AND DISTRICT LEVELING;
SPENDING AUTHORITY

(a) As used in this section, “TDI” refers to Champlain VT, LLC d/b/a TDI New England and “TDI Agreement” refers to the lease option agreement entered into between TDI and the State on July 17, 2015.

(b) Authorized spending in fiscal year 2019 for the Statewide District Leveling activity in the Program Development—Paving Program is reduced by \$2,400,000.00 in transportation funds and increased by \$2,400,00.00 in federal funds.

(c) Authorized spending in fiscal year 2019 for operating expenses in the Maintenance Program is reduced by \$1,600,000.00 in transportation funds.

(d) If TDI makes a payment to the State in fiscal year 2018 or 2019 pursuant to the TDI Agreement or pursuant to a renegotiation of the TDI Agreement, the Secretary shall allocate the amount of the payment received to the Statewide District Leveling activity or to the Maintenance Program, or to both, and authorized spending of transportation funds in fiscal year 2019 for the Statewide District Leveling activity and for the Maintenance Program is increased in accordance with the allocation made.

(e) If TDI makes no payment to the State in fiscal year 2018 or 2019 pursuant to the TDI Agreement or a renegotiation thereof or if a payment made by TDI is insufficient to restore the reduction in spending authority made in subsections (b) and (c) of this section, the Secretary shall allocate any unreserved surplus in the Transportation Fund as of the end of fiscal year 2018 to the Statewide District Leveling activity or to the Maintenance Program, or to both, and authorized spending of transportation funds in fiscal year 2019 for the Statewide District Leveling activity and for the Maintenance Program is increased in accordance with the allocation made.

(f)(1) Subject to subdivision (2) of this subsection, and notwithstanding 32 V.S.A. § 706, if the contingent allocations directed in subsections (d) and

(e) of this section do not occur or are insufficient to restore the reduction in spending authority made in subsections (b) and (c) of this section, the Secretary of Administration, after consulting with the Secretary of Transportation, is authorized to transfer balances of fiscal year 2019 Transportation Fund appropriations within the Agency to the extent required to restore the reduction in spending authority made in subsections (b) and (c) of this section, and authorized spending of transportation funds in fiscal year 2019 for the Statewide District Leveling activity and for the Maintenance Program is increased in accordance with the balances transferred.

(2) An appropriation may be transferred pursuant to subdivision (1) of this subsection only if the monies are not needed for a project:

(A) because the project has been delayed due to permitting, right-of-way, or other unforeseen issues; or

(B) because of cost savings generated by the project.

(3) In making any appropriation transfer authorized under this section, the Secretary of Administration shall avoid, to the extent possible, any reductions in appropriations to the town programs described in 19 V.S.A. § 306. Any reductions to these town programs shall not affect the timing of reimbursements to towns for projects or delay any projects or grants and shall be replaced in the affected appropriations in fiscal year 2020.

* * * Contingent Addition to State Highway System * * *

Sec. 9. CONTINGENT ADDITION OF VERMONT ROUTE 119 IN THE
TOWN OF BRATTLEBORO TO THE STATE HIGHWAY SYSTEM

(a) If the condition specified in subsection (b) of this section is satisfied, pursuant to 19 V.S.A. § 15(a), upon substantial completion of construction of the Brattleboro-Hinsdale, NH bridge replacement project (BF A004(152)), the following highway segment in the Town of Brattleboro shall be added to the State highway system: the entirety of the new Vermont Route 119 in the Town of Brattleboro, extending from its intersection with Vernon Street (TH#4) to the westerly low watermark of the Connecticut River.

(b) The addition to the State highway system specified in subsection (a) of this section shall occur only if the Town of Brattleboro enters into a maintenance agreement with the Agency.

* * * Abandoned Aircraft * * *

Sec. 10. 5 V.S.A. chapter 9 is amended to read:

CHAPTER 9. GENERAL PROVISIONS; ABANDONED AIRCRAFT

Subchapter 1. Aeronautics; Authority and Duties; Penalties

* * *

Subchapter 2. Abandoned Aircraft§ 221. DEFINITIONS

As used in this subchapter:

(1) “Airport manager” means the owner of an airport in this State or an agent authorized to act on behalf of an airport owner.

(2) “Storage operator” means a person who stores an aircraft or aircraft component at the request of an airport manager.

§ 222. ABANDONED AIRCRAFT; AUTHORITY TO TAKE CUSTODY, REMOVE, AND STORE; NOTICE OF INTENT; LIMITATION ON LIABILITY

(a) Subject to subsection (b) of this section, an airport manager who discovers an aircraft or aircraft component apparently abandoned, or an aircraft without a currently effective federal registration certificate, on the property of the airport has authority to:

(1) take custody of the aircraft or component;

(2) arrange for the aircraft or component to be secured and stored at its current location or to be removed and stored elsewhere.

(b)(1) As used in this subsection, a “notice of intent” shall include:

(A) a statement of the airport manager’s intent to exercise authority under subsection (a) of this section and of the owner’s responsibility for reasonable charges under this subchapter;

(B) the make and the factory or identification number of the aircraft or aircraft component;

(C) the current location of the aircraft or aircraft component and the planned location for its storage; and

(D) the aircraft registration number, if any.

(2) At least 60 days prior to exercising the authority granted in subsection (a) of this section, the airport manager shall:

(A) Attempt to provide a notice of intent to the owner and to the lienholder, if any, of the aircraft or aircraft component. If the address of the last place of residence of the owner or lienholder of the aircraft or aircraft component is ascertainable through the exercise of reasonable diligence, including inquiry of the Federal Aviation Administration’s aircraft registry, the airport manager shall send the notice of intent by certified mail to the address or addresses; otherwise, the airport manager shall be deemed to have fulfilled

the requirement of this subdivision (b)(2)(A) if the manager posts the notice of intent on the aircraft or aircraft component.

(B) Send a written notice of intent to the Secretary.

(c) The Secretary shall place on file notices of intent received under subdivision (b)(2)(B) of this section and, upon request, make the notices available for public inspection and copying.

(d) Except in the case of intentionally inflicted damages, an airport manager who takes custody of an aircraft or aircraft component or an airport manager or storage operator who arranges for the removal or storage of an aircraft or aircraft component under this subchapter shall not be liable to the owner or lienholder for any damages to the aircraft or aircraft component incurred while it was in the manager's custody or during its removal or storage.

§ 223. LIEN; RIGHT TO CONTEST COSTS

(a) If the notice requirements of subsection 222(b) of this title are fulfilled, all reasonable storage, removal, and other costs necessarily incurred thereafter by an airport manager or a storage operator in carrying out the provisions of this subchapter shall be a lien on the aircraft or aircraft component held by the person who incurred the costs.

(b) In exercising rights under section 224 or 226 of this title, the owner or lienholder may contest the reasonableness and necessity of the costs by bringing an action before the Transportation Board.

§ 224. RIGHT OF OWNER TO RECLAIM

The owner or lienholder of an aircraft or aircraft component stored under this subchapter may reclaim the aircraft or aircraft component prior to any sale by paying the outstanding costs described in section 223 of this title.

§ 225. SALE AUTHORIZED; NOTICE OF PROPOSED SALE

(a) If the owner or lienholder has not reclaimed the aircraft or aircraft component after the aircraft manager fulfills the notice requirements of subsection 222(b) of this title, and if the airport manager fulfills the notice requirements of subsection (b) of this section, the airport manager may sell the aircraft or aircraft component in a commercially reasonable manner as described in 9A V.S.A. § 9-610 (disposition of collateral after default).

(b)(1) The notice of proposed sale required in this subsection shall include:

(A) the make and the factory or identification number of the aircraft or aircraft component;

(B) the aircraft registration number, if any;

(C) contact information for the person from whom the owner or lienholder may reclaim the aircraft or aircraft component pursuant to section 224 of this title; and

(D) the date and location of the proposed sale.

(2) At least 14 days before a sale under this section, the airport manager shall:

(A) if the value of the aircraft or aircraft component exceeds \$1,000.00, publish the notice of proposed sale in a media outlet of general circulation in the municipality; and

(B) if the address of the last place of residence of the owner or the lienholder, if any, of the aircraft or aircraft component is ascertainable through the exercise of reasonable diligence, including inquiry of the Federal Aviation Administration's aircraft registry, send the notice of proposed sale by certified mail to the address or addresses; otherwise, the airport manager shall be deemed to have fulfilled the requirement of this subdivision (b)(2)(B) if the manager posts the notice on the aircraft or aircraft component.

§ 226. APPLICATION OF PROCEEDS

The airport manager shall pay the balance of the proceeds of the sale, if any, after payment of liens and the reasonable expenses incident to the sale, to the owner or lienholder of the aircraft or aircraft component, if claimed at any time within one year from the date of the sale. If the owner or lienholder does not claim the balance within one year, the airport manager shall retain the proceeds.

* * * Abandoned Vessels * * *

Sec. 11. 10 V.S.A. chapter 48A is added to read:

CHAPTER 48A. ABANDONED VESSELS

§ 1420. VESSELS; ABANDONMENT PROHIBITED; REMOVAL AND DISPOSITION OF ABANDONED VESSELS

(a) Definitions. In this chapter, unless the context clearly requires otherwise:

(1) "Abandon" means, with respect to a vessel, any of the following:

(A) to leave unattended on public waters or on immediately adjacent land for more than 30 days without the express consent of the Secretary or, if on immediately adjacent land, of the person in control of the land;

(B) to leave partially or fully submerged in public waters for more

than 30 days without the express consent of the Secretary;

(C) to leave partially or fully submerged in public waters a petroleum-powered vessel for more than 48 hours without the express consent of the Secretary; or

(D) to leave unattended on public waters or on immediately adjacent land for any period if the vessel poses an imminent threat to navigation or to public health or safety.

(2) "Commissioner" means the Commissioner of Motor Vehicles or designee.

(3) "Law enforcement officer" means an individual described in 23 V.S.A. § 3302 who is certified by the Vermont Criminal Justice Training Council as a level II or level III law enforcement officer under 20 V.S.A. § 2358.

(4)(A) "Public waters" means:

(i) the portions of Lake Champlain, Lake Memphremagog, and the Connecticut River that are within the territorial limits of Vermont;

(ii) boatable tributaries of Lake Champlain and Lake Memphremagog upstream to the first barrier to navigation, and impoundments and boatable tributaries of those impoundments of the Connecticut River upstream to the first barrier to navigation, within the territorial limits of Vermont; and

(iii) all natural inland lakes, ponds, and rivers within Vermont, and other waters within the territorial limits of Vermont including the Vermont portion of boundary waters, that are boatable under the laws of this State.

(B) "Public waters" does not include waters in private ponds and private preserves as set forth in chapter 119 of this title.

(5) "Secretary" means the Secretary of Natural Resources or designee.

(6) "Storage operator" means:

(A) the Secretary, if storing an abandoned vessel after causing its removal pursuant to this section; or

(B) a person who stores a vessel removed pursuant to this section at the request of the Secretary, or a subsequent transferee thereof.

(7) "Vessel" means:

(A) a motorboat; or

(B) a sailboat, or other boat, that is 16 or more feet in length.

(b) Relationship with other laws. The authority conferred to the Secretary and the penalties established in this section are in addition to authority granted or penalties established elsewhere in law, and nothing in this section shall be construed to modify any authority or the application of penalties under any other provision of law, including under chapter 47, 159, 201, or 211 of this title.

(c) Abandonment of vessels prohibited.

(1) Civil violation. A person shall not abandon a vessel on public waters or immediately adjacent land. A person who violates this subdivision shall be subject to civil enforcement under chapters 201 and 211 of this title and, in any such enforcement action, the Secretary may obtain an order to recover costs specified in subdivision (d)(1) of this section incurred by the Agency of Natural Resources.

(2) Criminal violation. A person shall not knowingly abandon a petroleum-powered vessel or knowingly abandon a vessel that poses an imminent threat to navigation or to public health or safety. A person who violates this subdivision shall be subject to a fine of up to \$10,000.00.

(d)(1) Removal of abandoned vessel. Upon request from a law enforcement officer or at his or her own initiative, the Secretary shall promptly cause the removal and safe storage of a vessel that is abandoned as described in subdivision (a)(1) of this section, unless the vessel is to be removed by a federal agency. If removal is requested by a law enforcement officer, the Secretary shall make reasonable efforts to determine if the vessel qualifies as abandoned. In addition, the Secretary shall have the authority to take actions as may be necessary to eliminate risks to public health or safety caused by the condition of the vessel.

(2) Responsibility for costs; lien.

(A) The owner of a vessel removed under the authority of this section shall be responsible for reasonable:

(i) removal costs;

(ii) cleanup and disposal costs;

(iii) storage costs incurred after the storage operator sends the Department of Motor Vehicles a notice of removal consistent with subdivision (e)(1) of this section; and

(iv) costs of enforcing this section borne by the Secretary.

(B) Costs for which an owner is responsible under subdivision (d)(2)(A) of this section shall be a lien on the vessel held by the person who

incurred the costs. Nothing in this subdivision (d)(2)(B) shall be construed to modify any rights or authority to recover such costs that may exist under any other provision of law.

(3) Limitation on liability. Except in the case of intentionally inflicted damages, the Secretary shall not be liable to the owner or lienholder of an abandoned vessel for any damages to the vessel incurred during its removal or storage, or as a result of actions taken to eliminate risks to public health or safety caused by the condition of the vessel, in accordance with this section.

(e)(1) Notice of removal and place of storage. Within three business days of the date of removal of an abandoned vessel, the storage operator shall send notice to the Commissioner of:

(A) the federal, state, or foreign registration number, and the hull identification number, of the vessel, if any;

(B) a description of the vessel, including its color, size, and, if available, its manufacturer's trade name and manufacturer's series name;

(C) the date of removal and the location from where the vessel was removed;

(D) the name and contact information of an individual at the Agency of Natural Resources who can provide information about the vessel's removal and how to reclaim it; and

(E) the periodic storage charges that will apply, if any.

(2) Listing of removed vessel. The Commissioner shall post and maintain on the website of the Department of Motor Vehicles a listing of vessels removed under the authority of this section with the information received under subdivision (1) of this subsection.

(f) Disposition following removal.

(1) As used in this subdivision:

(A) A "notice of intent" shall include the information described in subdivision (e)(1) of this section and an indication of the storage operator's intent to take ownership or otherwise dispose of an abandoned vessel.

(B) The term "address" shall mean the plural "addresses" if more than one address is ascertained.

(2) Within 30 days after the date of removal of the abandoned vessel, a storage operator shall:

(A) Cause a notice of intent to be published in the environmental notice bulletin under 3 V.S.A. § 2826.

(B) Make reasonable efforts to ascertain the address of the owner and any lienholder and, if the address is ascertained, send the notice of intent to the address by certified mail, return receipt requested. Reasonable efforts shall include inquiring of the person in control of the waters or land from which the abandoned vessel was removed, the clerk of the municipality in which the waters or land is located, the State Police, the Office of the Secretary of State, and the Department of Motor Vehicles as to the identity and address of the owner and any lienholder.

(3) Ownership of the vessel shall pass to the storage operator free of all claims of any prior owner or lienholder if the owner or lienholder has not reclaimed the vessel and paid all costs authorized under subdivision (d)(2) of this section within 60 days after the later of:

(A) publication in the environmental notice bulletin under 3 V.S.A. § 2826; or

(B) if the address of the owner or lienholder is ascertained, the date the notice of intent is mailed.

(4) If ownership passes to the storage operator under this subsection, the storage operator may sell, transfer, or otherwise dispose of the vessel. However, if the vessel is subject to titling under 23 V.S.A. chapter 36, the storage operator shall apply to the Commissioner for a title or salvage title as may be appropriate, and the Commissioner shall issue an appropriate title or salvage title, at no charge, if the storage operator offers sufficient proof that ownership of the vessel lawfully passed to the storage operator under this section.

(g) Owner and lienholder rights. An owner or lienholder of an abandoned vessel removed from public waters or immediately adjacent land under this section may contest the removal, transfer of title, or other disposition of a vessel under this section, and the necessity or reasonableness of any costs described in subdivision (d)(2) of this section, by petitioning the Secretary. The contested case provisions of 3 V.S.A. chapter 25 shall govern any matter brought under this subsection. A person aggrieved by a final decision of the Secretary may appeal the decision to the Civil Division of the Superior Court. Nothing in this subsection shall be construed to interfere with the right of an owner or lienholder to contest these issues in any enforcement action brought by the Secretary.

Sec. 12. 10 V.S.A. § 8003 is amended to read:

§ 8003. APPLICABILITY

(a) The Secretary may take action under this chapter to enforce the following statutes and rules, permits, assurances, or orders implementing the

following statutes, and the Board may take such action with respect to subdivision (10) of this subsection:

* * *

(27) 10 V.S.A. chapter 123, relating to threatened and endangered species; ~~and~~

(28) 30 V.S.A. § 255, relating to regional coordination to reduce greenhouse gases; and

(29) 10 V.S.A. § 1420, relating to abandoned vessels.

* * *

* * * Railroads; Vegetation Control * * *

Sec. 13. 5 V.S.A. § 3672 is amended to read:

§ 3672. ~~SELECTBOARD MEMBERS' DUTIES; RECOVERY~~

~~In case of failure so to do in a town through which such road passes, the selectboard members shall send notice thereof by mail to the principal office of such person or corporation. In case such failure continues for ten days after notice, the selectboard members shall forthwith cause the thistles and weeds to be destroyed at the expense of the town. Such town shall thereupon be entitled to recover from such person or corporation its actual cost for destroying the thistles and weeds. In the event such person or corporation fails to pay to the town such cost for 60 days from the time the selectboard members sent notice thereof by mail to the principal office of such person or corporation, such town shall be entitled to recover such cost including a reasonable fee paid to an attorney for the recovery in an action on this statute. [Repealed.]~~

Sec. 14. 5 V.S.A. § 3673 is amended to read as follows:

§ 3673. ~~CUTTING OF TREES~~ VEGETATION CONTROL

~~A person or corporation operating a railroad in this State shall cause all trees, shrubs, and bushes to be destroyed at reasonable times within the surveyed boundaries of their lands, for a distance of 80 rods in each direction from all public grade crossings. A railroad shall take reasonable measures to control vegetation that is both on railroad property and on or immediately adjacent to the roadbed, so that the vegetation does not obstruct a highway user's view of traffic control devices at a grade crossing or of a train approaching the crossing.~~

Sec. 15. 5 V.S.A. § 3674 is amended to read:

§ 3674. ~~SELECTBOARD MEMBERS' DUTIES; LIABILITY FOR DAMAGES~~ ENFORCEMENT

~~When such person or corporation neglects or refuses to destroy the trees, shrubs, and bushes, as required by section 3673 of this title, after 60 days' notice in writing, given by the selectboard members of the town in which such trees, shrubs, and bushes are located, the selectboard members shall immediately cause them to be destroyed at the expense of the town. The town shall thereafter be entitled to recover from such person or corporation its actual cost for the destruction. In the event such person or corporation fails to pay to the town such cost for 60 days from the time the selectboard members sent notice thereof by mail to the principal office of such person or corporation, such town shall be entitled to recover such cost including a reasonable fee. If a railroad fails to control vegetation as required by section 3671 or 3673 of this title within 30 days after written notice is given by the selectboard of the town in which the vegetation is located or by the Agency in the case of violations involving a State highway grade crossing, the Transportation Board, upon application by the town or the Agency and after notice and hearing, may order the railroad to perform the work. Any such order shall specify a date by which the work must be completed. If the railroad fails to comply with the Board's order, the Board may impose a civil penalty of \$100.00 against the railroad for each day that the railroad fails to comply with the Board's order.~~

* * * Penalties for Furnishing Alcoholic Beverages to Minors * * *

Sec. 16. 7 V.S.A. § 658 is amended to read:

§ 658. SALE OR FURNISHING TO MINORS; ENABLING CONSUMPTION BY MINORS; MINORS CAUSING DEATH OR SERIOUS BODILY INJURY

* * *

(d)(1) A person who violates subsection (a) of this section, where the person under 21 years of age, while operating a motor vehicle, snowmobile, vessel, or all-terrain vehicle on a public highway, public land, or public waters, or in a place where a Vermont Association of Snow Travelers (VAST) trail maintenance assessment or a Vermont ATV Sportsman's Association (VASA) Trail Access Decal is required, causes death or serious bodily injury to himself or herself or to another person as a result of the violation, shall be imprisoned not more than five years or fined not more than \$10,000.00, or both.

(2) As used in this subsection:

(A) "All-terrain vehicle" shall have the same meaning as set forth in 23 V.S.A. § 3501.

(B) "Public land" means all land in Vermont that is either owned or controlled by a local, State, or federal governmental body.

(C) "Public waters" shall have the same meaning as in 10 V.S.A. § 1422.

(D) "Snowmobile" shall have the same meaning as set forth in 23 V.S.A. § 3201.

(E) "Vessel" shall have the same meaning as set forth in 23 V.S.A. § 3302.

* * * President Calvin Coolidge State Historic Site;

Supplemental Guide Signs * * *

Sec. 17. 10 V.S.A. § 494 is amended to read:

§ 494. EXEMPT SIGNS

The following signs are exempt from the requirements of this chapter except as indicated in section 495 of this title:

* * *

(6)(A) Official traffic control signs, including signs on limited access highways, consistent with the ~~manual on uniform traffic control devices, Manual on Uniform Traffic Control Devices (MUTCD)~~ adopted under 23 V.S.A. § 1025, directing people to:

(i) other towns;

(ii) international airports;

(iii) postsecondary educational institutions;

(iv) cultural and recreational destination areas;

(v) nonprofit ~~diploma-granting~~ diploma-granting educational institutions for people with disabilities; and

(vi) ~~official traffic control signs, including signs on limited access highways, consistent with the manual on uniform traffic control devices, adopted under 23 V.S.A. § 1025, directing people to~~ official State visitor information centers.

(B) After having considered the six priority categories in this subdivision (A) of this subdivision (6), the Travel Information Council may approve installation of a sign for any of the following provided the location is open a minimum of 120 days each year and is located within 15 miles of an interstate highway exit:

(A)(i) ~~Nonprofit~~ nonprofit museums;

(B)(ii) ~~Cultural~~ cultural and recreational attractions owned by the

State or federal government;

~~(C)~~(iii) ~~Officially~~ officially designated scenic byways;

~~(D)~~(iv) ~~Park~~ park and ride or multimodal centers; and

~~(E)~~(v) ~~Fairgrounds~~ fairgrounds or exposition sites;

~~provided the designations in subdivisions (A) through (E) of this subdivision (6) are open a minimum of 120 days each year and are located within 15 miles of an interstate highway exit.~~

(C) Notwithstanding the limitations of this subdivision (6), supplemental guide signs consistent with the MUTCD for the President Calvin Coolidge State Historic Site may be installed at the following highway interchanges:

(i) Interstate 91, Exit 9 (Windsor); and

(ii) Interstate 89, Exit 1 (Quechee).

~~(D) Signs erected under this subdivision (6) of this section shall not exceed a maximum allowable size of 80 square feet.~~

* * *

* * * Central Garage * * *

Sec. 18. 19 V.S.A. § 13 is amended to read:

§ 13. CENTRAL GARAGE FUND

(a) There is created ~~a central garage fund~~ the Central Garage Fund which shall be used:

(1) to furnish equipment on a rental basis to the districts and other sections of the ~~agency~~ Agency for use ~~in~~ construction, maintenance, and operation of highways or other transportation activities; and

(2) to provide a general equipment repair and major overhaul service as well as to furnish necessary supplies for the operation of the equipment.

(b) To maintain a safe, reliable equipment fleet, new or replacement highway maintenance equipment shall be acquired using ~~central garage funds~~ Central Garage Fund monies. The ~~agency~~ Agency is authorized to acquire replacement pieces for existing highway equipment, or new, additional equipment equivalent to equipment already owned; however, the ~~agency~~ Agency shall not increase the total number of permanently assigned or authorized motorized or self-propelled vehicles without legislative approval by the General Assembly.

~~(c)(1) There shall be established and maintained within the central garage~~

~~fund a separate transportation equipment replacement account for the purposes stated in subsection (b) of this section. In fiscal year 2008, \$1,120,000.00, and thereafter an amount equal to two-thirds of one percent of the prior year transportation fund appropriation, but not less than \$1,120,000.00, shall be transferred prior to August 1 from the transportation fund to the central garage fund and allocated to the transportation equipment replacement account, and beginning in fiscal year 2001, and thereafter, an amount not less than the sum of equipment depreciation expense and net equipment sales from the prior fiscal year, shall be allocated prior to August 1 from within the central garage fund to the transportation equipment replacement account. All expenditures from this account shall be appropriated by the general assembly and used exclusively for the purchase of equipment as authorized in subsection (b) of this section. For the purpose specified in subsection (b) of this section, the following amount shall be transferred from the Transportation Fund to the Central Garage Fund:~~

~~(A) in fiscal year 2019, \$1,318,442.00; and~~

~~(B) in subsequent fiscal years, at a minimum, the amount specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing the previous fiscal year's amount by the percentage increase in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the previous State fiscal year.~~

~~(2) Each fiscal year, the sum of the following shall be appropriated from the Central Garage Fund exclusively for the purpose specified in subsection (b) of this section:~~

~~(A) the amount transferred pursuant to subdivision (1) of this subsection;~~

~~(B) the amount of the equipment depreciation expense from the prior fiscal year; and~~

~~(C) the amount of the net equipment sales from the prior fiscal year.~~

~~(d) In each fiscal year, net income of the fund Fund earned during that fiscal year shall be retained in the fund Fund.~~

~~(e) The fiscal year of the central garage for For the purposes of computing net worth and net income, the fiscal year shall be the year ending June 30.~~

~~(f) For purposes of As used in this section, "equipment" means registered motor vehicles and highway maintenance equipment assigned to the central garage Central Garage.~~

~~(g) [Repealed.]~~

* * * Town Highway Aid * * *

Sec. 19. 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase or decrease over the previous fiscal year's appropriation by the same percentage as any increase or decrease in the following, whichever is less:

(A) the ~~Transportation~~ year-over-year increase in the Agency's total appropriations in the previous fiscal year funded by Transportation Fund revenues, excluding the ~~town highway appropriations~~ appropriation for town highways under this subsection for that year; or

(B) the year-over-year increase in the State's total appropriations in the previous fiscal year of General Fund, Education Fund, and State Health Care Resources Fund monies.

(2) If the year-over-year change in appropriations specified in either subdivision (1)(A) or (B) of this subsection is negative, then the appropriation to town highways under this subsection shall be equal to the previous fiscal year's appropriation.

(3) The funds appropriated shall be distributed to towns as follows:

~~(1)~~(A) Six percent of the State's annual town highway appropriation shall be apportioned to class 1 town highways. The apportionment for each town shall be that town's percentage of class 1 town highways of the total class 1 town highway mileage in the State.

~~(2)~~(B) Forty-four percent of the State's annual town highway appropriation shall be apportioned to class 2 town highways. The apportionment for each town shall be that town's percentage of class 2 town highways of the total class 2 town highway mileage in the State.

~~(3)~~(C) Fifty percent of the State's annual town highway appropriation shall be apportioned to class 3 town highways. The apportionment for each town shall be that town's percentage of class 3 town highways of the total class 3 town highway mileage in the State.

~~(4)~~(D) Monies apportioned under subdivisions (1), (2), and (3) of this subsection shall be distributed to each town in quarterly payments beginning July 15 in each year.

~~(5)~~(E) Each town shall use the monies apportioned to it solely for town

highway construction, improvement, and maintenance purposes or as the nonfederal share for public transit assistance. These funds may also be used for the establishment and maintenance of bicycle routes. The members of the selectboard shall be personally liable to the State, in a civil action brought by the Attorney General, for making any unauthorized expenditures from money apportioned to the town under this section.

* * *

* * * Transportation Public-Private Partnerships * * *

Sec. 20. 19 V.S.A. chapter 26 is amended to read:

CHAPTER 26. DESIGN-BUILD CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS

Subchapter 1. Design-build Contracts

* * *

Subchapter 2. Public-Private Partnership Pilot

§ 2611. PILOT ESTABLISHED; INTENT

(a)(1) The General Assembly hereby establishes a pilot program to authorize the Agency, for a time-limited period, to receive solicited and unsolicited proposals and to enter into P3 agreements if certain conditions are met.

(2) Nothing in this subchapter is intended to modify any obligations or rights under any other law.

(b) Before the authority conferred under this subchapter terminates, the General Assembly intends to:

(1) review whether and how the Agency has exercised the authority and whether the P3 agreements it has entered into have served the public interest; and

(2) determine whether the authority should terminate, be extended, or be amended.

(c) If the Agency's authority under this subchapter terminates, the General Assembly intends that:

(1) the Agency not have authority to pursue any proposal that has not resulted in a P3 agreement prior to termination of the Agency's authority; and

(2) any P3 agreement lawfully entered into prior to termination of the Agency's authority shall continue in effect after termination of the authority.

§ 2612. DEFINITIONS

As used in this subchapter:

(1) “Facility” means transportation infrastructure that is, or if developed, would be, within the jurisdiction of the Agency or eligible for federal-aid funding managed through the Agency.

(2) “Project” means the capital development of a facility.

(3) “Proposal” means a conditional offer of a private entity that, after review, negotiation, and documentation, and after legislative approval if required under this subchapter, may lead to a P3 agreement as provided in this subchapter.

(4) “Public-private partnership” or “P3” means an alternative project delivery mechanism that may be used by the Agency to permit private sector participation in a project, including in its financing, development, operation, management, ownership, leasing, or maintenance.

(5) “P3 agreement” means a contract or other agreement between the Agency and a private entity to undertake a project as a public-private partnership and that sets forth rights and obligations of the Agency and the private entity in that partnership.

§ 2613. AUTHORITY

(a) The Agency is authorized to receive unsolicited proposals or to solicit proposals to undertake a project as a public-private partnership. The Agency shall develop, and have authority to amend, criteria to review and evaluate such proposals to determine if they are in the public interest and shall review and evaluate all proposals received in accordance with these criteria. In addition to other criteria that the Agency may develop, at minimum, the criteria shall require consideration of:

(1) the benefits of the proposal to the State transportation system and the potential impact to other projects currently prioritized in the most recently adopted Transportation Program;

(2) the extent to which a proposal would reduce the investment of State funds required to advance the project that the proposal addresses; and

(3) the extent to which a proposal would enable the State to receive additional federal funding that would not otherwise be available.

(b) If the Agency determines that a proposal is in the public interest:

(1) The Agency is authorized to enter into a P3 agreement with respect to the proposal without legislative approval if:

(A) the project has been approved in the most recently adopted

Transportation Program; and

(B) total estimated State funding over the lifetime of the project will be less than \$2,000,000.00.

(2) For the following projects, the Agency is authorized to enter into a P3 agreement with respect to the proposal only if the Agency receives specific legislative approval to enter into the P3 agreement:

(A) a project that has not been approved in the most recently adopted Transportation Program; or

(B) a project for which total estimated State funding over the lifetime of the project will be \$2,000,000.00 or more.

§ 2614. LEGISLATIVE APPROVAL

If the Secretary determines that a proposal that requires legislative approval under section 2613 of this title is in the public interest and should be pursued, the Secretary shall submit to the General Assembly:

(1) a description of the proposal, including:

(A) a summary of the project scope and timeline;

(B) the rights and obligations of the State and private entity partner or partners, including the level of involvement of all partners in any ongoing operations, maintenance, and ownership of a facility;

(C) the nature and amount of State funding of the project and of any ongoing State financial responsibility for ongoing maintenance or operation costs; and

(D) its effect on any project in the most recent approved Transportation Program;

(2) a statement detailing how the proposal meets the Agency's criteria developed under this subchapter; and

(3) proposed legislation to confer authority to the Agency to enter into a P3 agreement with respect to the proposal.

§ 2615. REPORT

(a) Annually, on or before January 15, the Agency shall report to the House and Senate Committees on Transportation:

(1) for each P3 agreement entered into following legislative approval required under this subchapter, for as long as the agreement is in effect, a description of the current status of the project and of any substantive change to the P3 agreement since the prior year's report; and

(2) for each P3 agreement entered into since the prior year's report pursuant to section 2613 of this title that did not require legislative approval, a description of the P3 agreement and of the project.

(b) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required unless the General Assembly takes specific action to repeal the report requirement.

* * * Sunset of Transportation Public-Private Partnership Authority * * *

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. §§ 2613 (Agency of Transportation's P3 authority) and 2614 (legislative approval of P3 proposals) shall be repealed on July 1, 2023.

* * * Gasoline Assessments; Calculations; Data Retention * * *

Sec. 22. 23 V.S.A. § 3106(a)(2) is amended to read:

(2) For the purposes of subdivision (1)(B) of this subsection, ~~the~~

(A) The tax-adjusted retail price applicable for a quarter shall be the average of the retail price for regular gasoline collected and determined to three decimal places and published by the Department of Public Service for each of the three months of the preceding quarter after all federal and State taxes and assessments, and the petroleum distributor licensing fee established by 10 V.S.A. § 1942, applicable in each month have been subtracted from that month's retail price. Calculations of the tax-adjusted retail price applicable for a quarter shall be permanently maintained on the website of the Department of Public Service.

(B) In calculating assessment amounts under subdivisions (a)(1)(B)(i)(II) and (a)(1)(B)(ii)(II) of this section, the Department of Motor Vehicles shall calculate the amounts to four decimal places. The Department of Motor Vehicles shall permanently retain the records of its calculations, any corrections thereto, and the data that are the basis for the calculations.

* * * Green Mountain Transit Authority; Name Update * * *

Sec. 23. 24 V.S.A. § 5084 is amended to read:

§ 5084. PUBLIC TRANSIT ADVISORY COUNCIL

(a) The Public Transit Advisory Council shall be created by the Secretary of Transportation under 19 V.S.A. § 7(f)(5), to consist of the following members:

* * *

(3) a representative of the ~~Chittenden County Transportation~~ Green Mountain Transit Authority;

* * *

Sec. 24. 24 App. V.S.A. chapter 801 is amended to read:

CHAPTER 801. ~~CHITTENDEN COUNTY TRANSPORTATION~~ GREEN MOUNTAIN TRANSIT AUTHORITY

§ 1. CREATION OF AUTHORITY

There is hereby created a transit authority to be known as the “~~Chittenden County Transportation~~ Green Mountain Transit Authority.”

* * *

§ 3. MEMBERSHIP IN THE AUTHORITY

Membership in the Authority shall consist of those municipalities which elect to join the Authority by majority vote of its voters present and voting on the question at an annual or special meeting duly warned for the purpose prior to July 1, 2010. Beginning on July 1, 2010, a municipality may hold an annual meeting or a special meeting for the purpose of determining through election by a majority vote of its voters present and voting on the question only if the municipality is specifically authorized to join the Authority either under section 12 of this chapter or by resolution duly passed by the ~~Chittenden County Transportation~~ Green Mountain Transit Authority Board of Commissioners. The initial meeting of a municipality called to determine whether or not to join the Authority shall be warned in the manner provided by law, except that for such meeting only, any warning need not be posted for a period in excess of 20 days, any other provision of law or municipal charter to the contrary notwithstanding. Membership may be terminated only in the manner provided in section 8 of this chapter.

* * *

§ 11. ASSESSMENTS OF NEW MEMBERS OUTSIDE CHITTENDEN COUNTY

Municipalities outside Chittenden County that vote to join the ~~Chittenden County Transportation~~ Green Mountain Transit Authority on or after July 1, 2010 shall negotiate with the Board of Commissioners of the ~~Chittenden County Transportation~~ Green Mountain Transit Authority on the amount of the levy to be assessed upon the municipality and terms of payment of that assessment; and the municipality may not join prior to agreement with the Authority on terms of the levy and payment. Upon the addition of one municipality to the membership of the ~~Chittenden County Transportation~~ Green Mountain Transit Authority from outside Chittenden County, the Authority shall immediately begin work on the formula for assessment that will be approved in accordance with this chapter.

§ 12. MUNICIPALITIES AUTHORIZED TO VOTE FOR MEMBERSHIP
IN THE ~~CHITTENDEN COUNTY TRANSPORTATION~~ GREEN
MOUNTAIN TRANSIT AUTHORITY

The following municipalities are authorized to hold an election for the purpose of determining membership in the ~~Chittenden County Transportation~~ Green Mountain Transit Authority: Barre City, Berlin, Colchester, Hinesburg, Montpelier, Morristown, Richmond, St. Albans City, Stowe, and Waterbury.

§ 13. OTHER REPRESENTATION

If Washington, Lamoille, Franklin, or Grand Isle County does not have a municipal member from its county on the Board of Commissioners of the ~~Chittenden County Transportation~~ Green Mountain Transit Authority, the regional planning commission serving the ~~County~~ county may appoint a Board member to the ~~Chittenden County Transportation~~ Green Mountain Transit Authority from a member of its regional planning commission or regional planning commission staff to represent its interests on the ~~Chittenden County Transportation~~ Green Mountain Transit Authority Board.

* * * Electric Vehicles; Public Service * * *

Sec. 25. PUBLIC UTILITY COMMISSION; REPORT;
ELECTRIC VEHICLE CHARGING

(a) After providing public notice and an opportunity for submission of written information and conducting one or more workshops, the Public Utility Commission (PUC or Commission) shall complete an evaluation and submit a written report on or before July 1, 2019 concerning the charging of plug-in electric vehicles (EV).

(b) As used in this section, “electric distribution utility” means a company that delivers electric energy to retail customers over a pole-and-wire network.

(c) The Commission shall provide direct notice of the opportunity and workshops described in subsection (a) of this section to the Agencies of Natural Resources and of Transportation, the Department of Public Service, each electric distribution utility, each efficiency entity appointed pursuant to 30 V.S.A. § 209(d) to deliver services to electric customers, and such other persons as the Commission may consider appropriate.

(d) The Commission’s report shall include:

(1) its analysis and recommendations on each of the following issues related to the role of electric distribution utilities:

(A) removal or mitigation, as appropriate, of barriers to EV charging, including strategies, such as time-of-use rates, to reduce operating costs for

current and future EV users without shifting costs to ratepayers who do not own or operate EVs;

(B) strategies for managing the impact of EVs on and services provided by EVs to the electric transmission and distribution system;

(C) electric system benefits and costs of EV charging, electric utility planning for EV charging, and rate design for EV charging; and

(D) the appropriate role of electric distribution utilities with respect to the deployment and operation of EV charging stations;

(2) its analysis and recommendations on each of the following issues related to EV charging stations owned or operated by persons other than electric distribution utilities:

(A) how and on what terms, including quantity, pricing, and time of day, such charging stations will obtain electric energy to provide to EVs;

(B) what safety standards should apply to the charging of EVs;

(C) the recommended scope of the jurisdiction of the Commission, the Department of Public Service, and other State agencies over such stations;

(D) whether such stations will be free to set the rates or prices at which they provide electric energy to EVs, and any other issues relevant to the appropriate oversight of the rates and prices charged by such stations, including the transparency to the consumer of those rates and prices; and

(E) the recommended billing and complaint procedures for such charging stations; and

(3) its analysis and recommendations on each of the following issues:

(A) jointly with the Secretary of Transportation, recommended options to address how EV users pay toward the cost of maintaining the State's transportation infrastructure, including consideration of methods to assess the impact of EVs on that infrastructure and how to calculate a charge based on that impact, the potential assessment of a charge to EVs as a rate per kilowatt hour delivered to an EV; varying such a charge by size and type of EV; and phasing in such a charge;

(B) the accuracy of electric metering and submetering technology for charging EVs;

(C) strategies to encourage EV usage at a pace necessary to achieve the goals of the State's Comprehensive Energy Plan and its greenhouse gas reduction goals, without shifting costs to electric ratepayers who do not own or operate EVs; and

(D) any other issues the Commission considers relevant to ensuring a fair, cost-effective, and accessible EV charging infrastructure that will be sufficient to meet increased deployment of EVs.

(e) During the course of the evaluation and in its report, the Commission shall identify recommendations on the issues identified in subsection (c) of this section that may require enabling legislation.

(f) The Commission shall submit copies of its report to the House and Senate Committees on Transportation, the House Committee on Energy and Technology, and the Senate Committees on Finance and on Natural Resources and Energy.

* * * All-terrain Vehicles; Enforcement * * *

Sec. 26. 23 V.S.A. § 3507 is amended to read:

§ 3507. ENFORCEMENT; PENALTIES AND REVOCATION OF REGISTRATION

* * *

(c) Law enforcement officers may conduct safety inspections on all-terrain vehicles stopped for other all-terrain vehicle law violations on the VASA Trail System. Safety inspections may also be conducted in a designated area by law enforcement officials. A designated area shall be warned solely by blue lights either on a stationary all-terrain vehicle parked on a trail or on a cruiser parked at a roadside trail crossing.

* * * All-terrain Vehicles; Operation Along Highways * * *

Sec. 27. 23 V.S.A. § 3506 is amended to read:

§ 3506. OPERATION

(a) A person ~~may~~ shall only operate or permit an all-terrain vehicle owned by him or her or under his or her control to be operated in accordance with this chapter.

(b) An all-terrain vehicle ~~may~~ shall not be operated:

(1) Along a public highway ~~unless it~~ except if one or more of the following applies:

(A) the highway is not being maintained during the snow season or unless;

(B) the highway has been opened to all-terrain vehicle travel by the selectboard or trustees or local governing body and is so posted by the municipality except an;

(C) the all-terrain vehicle is being used for agricultural purposes may be and is operated not closer than three feet from the traveled portion of any highway for the purpose of traveling within the confines of the farm; or

(D) the all-terrain vehicle is being used by an employee or agent of an electric transmission or distribution company subject to the jurisdiction of the Public Utility Commission under 30 V.S.A. § 203 for utility purposes, including safely accessing utility corridors, provided that the all-terrain vehicle shall be operated along the edge of the roadway and shall yield to other vehicles.

* * *

* * * All-terrain Vehicles; Allocation of Fees and Penalties * * *

Sec. 28. 23 V.S.A. § 3513 is amended to read:

§ 3513. LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT SERVICES

(a) The amount of ~~85~~ 90 percent of the fees and penalties collected under this ~~subchapter~~ chapter, except interest, is hereby allocated to the Agency of Natural Resources for use by the Vermont ATV Sportsman's Association (VASA) for development and maintenance of a Statewide ATV Trail Program, for trail liability insurance, and to contract for law enforcement services with any constable, sheriff's department, municipal police department, the Department of Public Safety, and the Department of Fish and Wildlife for purposes of trail compliance pursuant to this chapter. The Departments of Public Safety and of Fish and Wildlife are authorized to contract with VASA to provide these law enforcement services. ~~The Agency of Natural Resources may retain for its use up to \$7,000.00 during each fiscal year to be used for administration of the State grant that supports this program.~~

(b) ~~The Office of the Secretary of Administration~~ shall assist VASA with the procurement of trail liability and other related insurance.

* * *

Sec. 29. 23 V.S.A. § 3513(a) is amended to read:

(a) The amount of ~~90~~ 85 percent of the fees and penalties collected under this chapter, except interest, is allocated to the Agency of Natural Resources for use by the Vermont ATV Sportsman's Association (VASA) for development and maintenance of a Statewide ATV Trail Program, for trail liability insurance, and to contract for law enforcement services with any constable, sheriff's department, municipal police department, the Department of Public Safety, and the Department of Fish and Wildlife for purposes of trail compliance pursuant to this chapter. The Departments of Public Safety and of

Fish and Wildlife are authorized to contract with VASA to provide these law enforcement services.

* * * Default Weight Limits on Town Highways * * *

Sec. 30. 23 V.S.A. § 1392 is amended to read:

§ 1392. GROSS WEIGHT LIMITS ON HIGHWAYS

Except as provided in section 1400 of this title, a person or corporation shall not operate or cause to be operated a motor vehicle in excess of the total weight, including vehicle, object, or contrivance and load, of:

(1) 16,000 pounds upon any bridge with a wood floor, wood subfloor, or wood stringers on a class 3 or 4 town highway or 20,000 pounds on a bridge with wood floor, wood subfloor, or wood stringers on a class 1 or 2 town highway unless otherwise posted by the selectboard of such town.

(2) 24,000 pounds, upon a class 2, 3, or 4 town highway or bridge with other than wood floor, in any town, or incorporated village, ~~or city~~.

* * *

Sec. 31. 23 V.S.A. § 1393 is amended to read:

§ 1393. WEIGHT LIMITS IN ~~INCORPORATED VILLAGES AND CITIES;~~
ADOPTION BY TOWNS OR INCORPORATED VILLAGES OF
STATE LIMITS; LIMITS ON CLASS 1 TOWN HIGHWAYS

(a)(1) On all highways in ~~an incorporated village or a city~~, the legal load shall be as prescribed for the State Highway System in section 1392 of this title, unless otherwise restricted and posted by the local authorities, as provided in this subchapter.

(2) With the approval of the Secretary of Transportation, the ~~selectboard~~ legislative body of a town or incorporated village may designate any highway ~~in the town under its jurisdiction~~ to carry the same legal load as specified in section 1392 of this title for the State highways Highway System. When a certain highway has been so approved by the Secretary and the legislative body as to the legal load limit, then the Secretary shall have the highway posted for the legal load limit.

(3) ~~Notwithstanding the provisions of this chapter, Except as provided in subdivision 1392(1) of this title, State highway Highway System~~ weight limits as specified in section 1392 of this title shall apply to class 1 town highways.

* * *

* * * Signs Indicating Weight Limits * * *

Sec. 32. 23 V.S.A. § 1394 is amended to read:

§ 1394. DESIGNATION OF CLASS 1 TOWN HIGHWAYS; SIGNS INDICATING LEGAL LOAD OFF STATE HIGHWAYS OR CLASS 1 TOWN HIGHWAYS

(a) The class 1 town highways connecting the State highways through cities, villages, or ~~municipalities~~ towns shall be designated by the State Transportation Board and marked by the State Secretary of Transportation.

(b) The State Secretary of Transportation shall have signs erected on each ~~road which~~ town highway that leads off the State Highway System stating the legal load of the ~~town highway leading from,~~ if the legal load of the town highway differs from the legal load on the State Highway System.

(c) If the legal load limit of a class 2, 3, or 4 town highway leading off a class 1 town highway differs from the legal load limit on the class 1 town highway, the Secretary of Transportation shall furnish a sign to the municipality where the class 1 town highway is located, as needed to indicate the legal load for each town highway leading from the class 1 town highway that has a different legal load. The Secretary shall furnish the sign, and any replacement sign as may be needed, at no cost to the municipality. The municipality shall be responsible for erecting each sign furnished to it under this subsection on each town highway leading off a class 1 town highway that has a legal load limit that differs from the limit on the class 1 town highway.

* * * Aircraft Fuel Tax * * *

Sec. 33. 23 V.S.A. chapter 28 is amended to read:

CHAPTER 28. GASOLINE TAX

Subchapter 1. General Gasoline Tax

§ 3101. DEFINITIONS; SCOPE

(a) As used in this chapter:

(1) The term “distributor” as used in this subchapter shall mean a person, firm, or corporation who imports or causes to be imported gasoline or other motor fuel for use, distribution, or sale within the State, or any person, firm, or corporation who produces, refines, manufactures, or compounds gasoline or other motor fuel within the State for use, distribution, or sale. When a person receives motor fuel in circumstances ~~which~~ that preclude the collection of the tax from the distributor by reason of the provisions of the Constitution and laws of the United States, and thereafter sells or uses the motor fuel in the State in a manner and under circumstances as may subject the sale to the taxing power of the State, the person shall be considered a

distributor and shall make the same reports, pay the same taxes, and be subject to all provisions of this subchapter relating to distributors of motor fuel.

(2) "Dealer" means any person who sells or delivers motor fuel into the fuel supply tanks of motor vehicles or aircraft owned or operated by others.

(3) "Motor vehicle" means any self-propelled vehicle using motor fuel on the public highways and registered or required to be registered for operation on these highways.

(b) As used in this subchapter:

(1) ~~gasoline~~ "Gasoline or other motor fuel" or "motor fuel" includes aviation gasoline and shall not include the following:

(A) kerosene;

(B) clear or undyed diesel "fuel" as defined in section 3002 of this title;

(C) "railroad fuel" as defined in section 3002 of this title;

(D) aircraft jet fuel; or

(E) natural gas in any form.

(c) Except for "railroad fuel" taxed under section 3003 of this title, the taxation or exemption from taxation of dyed diesel fuel is not addressed under this title.

~~(4) "Motor vehicle" means any self-propelled vehicle using motor fuel on the public highways and registered or required to be registered for operation on these highways.~~

* * *

§ 3105. RECORDS OF SALES AND IMPORTATIONS

(a)(1) A distributor shall keep a record of all sales of motor fuel, ~~which that~~ shall include the number of gallons sold, the date of sale, and also the number of gallons used by the distributor. With every consignment of motor fuel to a purchaser within the State, each distributor shall also deliver a written statement containing the date and the number of gallons delivered and the names of the purchaser and the seller. The distributor shall also keep a record of all importations of motor fuel, ~~which that~~ shall include the number of gallons imported and the date of importation.

(2) With respect to any sale, use, consignment, or importation of aviation gasoline, a distributor shall separately record the same information required under subdivision (1) of this subsection.

(3) The records and statements shall be preserved by distributors and purchasers, respectively, for a period of three years, and shall be offered for inspection upon verbal or written demand of the Commissioner or his or her agent.

* * *

(d) A dealer shall keep a record of all purchases of motor fuel ~~which that~~ shall include the date of purchase, number of gallons, ~~and~~ the identity of the seller, ~~and, if applicable, shall separately record this information with respect to the purchase of aviation gasoline.~~ The records and statements shall be preserved for a period of three years. ~~The~~ Except for purchases of aviation gasoline, the record shall include daily motor fuel meter readings.

§ 3106. IMPOSITION, RATE, AND PAYMENT OF TAX

(a)(1) Except for sales of motor fuels between distributors licensed in this State, which sales shall be exempt from the taxes and assessments authorized under this section, unless exempt under the laws of the United States at the time of filing the report required by section 3108 of this title, each distributor shall pay to the Commissioner:

* * *

(4) The distributor shall also pay to the Commissioner the tax and assessments specified in this subsection upon each gallon of motor fuel used within the State by him or her.

(5) Monies collected on the sales and use of aviation gasoline pursuant to this subsection shall be used exclusively for aviation purposes consistent with 49 U.S.C. § 47133 and Federal Aviation Administration regulations and policies.

* * *

(d) Since many nonresidents and residents drive to outdoor areas of Vermont in order to view our natural resources, to hunt and fish, and to use our natural resources for other healthful recreational purposes, it is the policy of this State that a portion of the gasoline tax shall be dedicated for the purpose of conserving and maintaining our natural resources. Therefore, beginning in fiscal year 1998, three-eighths of one cent of the tax collected under subsection (a) of this section, except for the tax collected on aviation gasoline, shall be transferred 76 percent to the Fish and Wildlife Fund and 24 percent to the Department of Forests, Parks and Recreation for natural resource management. Of the funds deposited in the Fish and Wildlife Fund, the interest earned by deposited funds and all funds remaining at the end of the fiscal year shall remain in the Fish and Wildlife Fund.

* * *

§ 3108. RETURNS

For the purpose of determining the amount of the tax levied and assessed, by the 25th day of each calendar month, each distributor shall send to the Commissioner upon a form prepared and furnished by him or her a statement or return under oath or affirmation, showing:

(1) both the number of gallons of motor fuel sold and the number of gallons of motor fuel used by the distributor during the preceding calendar month. ~~The report shall contain;~~

(2) separately, both the number of gallons of aviation gasoline sold and the number of gallons of aviation gasoline used by the distributor during the preceding calendar month; and

(3) any further information ~~which~~ that the Commissioner prescribes.

* * *

Sec. 34. 23 V.S.A. § 1220a(b) is amended to read:

(b) The DUI Enforcement Special Fund shall consist of:

* * *

(3) beginning May 1, 2013 and thereafter, \$0.0038 per gallon of the revenues raised by the motor fuel tax on gasoline imposed by chapter 28 of this title, except for the revenues raised by the tax on aviation gasoline; and

(4) any additional funds transferred or appropriated by the General Assembly.

Sec. 35. 5 V.S.A. § 211 is amended to read:

§ 211. ~~APPROPRIATION FROM GASOLINE TAXES ON AIRCRAFT~~
FUEL

Funds appropriated from the proceeds of ~~the any tax on gasoline used in aircraft and capital development projects for aeronautical purposes are to aircraft fuel, including jet fuel and aviation gasoline, shall be expended under the direction of the Agency exclusively for aviation purposes consistent with 49 U.S.C. § 47133 and Federal Aviation Administration regulations and policies, including to provide;~~

(1) navigational aids to airmen ~~or~~;

(2) marking, lighting, removal, or elimination of obstructions or hazards to flight; ~~and to provide~~

(3) for the improvement of landing areas or facilities that are

permanently established for the public use of aircraft ~~or in any other way that will promote aviation in the State.~~

Sec. 36. 24 V.S.A. § 138 is amended to read:

§ 138. LOCAL OPTION TAXES

* * *

(c) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes; provided, however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation. A Except with respect to taxes collected on the sale of aviation jet fuel, a per-return fee of \$5.96 shall be assessed to compensate the Department for the costs of administration and collection, 70 percent of which shall be borne by the municipality, and 30 percent of which shall be borne by the State to be paid from the PILOT Special Fund. The fee shall be subject to the provisions of 32 V.S.A. § 605.

(d)(1) Of Except as provided in subsection (c) and subdivision (2) of this section with respect to taxes collected on the sale of aviation jet fuel, of the taxes collected under this section, 70 percent of the taxes shall be paid on a quarterly basis to the municipality in which they were collected, after reduction for the costs of administration and collection under subsection (c) of this section. Revenues received by a municipality may be expended for municipal services only, and not for education expenditures. Any remaining revenue shall be deposited into the PILOT Special Fund established by 32 V.S.A. § 3709.

(2)(A) Of the taxes collected under this section on the sale of aviation jet fuel, on a quarterly basis, 70 percent of the taxes shall be paid to the municipality in which they were collected, and 30 percent shall be deposited in the Transportation Fund.

(B) All revenues referenced in subdivision (A) of this subdivision (2) shall be used exclusively for aviation purposes consistent with 49 U.S.C. § 47133 and Federal Aviation Administration regulations and policies.

Sec. 37. 19 V.S.A. § 11 is amended to read:

§ 11. TRANSPORTATION FUND

The Transportation Fund shall comprise the following:

* * *

(4) monies received from the sales and use tax on aviation jet fuel and on natural gas used to propel a motor vehicle under 32 V.S.A. chapter 233, and

from the portion of a local option tax on the sale of aviation jet fuel specified in 24 V.S.A. § 138;

* * *

* * * Petroleum Cleanup Fund; Releases of Aircraft Fuel * * *

Sec. 38. 10 V.S.A. § 1941 is amended to read:

§ 1941. PETROLEUM CLEANUP FUND

* * *

(b) The Secretary may authorize disbursements from the Fund for the purpose of the cleanup and restoration of contaminated soil and groundwater caused by releases of petroleum, including aviation gasoline, from underground storage tanks and aboveground storage tanks, including air emissions for remedial actions, and for compensation of third parties for injury and damage caused by a release. This Fund shall be used for no other governmental purposes, nor shall any portion of the Fund ever be available to borrow from by any branch of government; it being the intent of the General Assembly that this Fund and its increments shall remain intact and inviolate for the purposes set out in this chapter. Disbursements under this section may be made only for uninsured costs incurred after January 1, 1987 and for which a claim is made prior to July 1, 2019 and judged to be in conformance with prevailing industry rates. This includes:

* * *

Sec. 39. 5 V.S.A. § 693 is amended to read:

§ 693. CONDITIONS

A municipality receiving grants from the State of Vermont shall meet such conditions as the Secretary:

(1) may establish with respect to maintenance and continued use of the subject airport site for aeronautical purposes; and

(2) shall establish in order to require the municipality to assist the State in identifying vendors that distribute, sell, or use aircraft jet fuel in the State in connection with the airport.

* * * Passing Motor Vehicles and Vulnerable Users * * *

Sec. 40. 23 V.S.A. § 1033 is amended to read:

§ 1033. PASSING MOTOR VEHICLES AND VULNERABLE USERS

(a) Passing motor vehicles generally. Motor vehicles proceeding in the same direction may be overtaken and passed only as follows:

(1) The driver of a motor vehicle overtaking another motor vehicle proceeding in the same direction may pass to its left at a safe distance, and when so doing shall exercise due care, shall not pass to the left of the center of the highway except as authorized in section 1035 of this title, and shall not again drive to the right side of the roadway until safely clear of the overtaken vehicle.

(2) Except when overtaking and passing on the right is permitted, the driver of an overtaken motor vehicle shall give way to the right in favor of the overtaking motor vehicle and shall not increase the speed of his or her vehicle until completely passed by the overtaking vehicle.

(b) Passing Approaching or passing vulnerable users. The operator of a motor vehicle approaching or passing a vulnerable user as defined in subdivision 4(81) of this title shall exercise due care, which includes reducing speed and increasing clearance to a recommended distance of at least four feet, to pass the vulnerable user safely, and shall cross the center of the highway only as provided in section 1035 of this title. A person who violates this subsection shall be subject to a civil penalty of not less than \$200.00.

(c) Approaching or passing certain stationary vehicles. The operator of a motor vehicle approaching or passing a stationary sanitation, maintenance, utility, or delivery vehicle with flashing lights shall exercise due care, which includes reducing speed and increasing clearance to a recommended distance of at least four feet, to pass the vehicle safely, and shall cross the center of the highway only as provided in section 1035 of this title. A person who violates this subsection shall be subject to a civil penalty of not less than \$200.00.

* * * Motor Vehicle Inspections * * *

Sec. 41. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor buses as defined in subdivision 4(17) of this title, 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. 42. RULEMAKING; TRANSITION

(a)(1) 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 a proposed amended rule governing motor vehicle inspections (C.V.R. 14-050-022) that:

(A) is consistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 41 of this act; and

(B) clarifies ambiguous language in the rule.

(2) The amended rule described in subdivision (1) of this subsection shall be adopted so as to take effect no later than July 1, 2019.

(3) As soon as practicable after the effective date of this section, the Commissioner shall update the content of inspections conducted through the Automated Vehicle Inspection Program to exclude any requirement of C.V.R. 14-050-022 that is inconsistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 41 of this act, with the result that no vehicle will fail inspection as a result of any such inconsistent requirement.

(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. 41 of this act is intended to affect the emissions-related requirements of the rule 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 as a result of the emissions component of the inspection to pass 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 January 15, 2019.

(e) As soon as practicable after the effective date of this section, the Commissioner of Motor Vehicles, in consultation with the Commissioner of Environmental Conservation, shall develop a program of waivers related to the emissions component of the State's inspection program that is consistent with the requirements of the Clean Air Act and its implementing regulations.

(f) On November 30, 2018, the Commissioners of Motor Vehicles and of Environmental Conservation shall send a written update to the Joint Transportation Oversight Committee that includes:

(1) a copy of any criteria developed under the authority granted in subsection (d) of this section;

(2) if the authority granted in subsection (d) of this section is exercised:

(A) whether the authority is still being exercised; and

(B) the number of conditional passes issued since the effective date of this section;

(3) a summary of the status of efforts to amend the Department's rule as required under subsection (a) of this section, and an estimate of the likely effective date of the amended rule if not yet adopted; and

(4) a summary of the status of the requirement to develop a program of waivers related to the emissions component of the State's inspection program and any efforts to educate consumers and inspection stations about issues related to emissions inspections, including: the availability of any such waivers; manufacturer warranties available for emissions components for certain vehicle models and model years; and vehicle readiness for emissions testing.

* * * Effective Dates * * *

Sec. 43. EFFECTIVE DATES

(a) This section and Secs. 2 (federal infrastructure funding), 16 (penalties for furnishing alcoholic beverages to minors), 20 (transportation public-private partnerships), 23–24 (Green Mountain Transit Authority name update), and 25 (PUC investigation; electric vehicle charging) shall take effect on passage.

(b) Secs. 30–32 (town highway weight limits; signs) and 33–37 (aircraft

fuel taxes) shall take effect on January 1, 2019.

(c) Sec. 29, 23 V.S.A. § 3513(a) (sunset of change to ATV fee and penalty allocation) shall take effect on July 1, 2023.

(d) Secs. 41–42 (motor vehicle inspections) shall take effect on passage, except that notwithstanding 1 V.S.A. § 214, in Sec. 42, subsection (d) shall take effect retroactively on January 1, 2017.

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

Pending the question, Shall the House concur in the Senate proposal of amendment? **Rep. Brennan of Colchester** moved to concur in the Senate proposal of amendment with a further amendment thereto as follows:

First: In Sec. 1, by striking out subdivision (b)(3) in its entirety and renumbering the remaining subdivision to be numerically correct

Second: By striking out Secs. 5–6 and the reader assistance headings thereto in their entireties and inserting in lieu thereof the following:

Sec. 5. [Deleted.]

* * * Program Development—Roadway Program * * *

Sec. 6. PROGRAM DEVELOPMENT—ROADWAY PROGRAM

(a) The following project is added to the development and evaluation (D&E) list of the fiscal year 2019 Program Development—Roadway Program: construction of a roundabout at the intersection of VT 67A, Matteson Road, Silk Road, and College Drive in the town of Bennington.

(b) The Agency shall expend up to \$50,000.00 of federal funds on development and evaluation of the project added under subsection (a) of this section, to the extent such funds become available as a result of the unanticipated delay of projects approved in the fiscal year 2019 Program Development Program or cost savings on such projects, or both.

Third: In Sec. 19, 19 V.S.A. § 306, by striking out subdivision (a)(1) in its entirety and inserting in lieu thereof the following:

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase or decrease over the previous fiscal year's appropriation by the same percentage as any increase or decrease in the following, whichever is less:

(A) the ~~Transportation~~ year-over-year increase in the Agency's total appropriations in the previous fiscal year funded by Transportation Fund revenues, excluding the town highway appropriations appropriation for town highways under this subsection (a) for that year; or

(B) the percentage increase in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the previous State fiscal year.

Fourth: By striking out Sec. 32 and the reader assistance heading thereto in their entirety and inserting in lieu thereof the following:

* * * Seatbelt Law for Adults; Primary Enforcement * * *

Sec. 32. 23 V.S.A. § 1259 is amended to read:

§ 1259. SAFETY BELTS; PERSONS AGE 18 YEARS OF AGE AND OVER

* * *

~~(e) This section may be enforced only if a law enforcement officer has detained the operator of a motor vehicle for another suspected traffic violation. An operator shall not be subject to the penalty established in this section unless the operator is required to pay a penalty for the primary violation. [Repealed.]~~

* * *

Sec. 32a. PRIMARY ENFORCEMENT OF SEATBELT LAW; PUBLIC EDUCATION CAMPAIGN

(a) To inform highway users of the requirements of Sec. 32 of this act (primary enforcement of the seatbelt law for adults) and the October 1, 2018 effective date of Sec. 32, the Secretary of Transportation shall conduct a public education campaign to commence on or before July 1, 2018.

(b) At a minimum, the Secretary shall:

(1) notify media outlets throughout the State of the change in the law to primary enforcement of the adult seatbelt law and the October 1, 2018 effective date of the change in the law;

(2) update the website of the Agency of Transportation and the website of the Department of Motor Vehicles to provide notice of the change in the law and its effective date; and

(3) consistent with the Manual on Uniform Traffic Control Devices and any other applicable federal law, post messages on changeable message signs of the Agency that inform highway users of the change in the law and its effective date.

Fifth: By striking out Sec. 43 (effective dates) in its entirety and inserting in lieu thereof the following:

Sec. 43. EFFECTIVE DATES

(a) This section and Secs. 2 (federal infrastructure funding), 16 (penalties for furnishing alcoholic beverages to minors), 20 (transportation public-private partnerships), 23–24 (Green Mountain Transit Authority name update), 25 (PUC report; electric vehicle charging), and 32a (education campaign; primary enforcement) shall take effect on passage.

(b) Secs. 41–42 (motor vehicle inspections) shall take effect on passage, except that notwithstanding 1 V.S.A. § 214, in Sec. 42, subsection (d) shall take effect retroactively on January 1, 2017.

(c) Sec. 32 (primary enforcement of adult seatbelt law) shall take effect on October 1, 2018.

(d) Secs. 30–31 (town highway weight limits) and 33–37 (aircraft fuel taxes) shall take effect on January 1, 2019.

(e) Sec. 29, 23 V.S.A. § 3513(a) (sunset of change to ATV fee and penalty allocation) shall take effect on July 1, 2023.

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

Which was agreed to.

**Rules Suspended; Second Reading; Proposal of Amendment Agreed to;
Third Reading Ordered**

S. 204

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

An act relating to the registration of short-term rentals

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

Rep. Read of Fayston, for the committee on General, Housing, and Military Affairs, to which had been referred the Senate bill reported in favor of its passage in concurrence with proposal of amendment by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

(a) As used in this ~~subchapter~~ chapter:

* * *

(14) “Short-term rental” means a furnished ~~home~~ house, condominium, or other dwelling room or self-contained dwelling unit rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days

and for more than 14 days per calendar year.

* * *

Sec. 2. 32 V.S.A. chapter 225 is amended to read:

CHAPTER 225. MEALS AND ROOMS TAX

* * *

§ 9202. DEFINITIONS

The following words, terms, and phrases when used in this chapter shall have the meanings ascribed to them in this section unless the context clearly indicates a different meaning:

* * *

(3) “Hotel” means an establishment ~~which~~ that holds itself out to the public by offering sleeping accommodations for a consideration, whether or not the major portion of its operating receipts is derived therefrom and whether or not the sleeping accommodations are offered to the public by the owner or proprietor or lessee, sublessee, mortgagee, licensee, or any other person or the agent of any of the foregoing. The term includes inns, motels, tourist homes and cabins, ski dormitories, ski lodges, lodging homes, rooming houses, furnished-room houses, boarding houses, and private clubs, as well as any building or structure or part thereof to the extent to which any such building or structure or part thereof in fact is held out to the public by offering sleeping accommodations for a consideration. As used in this chapter, the term includes “short-term rental” as defined in 18 V.S.A. § 4301. The term shall not include the following:

(A) a hospital, licensed under 18 V.S.A. chapter 43 or a nursing home, residential care home, assisted living residence, home for the terminally ill, therapeutic community residence as defined pursuant to 33 V.S.A. chapter 71, or independent living facility;

(B) any establishment operated by any state or U.S. agency or institution, except the Department of Forests, Parks and Recreation of the State of Vermont;

(C) an establishment operated by a nonprofit corporation or association organized and operated exclusively for religious, charitable, or educational purposes, one or more, which, in furtherance of any of the purposes for which it was organized, operates a hotel as defined herein; ~~and~~

(D) a continuing care retirement community certified under 8 V.S.A. chapter 151.

* * *

§ 9271. LICENSES REQUIRED

(a) Each operator prior to commencing business shall register with the Commissioner each place of business within the State where he or she operates a hotel or sells taxable meals or alcoholic beverages; provided, however, that an operator who sells taxable meals through a vending machine shall not be required to hold a license for each individual machine. Upon receipt of an application in such form and containing such information as the Commissioner may require for the proper administration of this chapter, the Commissioner shall issue without charge a license for each such place in such form as he or she may determine, attesting that such the registration has been made. No person shall engage in serving taxable meals or alcoholic beverages or renting hotel rooms without the license provided in this section. The license shall be nonassignable and nontransferable and shall be surrendered to the Commissioner if the business is sold or transferred or if the registrant ceases to do business at the place named.

(b)(1) Each application shall indicate whether a license is sought for a hotel or to sell taxable meals or alcoholic beverages. If the application is sought for a hotel, it shall further specify if the license is for a short-term rental.

(2) A short-term rental operator shall post the corresponding meals and rooms tax account number on any advertisement for the short-term rental.

(c) An operator submitting an application for a short-term rental shall certify on the application 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 20 V.S.A. chapter 173.

(2) The unit is free of any evidence of insects, rodents, and other pests.

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

(4) If applicable, 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) Any advertisement for the short-term rental contains the operator's

meals and rooms tax account number provided by the Department.

(6) There is posted within the unit a telephone number for the person responsible for the unit and the contact information for the Attorney General's Consumer Assistance Program and the Department of Public Safety's Division of Fire Safety.

(d) The Department of Taxes shall use existing information technology systems to maintain information about each short-term rental in the State for which an operator has obtained a meals and rooms tax account number, including the operator's name and contact information and documentation received pursuant to subsection (c) of this section.

(e) The following data maintained by the Department in accordance with subsection (d) of this section shall be available to the Department of Health and to the Department of Public Safety's Division of Fire Safety pursuant to subdivision 3102(d)(4) of this title for the purpose of ensuring the health and safety of the transient, traveling, or vacationing public:

(1) name of the operator;

(2) address of the operator's primary residence or mailing address;

(3) operator's primary telephone number and e-mail address;

(4) short-term rental address; and

(5) meals and rooms tax account number associated with short-term rental.

Sec. 3. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS

(a) The Commissioners of Health and of Taxes and the Executive Director of the Department of Public Safety's Division of Fire Safety shall jointly prepare and publish on the websites of the Departments of Health, of Taxes, and of Public Safety educational materials for short-term rental operators, including:

(1) an explanation of the requirements in 32 V.S.A. chapter 225;

(2) a description of health and safety precautions that short-term rental operators are advised to take; and

(3) information regarding the importance of and coverage options for liability insurance.

(b) The Department of Taxes shall annually disseminate materials prepared and published pursuant to subsection (a) of this section to operators of short-term rentals licensed pursuant to 32 V.S.A. chapter 225. The Department may disseminate the materials electronically.

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

Sec. 4. DATA COLLECTION; REPORTS

(a) The Attorney General’s Consumer Assistance Program and the Department of Public Safety’s Division of Fire Safety shall maintain records on all complaints received between July 1, 2018 and January 1, 2020 pertaining to a short-term rental located in Vermont or the licensure process established pursuant to 32 V.S.A. chapter 225. This information shall be available to the Departments of Taxes and of Health for the purpose of completing the reports required pursuant to subsection (b) of this section.

(b) The Commissioner of Taxes, in collaboration with the Commissioner of Health and the Executive Director of the Department of Public Safety’s Division of Fire Safety, shall submit the following written reports to the House Committees on General, Housing, and Military Affairs 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 January 1, 2019, a report detailing the progress in preparing for implementation of 32 V.S.A. chapter 225; and

(2) on or before January 1, 2020, a report addressing:

(A) any gaps or weaknesses related to the regulation of short-term rentals pursuant to 32 V.S.A. chapter 225;

(B) data related to the number of licensed short-term rental units and the collection of taxes;

(C) the types of educational materials distributed to short-term rental operators and manner of distribution;

(D) the number of new short-term rental accounts opened pursuant to 32 V.S.A. chapter 225 since the passage of this act;

(E) the manner and extent to which the Departments of Health and of Taxes and the Department of Public Safety’s Division of Fire Safety have been in communication with municipalities and the transient, traveling, or vacationing public as a result of this act; and

(F) whether any complaints have been received about short-term rentals or the licensure process established pursuant to 32 V.S.A. chapter 225, and if so, the nature of the complaints, the name of the entity receiving the complaints, and the process by which the complaints are addressed.

Sec. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2018, except Sec. 2 shall take effect on January 1, 2019.

Rep. Baser of Bristol, for the committee on Ways and Means reported in favor of its passage in concurrence with proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

(a) As used in this ~~subchapter~~ chapter:

* * *

(14) “Short-term rental” means a furnished ~~home~~ house, condominium, or other dwelling room or self-contained dwelling unit rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year.

* * *

Sec. 2. 32 V.S.A. chapter 225 is amended to read:

CHAPTER 225. MEALS AND ROOMS TAX

* * *

§ 9202. DEFINITIONS

The following words, terms, and phrases when used in this chapter shall have the meanings ascribed to them in this section unless the context clearly indicates a different meaning:

* * *

(3) “Hotel” means an establishment ~~which~~ that holds itself out to the public by offering sleeping accommodations for a consideration, whether or not the major portion of its operating receipts is derived therefrom and whether or not the sleeping accommodations are offered to the public by the owner or proprietor or lessee, sublessee, mortgagee, licensee, or any other person or the agent of any of the foregoing. The term includes inns, motels, tourist homes and cabins, ski dormitories, ski lodges, lodging homes, rooming houses, furnished-room houses, boarding houses, and private clubs, as well as any building or structure or part thereof to the extent to which any such building or structure or part thereof in fact is held out to the public by offering sleeping accommodations for a consideration. As used in this chapter, the term includes “short-term rental” as defined in 18 V.S.A. § 4301. The term shall not include the following:

(A) a hospital, licensed under 18 V.S.A. chapter 43 or a nursing

home, residential care home, assisted living residence, home for the terminally ill, therapeutic community residence as defined pursuant to 33 V.S.A. chapter 71, or independent living facility;

(B) any establishment operated by any state or U.S. agency or institution, except the Department of Forests, Parks and Recreation of the State of Vermont;

(C) an establishment operated by a nonprofit corporation or association organized and operated exclusively for religious, charitable, or educational purposes, one or more, which, in furtherance of any of the purposes for which it was organized, operates a hotel as defined herein; and

(D) a continuing care retirement community certified under 8 V.S.A. chapter 151.

* * *

§ 9282. OBLIGATIONS OF SHORT-TERM RENTAL OPERATORS

(a) A short-term rental operator shall post the corresponding meals and rooms tax account number on any advertisement for the short-term rental.

(b) A short-term rental operator shall post within the unit a telephone number for the person responsible for the unit and the contact information for the Attorney General's Consumer Assistance Program and the Department of Public Safety's Division of Fire Safety.

(c) The Department of Taxes shall prepare a packet of information pertaining to the financial and regulatory obligations of short-term rental operators. The Department shall disseminate the information packet to a short-term rental operator when the operator first registers a unit.

Sec. 3. DATA COLLECTION; REPORTS

(a)(1) The Attorney General's Consumer Assistance Program and the Department of Public Safety's Division of Fire Safety shall maintain records on all complaints received between July 1, 2018 and January 1, 2020 pertaining to a short-term rental located in Vermont. This information shall be available to the Department of Health for the purpose of completing the report required pursuant to subdivision (2) of this subsection.

(2) On or before January 15, 2020, the Commissioner of Health, in collaboration with the Executive Director of the Department of Public Safety's Division of Fire Safety, shall submit a written report to the House Committees on General, Housing, and Military Affairs and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare addressing whether any complaints have been

received about short-term rentals, and if so, the nature of the complaints, the name of the entity receiving the complaints, and the process by which the complaints are addressed.

(b) On or before January 15, 2020, the Commissioner of Taxes shall present to the House Committee on Ways and Means and to the Senate Committee on Finance information on the number of short-term rental units in Vermont, the number of short-term rental operators, and the Department's progress to date in improving compliance with 32 V.S.A. chapter 225 among short-term rental operators.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

Thereupon, the bill was read the second time, the report of the committee on Ways and Means and General, Housing and Military Affairs was agreed to and third reading was ordered.

Rules Suspended; Bill Messaged to Senate Forthwith

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

H. 912

House bill, entitled

An act relating to the health care regulatory duties of the Green Mountain Care Board

H. 913

House bill, entitled

An act relating to boards and commissions

H. 917

House bill, entitled

An act relating to the Transportation Program and miscellaneous changes to transportation-related law

S. 192

Senate bill, entitled

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

Adjournment

At five o'clock and fifty-eight minutes in the evening, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at ten o'clock minutes

in the forenoon.