

# Journal of the Senate

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THURSDAY, APRIL 27, 2017

The Senate was called to order by the President.

## Devotional Exercises

A moment of silence was observed in lieu of devotions.

## Bills Referred

House bills of the following titles were severally read the first time and referred:

### H. 524.

An act relating to approval of amendments to the charter of the Town of Hartford.

To the Committee on Rules.

### H. 527.

An act relating to approval of amendments to the charter of the Town of East Montpelier and to the merger of the Town and the East Montpelier Fire District No. 1.

To the Committee on Rules.

## Consideration Resumed; Bill Amended; Third Reading Ordered

### H. 515.

Consideration was resumed on Senate bill entitled:

An act relating to Executive Branch and Judiciary fees.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Finance, as amended?, Senators Ayer, Lyons and Ingram moved to amend the proposal of amendment of the Committee on Finance, as amended as follows:

First: In Sec. 5, 18 V.S.A. chapter 85, by striking out subchapter 7 (short-term rentals) in its entirety.

Second: In Sec. 6 (Short-Term Rental Working Group; report), by striking subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Creation. There is created the Short-Term Rental Working Group within the Department of Health for the purpose of analyzing and developing a proposal for regulation of the short-term rental industry in Vermont, including an evaluation of:

(1) the impact of short-term rentals on Vermont's hospitality industry;

(2) policies to level the playing field between short-term rentals and other lodging establishments, such as unit registration and self-certification of unit compliance with State health and safety laws and rules;

(3) necessary precautions to protect the health and safety of the transient, traveling, or vacationing public;

(4) policies implemented in other states and municipalities to regulate short-term rentals;

(5) the appropriate registration fee for short-term rentals, if any; and

(6) alternative definitions of "short-term rentals" to that enacted in 18V.S.A. § 4301.

Third: By striking Sec. 7 in its entirety with its reader assistance and inserting in lieu thereof a new Sec. 7 to read as follows:

\* \* \* Effective Date \* \* \*

#### Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

Which was agreed to.

Thereupon, the recurring question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Finance, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

#### **House Proposal of Amendment Concurred In with Amendment**

#### **S. 56.**

House proposal of amendment to Senate bill entitled:

An act relating to life insurance policies and the Vermont Uniform Securities Act.

Was taken up.

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

\* \* \* Secondary Addressee for Life Insurance \* \* \*

Sec. 1. 8 V.S.A. § 3762(d) is added to read:

(d) No individual policy of life insurance covering an individual 64 years of age or older that has been in force for at least one year shall be canceled for nonpayment of premium unless, after expiration of the grace period and not less than 21 days before the effective date of any such cancellation, the insurer has mailed a notice of impending cancellation in coverage to the policyholder and to a specified secondary addressee if such addressee has been designated by name and address in writing by the policyholder. An insurer shall notify the applicant of the right to designate a secondary addressee at the time of application for the policy on a form provided by the insurer, and annually thereafter, and the policyholder shall have the right to designate a secondary addressee, in writing, by name and address, at any time the policy is in force, by submitting such written notice to the insurer. If a life insurance policy provides a grace period longer than 51 days for nonpayment of premium, the notice of cancellation in coverage required by this subsection shall be mailed to the policyholder and to the secondary addressee not less than 21 days prior to the expiration of the grace period provided in such policies.

\* \* \* Penalty Enhancements for Violations Involving a  
Vulnerable Adult \* \* \*

Sec. 2. 8 V.S.A. § 24 is amended to read:

§ 24. SENIOR INVESTOR PROTECTION

\* \* \*

(e) The Commissioner, in addition to other powers conferred on the Commissioner by law, may increase the amount of an administrative penalty by not more than \$5,000.00 per violation for violations involving a person who is a vulnerable adult as defined in 33 V.S.A. § 6902(14).

\* \* \* Securities Act Penalties, Generally; Vulnerable Adults \* \* \*

Sec. 3. 9 V.S.A. § 5412(c) is amended to read:

(c) If the Commissioner finds that the order is in the public interest and subdivisions (d)(1) through (6), (8), (9), (10), (12), or (13) of this section authorize the action, an order under this chapter may censure, impose a bar on, or impose a civil penalty on a registrant in an amount not more than \$15,000.00 for each violation ~~and not more than \$1,000,000.00 for more than one violation~~, and recover the costs of the investigation from the registrant, and, if the registrant is a broker-dealer or investment adviser, a partner, officer, director, or person having a similar status or performing similar functions, or a person directly or indirectly in control of the broker-dealer or investment

adviser. The limitations on civil penalties contained in this subsection shall not apply to settlement agreements.

Sec. 4. 9 V.S.A. § 5603(b)(2)(C) is amended to read:

(C) imposing a civil penalty up to \$15,000.00 for each violation ~~and not more than \$1,000,000.00 for more than one violation~~; an order of rescission, restitution, or disgorgement directed to a person that has engaged in an act, practice, or course of business constituting a violation of this chapter or the predecessor act or a rule adopted or an order issued under this chapter or the predecessor act. The court may increase a civil penalty amount by not more than \$5,000.00 per violation for violations involving a person who is a vulnerable adult as defined in 33 V.S.A. § 6902(14). The limitations on civil penalties contained in this subdivision shall not apply to settlement agreements; and

Sec. 5. 9 V.S.A. § 5604(d) is amended to read:

(d) In a final order under subsection (b) or (c) of this section, the Commissioner may impose a civil penalty of not more than \$15,000.00 for each violation ~~and not more than \$1,000,000.00 for more than one violation~~. The Commissioner may also require a person to make restitution or provide disgorgement of any sums shown to have been obtained in violation of this chapter, plus interest at the legal rate. The limitations on civil penalties contained in this subsection shall not apply to settlement agreements.

\* \* \* Securities Act Housekeeping \* \* \*

Sec. 6. 9 V.S.A. § 5302 is amended to read:

§ 5302. NOTICE FILING

\* \* \*

(c) With respect to a security that is a federal covered security under 15 U.S.C. ~~§ 77r(b)(4)(E)~~ § 77r(b)(4)(F), a rule under this chapter may require a notice filing by or on behalf of an issuer to include a copy of Form D, including the Appendix, as promulgated by the Securities and Exchange Commission, and a consent to service of process complying with section 5611 of this chapter signed by the issuer not later than 15 days after the first sale of the federal covered security in this State and the payment of a fee as set forth in subsection (e) of this section. The notice filing shall be effective for one year from the date the notice filing is accepted as complete by the Office of the Commissioner. On or before expiration, the issuer may annually renew a notice filing by filing a copy of those records filed by the issuer with the Securities and Exchange Commission that are required by rule or order under this chapter to be filed and by paying an annual renewal fee as set forth in subsection (e) of this section.

(d) Subject to the provisions of 15 U.S.C. § 77r(c)(2) and any rules adopted thereunder, with respect to any security that is a federal covered security under 15 U.S.C. § 77r(b)(3) or ~~(4)(A)-(C)~~ (4)(A)-(E) and (G) and that is not otherwise exempt under sections 5201 through 5203 of this title, a rule adopted or order issued under this chapter may require any or all of the following with respect to such federal covered securities, at such time as the Commissioner may deem appropriate:

\* \* \*

\* \* \* Philanthropy Protection Act; Exemption Repeal \* \* \*

Sec. 7. REPEAL

9 V.S.A. § 5615 (exempting Vermont from the Philanthropy Protection Act of 1995) is repealed.

\* \* \* Cooperative Insurance; Bylaws \* \* \*

Sec. 8. 8 V.S.A. § 3925 is amended to read:

§ 3925. BYLAWS; COMPULSORY PROVISIONS

The bylaws of a cooperative insurance corporation to which a certificate of authority is issued shall include substantially the following provisions:

(1) The corporate powers of such corporation shall be exercised by a board of directors, who shall be not less than five in number. Such directors shall be divided into classes and a portion only elected each year. They shall be elected for a term of not more than four years each and shall choose ~~from their number~~ a president, a secretary, and such other officers as may be deemed necessary. After the first year, the directors shall be chosen at an annual meeting to be held on the second Tuesday of January, unless some other day is designated in such bylaws, at which meeting each person insured shall have one vote and may be entitled to vote by proxy under such rules and regulations as may be prescribed by the bylaws.

(2) Such corporation shall keep proper books, including a policy register, in which the secretary shall enter the complete record of all its transactions and those of the board of directors and executive committee. Such books shall at all times show fully and truly the condition, affairs, and business of such corporation and shall be open for inspection by every person insured, each day from nine o'clock in the forenoon to four o'clock in the afternoon, Saturdays, Sundays, and legal holidays excepted.

(3) If authorized as an assessment cooperative insurance corporation as outlined in subsection 3920(a) of this title, such corporation may assess for the purposes specified in section 3927 of this title, and the bylaws shall specify the

manner of giving notice of such assessments, which may be either personal or by mail, and, if by mail, shall be deemed complete if such notice is deposited, postage prepaid, in the post office at the place where the principal office of the corporation is located, directed to the person insured at his or her last known place of residence or business. A person insured who neglects or refuses to pay his or her assessments, for that reason or for any other reason satisfactory to the board of directors or its executive committee, may be excluded from such corporation and, when thus excluded, the secretary shall cancel or withdraw his or her policy or policies, subject to the cancellation provisions in sections 3879 through 3882 and chapter 113, subchapter 2 of this title, provided that such person shall remain liable for his or her pro rata share of losses and expenses incurred on or before the date of his or her exclusion and for the penalty herein provided, in case an action is brought against him or her. If a member of such corporation is so excluded and his or her policy so canceled, the secretary shall forthwith enter such cancellation and the date thereof on the records kept in the office of the corporation and serve notice of such cancellation on the person so excluded, as provided herein for the service of notice of assessment. However, in such event, the person so excluded or whose policy is so canceled shall be entitled to the repayment of an equitable portion of the unearned paid premium on such policy. The officers of such corporation shall proceed to collect all assessments within 30 days after the expiration of the notice to pay the same. Neglect or refusal on their part so to proceed or to perform any of the duties imposed on them by law shall render them individually liable for the amount lost to any person, due to such neglect or refusal, and an action may be maintained by such person against such officers to collect such amount. An action may be brought by the corporation against a person insured therein to recover all assessments which he or she may neglect or refuse to pay, and there may be recovered from him or her in such action both the amount so assessed, with lawful interest thereon, and, as a penalty for such neglect or refusal, 50 percent of such assessment in addition thereto.

(4) Any person insured by an assessment cooperative insurance corporation may withdraw therefrom at any time by giving written notice to the corporation, stating the date of withdrawal, paying his or her share of all claims then existing against such corporation, and surrendering his or her policy or policies.

(5) Any person insured by a nonassessment cooperative insurance corporation may withdraw from it at any time by giving written notice to the corporation stating the date of withdrawal and surrendering his or her policy or policies.

(6) ~~Persons residing or owning property within the state of Vermont any state where the corporation is authorized to do business may be insured upon the same terms and conditions as original members and such other terms as may be prescribed in the bylaws of the corporation.~~

(7) ~~Nonresidents owning property within the state of Vermont may be insured therein and shall have all the rights and privileges of the corporation and be accountable as are other persons insured therein, but shall not be eligible to hold office in the corporation;~~

(8) The bylaws of such corporation may be amended at any time.

\* \* \* Group Life Insurance; Employee Pay All \* \* \*

Sec. 9. [DELETED.]

Sec. 10. [DELETED.]

Sec. 11. [DELETED.]

Sec. 12. [DELETED.]

Sec. 13. [DELETED.]

Sec. 14. [DELETED.]

Sec. 15. [DELETED.]

\* \* \* Assistant Medical Examiners; Liability Protections \* \* \*

Sec. 16. 18 V.S.A. § 511 is added to read:

§ 511. ACTIONS AGAINST MEDICAL EXAMINERS

Actions taken by any person given authority under this chapter, including an assistant medical examiner, shall be considered to be actions taken by a State employee for the purposes of 3 V.S.A. chapter 29 and 12 V.S.A. chapter 189 if such actions occurred within the scope of such person's duties.

\* \* \* Portable Electronics Insurance; Notice Requirements \* \* \*

Sec. 17. 8 V.S.A. § 4260 is amended to read:

§ 4260. NOTICE REQUIREMENTS

(a) Whenever notice or correspondence with respect to a policy of portable electronics insurance is required pursuant to the policy or is otherwise required by law, it shall be in writing. Notwithstanding any other provision of law, notices and correspondence may be sent either by mail or by electronic means as set forth in this section. If the notice or correspondence is mailed, it shall be sent to the portable electronics vendor at the vendor's mailing address specified for such purpose and to its affected customers' last known mailing

address on file with the insurer. The insurer or vendor of portable electronics shall maintain proof of mailing in a form authorized or accepted by the U.S. Postal Service or other commercial mail delivery service. If the notice or correspondence is sent by electronic means, it shall be sent to the portable electronics vendor at the vendor's electronic mail address specified for such purpose and to its affected customers' last known electronic mail address as provided by each customer to the insurer or vendor of portable electronics. A customer is deemed to consent to receive notice and correspondence by electronic means if the insurer or vendor first discloses to the customer that by providing an electronic mail address the customer consents to receive electronic notice and correspondence at the address, and the customer provides an electronic mail address customer's provision of an electronic mail address to the insurer or vendor of portable electronics is deemed consent to receive notices and correspondence by electronic means at such address if notice of that consent is provided to the customer within 30 calendar days. The insurer or vendor of portable electronics shall maintain proof that the notice or correspondence was sent.

\* \* \*

\* \* \* Workers' Compensation; High-Risk Occupations and Industries \* \* \*

Sec. 18. WORKERS' COMPENSATION; INDUSTRIES AND  
OCCUPATIONS WITH HIGH RISK, HIGH PREMIUMS, AND  
FEW POLICY HOLDERS; STUDY; REPORT

(a) The Commissioner of Financial Regulation, in consultation with the Commissioner of Labor, the National Council on Compensation Insurance, and other interested stakeholders, shall identify and study industries and occupations in Vermont that experience a high risk of workplace and on-the-job injuries and whose workers' compensation insurance is characterized by high premiums and few policy holders in the insurance pool. The industries and occupations addressed in the study shall include, among others, logging and log hauling, as well as arborists, roofers, and occupations in saw mills and wood manufacturing operations. In particular, the Commissioner shall:

(1) examine difference in the potential for loss, premium rates, and experience and participation in the workers' compensation marketplace between the industries and occupations identified, and the average for all industries and occupations in Vermont;

(2) study potential methods for reducing workers' compensation premium rates and costs for high-risk industries and occupations, including risk pooling between multiple high-risk industries or occupations, creating self-insured trusts; creating voluntary safety certification programs, and programs or best practices employed by other states; and



(3) model the potential impact on workers' compensation premiums and costs from each of the methods identified pursuant to subdivision (2) of this subsection.

(b) On or before January 15, 2018, the Commissioner of Financial Regulation shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance regarding his or her findings and any recommendations for legislative action to reduce the workers' compensation premium rates and costs for the industries identified in the study.

\* \* \* Workers' Compensation; Short-term and Seasonal Policies; Studies \* \* \*

Sec. 19. [DELETED.]

Sec. 20. SHORT-TERM WORKERS' COMPENSATION POLICIES;  
STUDY; REPORT

The Commissioner of Financial Regulation, in consultation with the Commissioner of Labor, shall examine potential measures to encourage the creation of affordable seasonal and short-term workers' compensation policies and measures to reduce the cost of workers' compensation insurance coverage for small employers in seasonal occupations. On or before January 15, 2018, the Commissioner shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance regarding his or her finding and any recommendations for legislative action.

Sec. 21. REGIONAL ASSIGNED RISK POOL; STUDY; REPORT

The Commissioner of Financial Regulation shall examine potential mechanisms for joining with neighboring states to create a regional assigned risk pool for workers' compensation insurance and whether the creation of a regional assigned risk pool could reduce the cost of administering Vermont's assigned risk pool. On or before January 15, 2018, the Commissioner shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance with his or her findings and any recommendations for legislative action related to the implementation of a regional assigned risk pool for workers' compensation insurance.

Sec. 22. ADMINISTRATION OF ASSIGNED RISK POOL; STUDY;  
REPORT

The Commissioner of Financial Regulation shall examine whether any premium savings or reductions in costs could be realized if the assigned risk pool for workers' compensation was administered directly by the Department of Financial Regulation rather than through a third-party. On or before January 15, 2018, the Commissioner shall submit a written report to the House

Committee on Commerce and Economic Development and the Senate Committee on Finance with his or her findings and any recommendations for legislative action.

\* \* \* Unemployment Compensation; Referee Final Decisions \* \* \*

Sec. 23. [DELETED.]

Sec. 24. [DELETED.]

\* \* \* Effective Date; Application \* \* \*

Sec. 25. EFFECTIVE DATE; APPLICATION

(a) This act shall take effect on July 1, 2017.

(b) Sec. 17 shall apply to portable electronics insurance policies issued or renewed on or after July 1, 2017.

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

An act relating to insurance and securities.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sirotkin moved that the Senate concur in the House proposal of amendment with an amendment as follows:

By striking out Sec. 23 and Sec. 24 and the accompanying reader assistance (unemployment compensation) in their entirety and inserting in lieu thereof a new Sec. 23 and a new Sec. 24 to read as follows:

Sec. 23. 21 V.S.A. § 601 is amended to read:

§ 601. DEFINITIONS

Unless the context otherwise requires, words and phrases used in this chapter shall be construed as follows:

\* \* \*

(11) “Personal injury by accident arising out of and in the course of employment” includes an injury caused by the willful act of a third person directed against an employee because of that employment.

\* \* \*

(I)(i) In the case of police officers, rescue or ambulance workers, or firefighters, post-traumatic stress disorder that is diagnosed by a mental health professional shall be presumed to have been incurred during service in the line of duty and shall be compensable, unless it is shown by a preponderance of the evidence that the post-traumatic stress disorder was caused by nonservice-connected risk factors or nonservice-connected exposure.

(ii) A police officer, rescue or ambulance worker, or firefighter who is diagnosed with post-traumatic stress disorder within three years of the last active date of employment as a police officer, rescue or ambulance worker, or firefighter shall be eligible for benefits under this subdivision (11).

(iii) As used in this subdivision (11)(I):

(I) "Firefighter" means a firefighter as defined in 20 V.S.A. § 3151(3) and (4).

(II) "Mental health professional" means a person with professional training, experience, and demonstrated competence in the treatment and diagnosis of mental conditions, who is certified or licensed to provide mental health care services and for whom diagnoses of mental conditions are within his or her scope of practice, including a physician, nurse with recognized psychiatric specialties, psychologist, clinical social worker, mental health counselor, or alcohol or drug abuse counselor.

(III) "Police officer" means a law enforcement officer who has been certified by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. chapter 151.

(IV) "Rescue or ambulance worker" means ambulance service, emergency medical personnel, first responder service, and volunteer personnel as defined in 24 V.S.A. § 2651.

(J)(i) A mental condition resulting from a work-related event or work-related stress shall be considered a personal injury by accident arising out of and in the course of employment and be compensable if it is demonstrated by the preponderance of the evidence that:

(I) the work-related event or work-related stress was extraordinary and unusual in comparison to pressures and tensions experienced by the average employee across all occupations; and

(II) the work-related event or work-related stress, and not some other event or source of stress, was the predominant cause of the mental condition.

(ii) A mental condition shall not be considered a personal injury by accident arising out of and in the course of employment if it results from any disciplinary action, work evaluation, job transfer, layoff, demotion, termination, or similar action taken in good faith by the employer.

\* \* \*

Sec. 24. EMERGENCY PERSONNEL POST-TRAUMATIC STRESS  
DISORDER; STUDY OF EXPERIENCE AND COSTS; REPORT

(a) The Commissioner of Labor, in consultation with the Secretary of Administration, the Commissioner of Financial Regulation, the Vermont League of Cities and Towns, and the National Council on Compensation Insurance, shall examine claims for workers' compensation made pursuant to 21 V.S.A. § 601(11)(I) and (J) between July 1, 2017 and January 1, 2020, including:

(1) the number of claims made;

(2) the cost of the workers compensation benefits provided for those claims; and

(3) any changes in administrative and premium costs associated with those claims.

(b) On or before January 15 of each year from 2018 through 2020, the Commissioner shall report to the House Committees on Appropriations, on Commerce and Economic Development, and on Health Care, and the Senate Committees on Appropriations, on Finance, and on Health and Welfare regarding its findings and any recommendations for legislative changes.

Which was agreed to.

**Proposal of Amendment; Bill Passed in Concurrence with Proposal of  
Amendment**

**H. 503.**

House bill entitled:

An act relating to bail.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the Senate proposal of amendment as follows:

After Sec. 10 by inserting a reader assistance to read

\* \* \* Humane and Proper Treatment of Animals \* \* \*

And by adding a Sec. 10a as follows:

Sec. 10a. 13 V.S.A. chapter 8 is amended to read:

CHAPTER 8. HUMANE AND PROPER TREATMENT OF ANIMALS

Subchapter 1. Cruelty to Animals

\* \* \*

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 § 352a. AGGRAVATED CRUELTY TO ANIMALS

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

(1) kills an animal by intentionally causing the animal undue pain or suffering;

(2) intentionally, maliciously, and without just cause tortures, mutilates, or cruelly beats an animal; or

(3) intentionally injures or kills an animal that is in the performance of official duties while under the supervision of a law enforcement officer.

## § 353. DEGREE OF OFFENSE; SENTENCING UPON CONVICTION

(a) Penalties.

(1) Except as provided in subdivision (3) or (4) of this subsection, cruelty to animals under section 352 of this title shall be punishable by a sentence of imprisonment of not more than one year, or a fine of not more than \$2,000.00, or both. Second and subsequent convictions shall be punishable by a sentence of imprisonment of not more than two years or a fine of not more than \$5,000.00, or both.

(2) Aggravated cruelty under section 352a of this title shall be punishable by a sentence of imprisonment of not more than ~~three~~ five years or a fine of not more than \$5,000.00, or both. Second and subsequent offenses shall be punishable by a sentence of imprisonment of not more than ~~five~~ ten years or a fine of not more than \$7,500.00, or both.

\* \* \*

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

**Proposal of Amendment; Bill Passed in Concurrence with Proposals of Amendment**

**H. 518.**

House bill entitled:

An act relating to making appropriations for the support of government.

Was taken up.

Thereupon, pending third reading of the bill, Senator Kitchel moved to amend the Senate proposal of amendment as follows:

First: By striking Secs. B.224 and B.501 in their entirety and inserting in lieu thereof new Secs. B.224 and B.501 to read as follows:

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	1,665,008
Operating expenses	1,016,357
Grants	<u>1,170,875</u>
Total	3,852,240
Source of funds	
General fund	1,953,127
Special funds	625,830
Federal funds	1,233,783
Interdepartmental transfers	<u>39,500</u>
Total	3,852,240

Sec. B.501 Education - education services

Personal services	18,581,101
Operating expenses	1,604,659
Grants	<u>125,444,492</u>
Total	145,635,252
Source of funds	
General fund	5,530,968
Special funds	3,808,374
Tobacco fund	750,388
Federal funds	133,477,859
Interdepartmental transfers	<u>2,062,663</u>
Total	145,635,252

Second: By striking out Sec. B.801 in its entirety and inserting in lieu thereof a new Sec. B.801 to read as follows:

Sec. B.801 Economic development

Personal services	2,104,952
Operating expenses	930,788
Grants	<u>3,679,403</u>
Total	6,715,143
Source of funds	
General fund	4,602,224
Special funds	555,350
Federal funds	<u>1,557,569</u>
Total	6,715,143

Third: By striking out Sec. B.806 in its entirety and inserting in lieu thereof a new Sec. B.806 to read as follows:

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 Sec. B.806 Tourism and marketing

Personal services	1,191,303
Operating expenses	1,792,070
Grants	<u>121,880</u>
Total	3,105,253
Source of funds	
General fund	3,075,253
Interdepartmental transfers	<u>30,000</u>
Total	3,105,253

Fourth: By striking out Sec. B.1101(e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) Agency of Agriculture, Food and Markets: The sum of \$75,000 is appropriated to the Agency of Agriculture, Food and Markets for a grant to the Vermont Housing and Conservation Board for federal rural development grant writing assistance.

Fifth: By striking Sec. C.103.1 in its entirety and inserting in lieu thereof a new Sec. C.103.1 to read as follows:

Sec. C.103.1 2016 Acts and Resolves No. 172, Sec. B.301 as amended by 2017 Acts and Resolves No. 3, Sec. 18 is further amended to read:

## Sec. B.301 Secretary's office - global commitment

Operating expenses	5,529,495	5,529,495
Grants	<u>1,596,194,550</u>	<u>1,605,462,162</u>
Total	<del>1,601,724,045</del>	1,605,462,162
Source of funds		
General fund	284,257,664	287,995,781
Special funds	28,263,866	28,263,866
Tobacco fund	29,716,875	29,716,875
State health care resources fund	297,599,293	297,599,293
Federal funds	961,846,347	961,846,347
Interdepartmental transfers	<u>40,000</u>	<u>40,000</u>
Total	<del>1,601,724,045</del>	1,605,462,162

Sixth: By inserting a new section to be numbered Sec. D.100.2 to read as follows:

## Sec. D.100.2 CONTINGENT BOND AUTHORITY

(a) If a housing bond is authorized based on appropriate revenue, then specific language may be presented to the Joint Fiscal Committee for review prior to budget adjustment.

Seventh: In Sec. E.314.1(a) by striking out the first sentence in its entirety and inserting in lieu thereof a new first sentence to read as follows:

The addition of \$9,800,000 is made consistent with S.133 of 2017 and shall be allocated to the Designated and Specialized Service Agencies (DA/SSA) to help stabilize the care delivery system and workforce employed by the DA/SSA, with \$2,784,000 allocated for crisis response.

Eighth: By striking out Sec. E.314.3 in its entirety and inserting in lieu thereof a new Sec. E.314.3 to read as follows:

Sec. E.314.3 FUNDING OF DESIGNATED AGENCIES' EMERGENCY SERVICES

(a) On or before January 15, 2018, the Commissioners of Mental Health, Vermont Health Access, and Disabilities, Aging, and Independent Living shall submit a report to the House Committees on Appropriations and on Health Care and to the Senate Committees on Appropriations and on Health and Welfare addressing how designated agencies fund emergency services for the purpose of ensuring that designated agencies' emergency services achieve maximum efficiency and are available to all individuals within a specific designated agency's catchment area. The report shall identify:

- (1) any funding gaps, including methodologies of payment;
- (2) capacity of payment;
- (3) third party payers; and
- (4) unfunded services.

Ninth: In Sec. E.318.1(a) after the following: "In fiscal year 2018," by inserting the following: and thereafter,

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

**Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment**

**H. 519.**

House bill entitled:

An act relating to capital construction and State bonding.

Was taken up.

Thereupon, pending third reading of the bill, Senator Ashe moved to amend the Senate proposal of amendment by adding a new section to be numbered



Sec. 35a to read as follows:

Sec. 35a. CLEAN WATER PROJECTS; SIGNS

The Commissioner of Buildings and General Services, in collaboration with the Secretaries of Natural Resources and of Transportation, shall develop a plan for signage to identify any clean water projects funded by the State. The signage shall include uniform language and a logo to identify the projects. The signage shall be displayed in a location as visible to the public as possible for the duration of the construction phase of the project. Funds appropriated for water quality projects shall be used to pay the costs associated with the signage in accordance with the plan.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

**Proposals of Amendment; Third Reading Ordered**

**H. 509.**

Senator Cummings, for the Committee on Finance, to which was referred House bill entitled:

An act relating to calculating statewide education tax rates.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, subdivision (1), by striking out “\$10,077.00” and inserting in lieu thereof \$10,015.00, and in subdivision (2), by striking out “\$11,851.00” and inserting in lieu thereof \$11,820.00

Second: In Sec. 2, by striking out “\$1.555” and inserting in lieu thereof \$1.563

Third: By striking out the reader assistance and Secs. 3 through 5 (unfunded mandates) in their entirety and inserting in lieu thereof new Secs. 3 through 5 to read:

Sec. 3. [Deleted.]

Sec. 4. [Deleted.]

Sec. 5. [Deleted.]

And that the bill ought to pass in concurrence with such proposals of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

### House Proposal of Amendment; Bill Committed

#### S. 20.

Senate bill entitled:

An act relating to permanent licenses for persons 66 years of age or older.

Was taken up.

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

By striking out Sec. 2 (effective date) in its entirety and inserting in lieu thereof two new sections to be Secs. 2 and 3 to read:

Sec. 2. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER FUND BOARD

(a) Creation. There is created a the Clean Water Fund Board which shall recommend to the Secretary of Administration expenditures from the Clean Water Fund. The Clean Water Fund Board shall be attached to the Agency of Administration for administrative purposes.

(b) Organization of the Board. The Clean Water Fund Board shall be composed of:

- (1) ~~the~~ The Secretary of Administration or designee;
- (2) ~~the~~ The Secretary of Natural Resources or designee;
- (3) ~~the~~ The Secretary of Agriculture, Food and Markets or designee;
- (4) ~~the~~ The Secretary of Commerce and Community Development or designee; ~~and.~~
- (5) ~~the~~ The Secretary of Transportation or designee.
- (6) Four members of the public to be appointed as follows:
  - (A) The Speaker of the House of Representatives shall appoint two members of the public, one of whom shall be a municipal official.
  - (B) The Committee on Committees shall appoint two members of the public, one of whom shall be a municipal official.
  - (C) Of the members appointed under this subdivision (6), it is the intent of the General Assembly that at any one time a member representing each of the following major watersheds shall be serving on the Board:

- (i) the Connecticut River watershed;
- (ii) the Hudson River watershed;
- (iii) the Lake Champlain watershed; and
- (iv) the Lake Memphremagog watershed.

(c) Officers; committees; rules; reimbursement.

(1) The Clean Water Fund Board shall annually elect a chair from its members. The Clean Water Fund Board may elect additional officers from its members, establish committees or subcommittees, and adopt procedural rules as necessary and appropriate to perform its work.

(2) Members of the Board 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 paid from the budget of the Agency of Administration for attendance of meetings of the Board.

\* \* \*

(g) Terms; appointed members. Members who are appointed to the Clean Water Fund Board shall be appointed for terms of three years, except initially, appointments shall be made such that one member appointed by the Speaker shall be appointed for a term of two years, and one member appointed by the Committee on Committees shall be appointed for a term of one year. Vacancies on the Board shall be filled for the remaining period of the term in the same manner as initial appointments.

### Sec. 3. EFFECTIVE DATES

(a) This section and Sec. 2 (Clean Water Fund Board) shall take effect on passage.

(b) Sec. 1 (permanent fishing and hunting licenses) shall take effect on January 1, 2018.

Thereupon, pending the question Shall the Senate concur in the House proposal of amendment, on motion of Senator Bray, the bill was committed to the Committee on Natural Resources and Energy on a division of the Senate Yeas 19, Nays 9.

### **House Proposal of Amendment Not Concurred In; Committee of Conference Requested**

#### **S. 127.**

House proposal of amendment to Senate bill entitled:

---

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

Was taken up.

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

\* \* \* Special Plates and Placards for Persons With Disabilities \* \* \*

Sec. 1. 23 V.S.A. § 304a is amended to read:

§ 304a. SPECIAL REGISTRATION PLATES AND PLACARDS FOR  
PEOPLE WITH DISABILITIES

(a) The following definitions shall apply to this section:

\* \* \*

(6) “Eligible person” means:

(A) a person who is blind or has an ambulatory disability and has been issued a special registration plate or a windshield placard by this State or another state;

(B) a person who is transporting a person described in subdivision (A) of this subdivision (6); or

(C) a person transporting a person who is blind or has an ambulatory disability on behalf of an organization that has been issued a special registration plate or a windshield placard by this State or another state for the purpose of transporting a person who is blind or has an ambulatory disability.

\* \* \*

(e)(1) A person, other than an eligible person, who for his or her own purposes parks a vehicle in a space for persons with disabilities shall be ~~fin~~ed subject to a civil penalty of not less than \$200.00 for each violation and shall be liable for towing charges.

(2) A person, other than an eligible person, who displays a special registration plate or removable windshield placard not issued to him or her under this section and parks a vehicle in a space for persons with disabilities, shall be subject to a civil penalty of not less than \$400.00 for each violation and shall be liable for towing charges.

(3) ~~He or she shall~~ A person who violates this section also shall be liable for storage charges not to exceed \$12.00 per day, and an artisan’s lien may be imposed against the vehicle for payment of the charges assessed.

(4) The person in charge of the parking space or spaces for persons with a disability or any duly authorized law enforcement officer shall cause the removal of a vehicle parked in violation of this section.

(5) A violation of this section shall be considered a traffic violation within the meaning of 4 V.S.A. chapter 29.

\* \* \*

\* \* \* Special License Plates \* \* \*

Sec. 2. 23 V.S.A. § 304b is amended to read:

§ 304b. CONSERVATION MOTOR VEHICLE REGISTRATION PLATES

\* \* \*

(b) Initial fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$12.00~~ 46 percent to the Transportation Fund.

(2) ~~\$7.00~~ 27 percent to the Department of Fish and Wildlife for deposit into the Nongame Wildlife Account created in 10 V.S.A. § 4048.

(3) ~~\$7.00~~ 27 percent to the Department of Fish and Wildlife for deposit into the Watershed Management Account created in 10 V.S.A. § 4050.

(c) Renewal fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$11.00~~ 42 percent to the Department of Fish and Wildlife for deposit into the Nongame Wildlife Account created in 10 V.S.A. § 4048.

(2) ~~\$11.00~~ 42 percent to the Department of Fish and Wildlife for deposit into the Watershed Management Account created in 10 V.S.A. § 4050.

(3) ~~\$4.00~~ 16 percent to the Transportation Fund.

(d) The Commissioner of Fish and Wildlife is authorized to deposit fees collected by the Department of Fish and Wildlife under subsections (b) and (c) of this section into the Conservation Camp Fund when the fees collected exceed the annual funding needs of the Nongame Wildlife Account and the Watershed Management Account.

Sec. 3. 23 V.S.A. § 304c is amended to read:

§ 304c. MOTOR VEHICLE REGISTRATION PLATES: BUILDING BRIGHT SPACES FOR BRIGHT FUTURES FUND

\* \* \*

(b) Fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$7.00~~ 29 percent to the Transportation Fund.

(2) ~~\$17.00~~ 71 percent to the Department for Children and Families for deposit in the Bright Futures Fund created in 33 V.S.A. § 3531.

(c) Renewal fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$19.00~~ 79 percent to the Department for Children and Families for deposit in the Bright Futures Fund in 33 V.S.A. § 3531.

(2) ~~\$5.00~~ 21 percent to the Transportation Fund.

(d) The Department of Motor Vehicles shall be charged by the Department of Corrections for the production of the Bright Futures Fund license plates.

\* \* \* Annual Special Excess Weight Permits \* \* \*

Sec. 4. 23 V.S.A. § 305 is amended to read:

#### § 305. REGISTRATION PERIODS

(a) The Commissioner of Motor Vehicles shall issue registration certificates, validation stickers, and number plates upon initial registration, and registration certificates and validation stickers for each succeeding renewal period of registration, upon payment of the registration fee. Number plates so issued will become void one year from the first day of the month following the month of issue unless a longer initial registration period is authorized by law, or unless this period is extended through renewal. Registrations issued for motor trucks shall become void one year from the first day of the month following the month of issue. ~~The fees for annual special excess weight permits issued to these vehicles pursuant to section 1392 of this title shall be prorated so as to coincide with registration expiration dates.~~

\* \* \*

\* \* \* Temporary Registration \* \* \*

Sec. 5. 23 V.S.A. § 312 is amended to read:

#### § 312. TEMPORARY REGISTRATION PENDING ISSUANCE OF CERTIFICATE OF TITLE

(a) In his or her discretion, the Commissioner may issue a temporary registration certificate to a person required to obtain a certificate of title in accordance with chapter 21 of this title upon payment of the registration fee provided in subchapter 2 of this chapter and of the title fee. The temporary registration certificate and the number plate shall be valid for 60 days and shall

not be renewed. At the expiration of the temporary registration, a permanent registration certificate and a set of number plates shall be issued provided that all documents and information required by law are filed with the Commissioner.

(b) The registration fee paid in accordance with subsection (a) of this section shall not be refunded, except that the fee shall be deemed the fee for the permanent registration, if one is issued, or shall be deemed the fee for another an application for registration to register another vehicle, if the title requirements are met during that registration period. Likewise, the title fee shall be deemed the fee for the title, if one is issued, or shall be deemed the fee for an application to title another vehicle.

\* \* \* Registration Transfers \* \* \*

Sec. 6. 23 V.S.A. § 321 is amended to read:

§ 321. PROCEDURE UPON TRANSFER

Upon the transfer of ownership of any registered motor vehicle its registration shall expire. The person in whose name the transferred vehicle was registered shall immediately return direct to the Commissioner the registration certificate assigned to the transferred vehicle, with the date of sale and the name and residence of the new owner endorsed on the back. However, the Commissioner may accept any other satisfactory evidence of the above required information. The transferor shall forthwith remove the registration number plates from the transferred vehicle and may attach the same to another unregistered motor vehicle owned by him or her. Upon the transfer of registration plates from a motor vehicle, the registration of which has expired as above provided, to another motor vehicle, owned by the ~~transferer~~ transferor, the owner or operator shall not, for a period of ~~30~~ 60 days, be subject to a fine for the operation of the latter motor vehicle without the proper registration certificate, provided he or she has, within 24 hours of the transfer, made application, as provided in section 323 of this title, for transfer of the registration number plates. If such application for transfer is not so received by the Commissioner, the number plates shall be returned to the Commissioner at the end of five days after the transfer of ownership.

\* \* \* Registration Fees; Local Transit Buses \* \* \*

Sec. 7. 23 V.S.A. § 372a is amended to read:

§ 372a. LOCAL TRANSIT PUBLIC TRANSPORTATION SERVICE

(a) The annual registration fee for any motor bus used in local transit or public transportation service shall be \$62.00, except for those vehicles owned by a municipality for such service that are subject to the provisions of section

376 of this title. In the event a bus registered for local transit or public transportation service is thereafter registered for general use during the same registration year, such fee shall be applied towards the fee for general registration.

(b) As used in this section, a motor bus used in public transportation service ~~bus~~ is a bus used by a nonprofit public transit system as defined in 24 V.S.A. § 5088(3), and a motor bus used in local transit ~~bus~~ is a motor bus used entirely within or not more than 40 100 miles beyond the boundaries of a city or town.

\* \* \* Exhibition Vehicles \* \* \*

Sec. 8. 23 V.S.A. § 373 is amended to read:

§ 373. EXHIBITION VEHICLES; YEAR OF MANUFACTURE PLATES

(a) The annual fee for the registration of a motor vehicle which is maintained ~~solely~~ for use in exhibitions, club activities, parades, and other functions of public interest and which is not used for the general daily transportation of passengers or property on any highway, except to attend such functions, shall be \$21.00, in lieu of fees otherwise provided by law. Permitted use shall include:

(1) use in exhibitions, club activities, parades, and other functions of public interest; and

(2) occasional transportation of passengers or property not more than one day per week.

\* \* \*

\* \* \* Licenses and Permits to Operate; Refusals to Issue \* \* \*

Sec. 9. 23 V.S.A. § 603(c) is amended to read:

(c) An ~~operator~~ operator's license, junior ~~operator~~ operator's license, or ~~learner~~ learner's permit shall not be issued to an applicant whose license ~~or learner~~, learner's permit, or privilege to operate is suspended, revoked, or canceled in any jurisdiction.

Sec. 10. CONFORMING CHANGES

(a) In 23 V.S.A. § 601(b), the phrase "operator licenses" shall be replaced with "operator's licenses" wherever it appears.

(b) In 23 V.S.A. § 603(b) and (d), wherever they appear:

(1) The phrase "operator license" shall be replaced with "operator's license."



(2) The phrase “junior operator license” shall be replaced with “junior operator’s license.”

(3) The phrase “learner permit” shall be replaced with “learner’s permit.”

\* \* \* Learner’s Permits; Operation Under \* \* \*

Sec. 11. 23 V.S.A. § 615 is amended to read:

§ 615. UNLICENSED OPERATORS

(a)(1)(A) An unlicensed person 15 years of age or older may operate a motor vehicle if he or she possesses a valid learner’s permit issued to him or her by the Commissioner, or by another jurisdiction in accordance with section 208 of this title, and if one of the following persons who is not under the influence of alcohol or drugs rides beside him or her:

(i) his or her licensed parent or guardian;

(ii) a licensed or certified driver education instructor;

(iii) a licensed examiner of the Department; or

(iv) a licensed person at least 25 years of age rides beside him or her.

(B) A person described under subdivisions (A)(i)–(iv) of this subdivision (1) who, while under the influence of alcohol or drugs, rides beside an individual whom the person knows to be unlicensed shall be subject to the same penalties as for a violation of subsection 1130(b) of this title. A holder of a learner’s permit shall not be deemed to have violated this section if a person described under subdivisions (A)(i)–(iv) of this subdivision (1) rides beside him or her while the person is under the influence of alcohol or drugs.

(C) Nothing in this section shall be construed to permit a person against whom a revocation or suspension of license is in force, or a person younger than 15 years of age, or a person who has been refused a license by the Commissioner to operate a motor vehicle.

\* \* \*

\* \* \* Distracted Driving \* \* \*

Sec. 12. 23 V.S.A. § 1095b is amended to read:

§ 1095b. HANDHELD USE OF PORTABLE ELECTRONIC DEVICE  
PROHIBITED

\* \* \*

(c) Penalties.

(1) A person who violates this section commits a traffic violation and shall be subject to a fine of not less than \$100.00 and not more than \$200.00 for a first violation, and of not less than \$250.00 and not more than \$500.00 for a second or subsequent violation within any two-year period.

(2) A person convicted of violating this section while operating within a ~~properly designated work zone in which construction, maintenance, or utility personnel are present~~ the following areas shall have ~~two~~ four points assessed against his or her driving record for a first conviction and five points assessed for a second or subsequent conviction:

(A) a properly designated work zone in which construction, maintenance, or utility personnel are present; or

(B) a school zone marked with warning signs conforming to the Manual on Uniform Traffic Control Devices.

(3) A person convicted of violating this section outside ~~a work zone in which personnel are present~~ the areas designated in subdivision (2) of this subsection shall ~~not~~ have two points assessed against his or her driving record for a first conviction and four points assessed for a second or subsequent conviction.

\* \* \*

Sec. 13. 23 V.S.A. § 2502 is amended to read:

§ 2502. POINT ASSESSMENT; SCHEDULE

(a) Unless the assessment of points is waived by a Superior judge or a Judicial Bureau hearing officer in the interests of justice and in accordance with subsection 2501(b) of this title, a person operating a motor vehicle shall have points assessed against his or her driving record for convictions for moving violations of the indicated motor vehicle statutes in accord with the following schedule: (All references are to Title 23 of the Vermont Statutes Annotated.)

(1) Two points assessed for:

\* \* \*

- |         |                               |                                                                                                     |
|---------|-------------------------------|-----------------------------------------------------------------------------------------------------|
| (LL)(i) | § 1095.                       | Entertainment picture visible to operator;                                                          |
| (ii)    | § 1095b(c) <del>(2)</del> (3) | Use of portable electronic device <del>in</del> <u>outside work or school</u> zone - first offense; |

\* \* \*

## (3) Four points assessed for:

- |     |                      |                                                                                                              |
|-----|----------------------|--------------------------------------------------------------------------------------------------------------|
| (A) | § 1012.              | Failure to obey enforcement officer;                                                                         |
| (B) | § 1013.              | Authority of enforcement officers;                                                                           |
| (C) | § 1051.              | Failure to yield to pedestrian;                                                                              |
| (D) | § 1057.              | Failure to yield to persons who are<br>blind;                                                                |
| (E) | <u>§ 1095b(c)(2)</u> | <u>Use of portable electronic device in<br/>work or school zone—first offense;</u>                           |
| (F) | <u>§ 1095b(c)(3)</u> | <u>Use of portable electronic device<br/>outside work or school zone—second<br/>and subsequent offenses;</u> |

## (4) Five points assessed for:

- |     |               |                                                                                                       |
|-----|---------------|-------------------------------------------------------------------------------------------------------|
| (A) | § 1050.       | Failure to yield to emergency<br>vehicles;                                                            |
| (B) | § 1075.       | Illegal passing of school bus;                                                                        |
| (C) | § 1099.       | Texting prohibited;                                                                                   |
| (D) | § 1095b(c)(2) | Use of portable electronic device in<br>work <u>or school</u> zone—second and<br>subsequent offenses; |

\* \* \*

\* \* \* DUI-Related Provisions \* \* \*

Sec. 14. 23 V.S.A. chapter 13, subchapter 13 is amended to read:

## Subchapter 13. Drunken Driving

## § 1200. DEFINITIONS

As used in this subchapter:

\* \* \*

(10) “Random retest” means a test of a vehicle operator’s blood alcohol concentration, other than a test required to start the vehicle, that is required at random intervals during operation of a vehicle equipped with an ignition interlock device.

\* \* \*

---

§ 1209a. CONDITIONS OF REINSTATEMENT; ALCOHOL AND  
DRIVING EDUCATION; SCREENING; THERAPY PROGRAMS

\* \* \*

(b) Abstinence.

(1)(A) Notwithstanding any other provision of this subchapter, a person whose license or privilege to operate has been suspended or revoked for life under this subchapter may apply to the Driver Rehabilitation School Director and to the Commissioner for reinstatement of his or her driving privilege. The person shall have completed three years of total abstinence from consumption of alcohol or nonprescription regulated drugs, or both. The use of a regulated drug in accordance with a valid prescription shall not disqualify an applicant for reinstatement of his or her driving privileges unless the applicant used the regulated drug in a manner inconsistent with the prescription label.

(B) The beginning date for the period of abstinence shall be no sooner than the effective date of the suspension or revocation from which the person is requesting reinstatement and shall not include any period during which the person is serving a sentence of incarceration to include furlough. The application shall include the applicant's authorization for a urinalysis examination to be conducted prior to reinstatement under this subdivision. The application to the Commissioner shall be accompanied by a fee of \$500.00. The Commissioner shall have the discretion to waive the application fee if the Commissioner determines that payment of the fee would present a hardship to the applicant.

\* \* \*

§ 1213. IGNITION INTERLOCK RESTRICTED DRIVER'S LICENSE OR  
CERTIFICATE; PENALTIES

\* \* \*

(e) ~~Except as provided in subsection (m) of this section, the~~ The holder of an ignition interlock RDL or ignition interlock certificate shall pay the costs of installing, purchasing or leasing, and removing the ignition interlock device as well as calibrating the device and retrieving data from it periodically as may be specified by the Commissioner.

\* \* \*

(l)(1) The Commissioner, in consultation with any individuals or entities the Commissioner deems appropriate, shall adopt rules and may enter into agreements to implement the provisions of this section. The Commissioner shall not approve a manufacturer of ignition interlock devices as a provider in

this State unless the manufacturer agrees to reduce the cost of installing, leasing, and deinstalling the device by at least 50 percent for persons who furnish proof of receipt of 3SquaresVT, LIHEAP, or Reach Up benefits or like benefits in another state.

(2) The rules shall establish uniform performance standards for ignition interlock devices including required levels of accuracy in measuring blood alcohol concentration, efficacy in distinguishing valid breath samples, the occurrence of random retests while the vehicle is running, and automatic signaling by the vehicle if the operator fails such a retest. After an initial random retest to occur within 15 minutes of the vehicle starting, subsequent random retests shall occur on average not more often than once every 30 minutes. The Commissioner shall certify devices that meet these standards, specify any periodic calibration that may be required to ensure accuracy of the devices, and specify the means and frequency of the retrieval and sharing of data collected by ignition interlock devices. ~~Persons who elect to obtain an ignition interlock RDL or certificate following a conviction under this subchapter when the person's blood alcohol concentration is proven to be 0.16 or more shall be required to install an ignition interlock device with a Global Positioning System feature.~~ The rules also shall establish a schedule of extensions of the period prior to eligibility for reinstatement as authorized under subsection (h) of this section.

\* \* \*

\* \* \* Length of Vehicles \* \* \*

Sec. 15. 23 V.S.A. § 1402(b)(2) is amended to read:

~~(2) Notwithstanding the provisions of this section, the Agency of Transportation may erect signs at those locations where it would be unsafe to operate vehicles in excess of 68 feet in length. [Repealed.]~~

Sec. 16. 23 V.S.A. § 1432 is amended to read:

§ 1432. LENGTH OF VEHICLES; ~~AUTHORIZED HIGHWAYS~~

\* \* \*

~~(f) List of approved highways. The Commissioner shall prepare a list of each highway that has been approved for travel by vehicles referred to in subsection (a) of this section. The list shall be furnished, without charge, to each permitting service, electronic dispatching service, or other similar service authorized to do business in this State and, upon request, to any interested person. [Repealed.]~~

\* \* \* Transfer of Title, Registration; Vessels, Snowmobiles, and ATVs \* \* \*

Sec. 17. 23 V.S.A. § 3816 is amended to read:

§ 3816. TRANSFER OF INTEREST IN VESSEL, SNOWMOBILE, OR ALL-TERRAIN VEHICLE

(a) If an owner transfers his or her interest in a vessel, snowmobile, or all-terrain vehicle, other than by the creation of a security interest, he or she shall, at the time of delivery of the vessel, snowmobile, or all-terrain vehicle, execute an assignment and warranty of title to the transferee in the space provided on the certificate or as the Commissioner prescribes, and cause the certificate and assignment to be mailed or delivered to the transferee or to the Commissioner. Where title to a vessel, snowmobile, or all-terrain vehicle is in the name of more than one person, the nature of the ownership must be indicated by one of the following on the certificate of title:

\* \* \*

(e)(1) Pursuant to the provisions of 14 V.S.A. § 313, whenever the estate of an individual who dies intestate consists principally of a vessel, snowmobile, or all-terrain vehicle, the surviving spouse shall be deemed to be the owner of the vessel, snowmobile, or all-terrain vehicle and title to the vessel, snowmobile, or all-terrain vehicle shall automatically pass to the surviving spouse. The surviving spouse may register. Upon request, the Department shall register and title the vessel, snowmobile, or all-terrain vehicle by paying a transfer fee not to exceed \$2.00 in the name of the surviving spouse, and no fee shall be assessed.

(2) Notwithstanding any contrary provision of law, and except as provided in subdivision (3) of this subsection, whenever the estate of an individual consists in whole or in part of a vessel, snowmobile, or all-terrain vehicle, and the person's will or other testamentary document does not specifically address disposition of the same, the surviving spouse shall be deemed to be the owner and title to the vessel, snowmobile, or all-terrain vehicle shall automatically pass to the surviving spouse. Upon request, the Department shall register and title the vessel, snowmobile, or all-terrain vehicle in the name of the surviving spouse, and no fee shall be assessed.

(3) This subsection shall not apply if the vessel, snowmobile, or all-terrain vehicle is titled in the name of one or more persons other than the decedent and the surviving spouse.

\* \* \* Enforcement of Snowmobile and Boating Violations \* \* \*

Sec. 18. REPEAL

12 V.S.A. chapter 193 (snowmobile and boating violations) is repealed.

Sec. 19. 23 V.S.A. § 3208 is amended to read:

§ 3208. ADMINISTRATION AND ENFORCEMENT

\* \* \*

(d) The provisions of this subchapter and the rules adopted pursuant thereto shall be enforced by law enforcement officers as defined in section 3302 of this title in accordance with the provisions of ~~12 V.S.A. chapter 193~~ 4 V.S.A. chapter 29. Testimony of a witness as to the existence of navigation or snowmobile control signs, signals, or markings, shall be prima facie evidence that such control, sign, signal, or marking existed pursuant to a lawful statute, regulation, or ordinance and that the defendant was lawfully required to obey a direction of such device.

(e) Law enforcement officers as defined in section 3302 of this title, ~~in accordance with the provisions of 12 V.S.A. chapter 193,~~ may conduct safety inspections on snowmobiles stopped for other snowmobile law violations on the Statewide Snowmobile 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 snowmobile parked on a trail or on a cruiser parked at a roadside trail crossing.

Sec. 20. 23 V.S.A. § 3318 is amended to read:

§ 3318. ADMINISTRATION AND ENFORCEMENT

(a) The administration of the provisions of this chapter, as they pertain to the registration and numbering of vessels and the suspension of the privilege to operate vessels, shall be the responsibility of the Department of Motor Vehicles.

\* \* \*

(c) The provisions of this subchapter and the rules adopted pursuant to this subchapter shall be enforced by law enforcement officers as defined in section 3302 of this title in accordance with the provisions of ~~12 V.S.A. chapter 193~~ 4 V.S.A. chapter 29. Law enforcement officers as defined in section 3302 of this title may also enforce the provisions of 10 V.S.A. § 1454 and the rules adopted pursuant to 10 V.S.A. § 1424 in accordance with the requirements of 10 V.S.A. chapter 50.

\* \* \* Motor Vehicle Purchase and Use Tax \* \* \*

Sec. 21. 32 V.S.A. § 8902(5) is amended to read:

(5) “Taxable cost” means the purchase price as defined in subdivision (4) of this section or the taxable cost as determined under section 8907 of this title. For any purchaser who has paid tax on the purchase or use

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of a motor vehicle that was sold or traded by the purchaser or for which the purchaser received payment under a contract of insurance, the taxable cost of the replacement motor vehicle other than a leased vehicle shall exclude:

\* \* \*

(B) the amount received from the sale of a motor vehicle last registered in his or her name, the amount not to exceed the ~~average book~~ clean trade-in value of the same make, type, model, and year of manufacture as designated by the manufacturer and as shown in the NADA Official Used Car Guide, ~~National Automobile Dealers Association~~ (New England edition), or any comparable publication, provided such sale occurs within three months of the taxable purchase. However, this three-month period shall be extended day-for-day for any time that a member of a guard unit or of the U.S. Armed Forces, as defined in 38 U.S.C. § 101(10), spends outside Vermont due to activation or deployment, and an additional 60 days following the person's return from activation or deployment. Such amount shall be reported on forms supplied by the Commissioner of Motor Vehicles;

\* \* \*

Sec. 22. 32 V.S.A. § 8907 is amended to read:

§ 8907. COMMISSIONER, COMPUTATION OF TAXABLE COSTS

(a) The Commissioner may investigate the taxable cost of any motor vehicle transferred subject to the provisions of this chapter. If the motor vehicle is not acquired by purchase in Vermont or is received for an amount which does not represent actual value, or if no tax form is filed or it appears to the Commissioner that a tax form contains fraudulent or incorrect information, the Commissioner may, in his or her discretion, fix the taxable cost of the motor vehicle at the ~~average book~~ clean trade-in value of vehicles of the same make, type, model, and year of manufacture as designated by the manufacturer, as shown in the NADA Official Used Car Guide, ~~National Automobile Dealers Association~~ (New England Edition) or any comparable publication, less the lease end value of any leased vehicle. The Commissioner may compute and assess the tax due thereon, and notify the purchaser thereof forthwith by certified mail, and the purchaser shall remit the same within 15 days thereafter.

\* \* \*

Sec. 23. MOTOR VEHICLE PURCHASE AND USE TAX; EXTENSION OF THREE-MONTH PERIOD TO REDUCE TAXABLE COST

(a) Notwithstanding 32 V.S.A. § 8902(5)(B), the three-month limitation on the period in which to reduce the taxable cost of a motor vehicle by the sale of



a previously owned vehicle shall not apply in the case of vehicles sold to the manufacturer pursuant to buyback agreement under a Volkswagen, Audi, or Porsche diesel engine defeat device settlement or judgment, if the vehicle is sold to the manufacturer:

(1) on or before November 10, 2017, in the case of 2.0 liter diesel engine Volkswagens and Audis; or

(2) on or before one year after buybacks commence under the 3.0 liter diesel engine class action settlement for Volkswagens, Audis, and Porsches.

(b) If a person paid a purchase and use tax in excess of the amount that would have been required if this section had been in effect at the time of the tax payment, the Commissioner of Motor Vehicles, upon application, shall issue the person a refund in accordance with this section.

\* \* \* Vermont Strong License Plates \* \* \*

#### Sec. 24. VERMONT STRONG MOTOR VEHICLE PLATES

(a) In 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, the General Assembly authorized the Department of Motor Vehicles to distribute “Vermont Strong” commemorative plates and authorized operators of certain Vermont-registered vehicles to display the commemorative plates over the regular front registration plates of such vehicles until June 30, 2014. In 2014 Acts and Resolves No. 189, Sec. 26, the authorized display period was extended to June 30, 2016.

(b) Through an executive order issued on June 2, 2016, No. 3–74, the Governor ordered and directed that the Commissioner of Motor Vehicles continue to permit Vermonters to display Vermont Strong plates on the front of eligible vehicles and that Vermont law enforcement officers refrain from ticketing or otherwise penalizing any Vermonter for displaying a Vermont Strong plate on eligible vehicles “until the General Assembly next has the opportunity to consider and clarify the duration of Vermont Strong Commemorative License Plates.”

(c) Under 23 V.S.A. § 511(a), “A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require.” The Commissioner has implemented this authority through a regulation, CVR 14-050-025, which states, “Two registration plates are issued to and must be displayed by all registered vehicles” with the exception of certain listed vehicles. The listed exceptions do not include pleasure cars or motor trucks, which therefore are required to display two registration plates unless otherwise provided by law.

(d) This subsection supersedes Executive Order 3-74. The display of Vermont Strong commemorative plates in place of front registration plates no longer is authorized. On and after September 1, 2017, the Commissioner of Motor Vehicles and law enforcement officers shall enforce the provisions of 23 V.S.A. § 511(a) and CVR 14-050-025 that require the display of two registration plates on pleasure cars and on motor trucks. Prior to September 1, 2017, the Commissioner shall take measures to raise public awareness that the display of Vermont Strong commemorative plates in place of front registration plates no longer is authorized.

\* \* \* Incident Clearance; Duties; Limitation on Liability \* \* \*

Sec. 25. 23 V.S.A. § 1102 is amended to read:

§ 1102. REMOVAL OF STOPPED VEHICLES

(a) Any Subject to subsection (c) of this section, any enforcement officer is authorized to:

(1) ~~move~~ cause the removal of a vehicle stopped, parked, or standing contrary to section 1101 of this title, or ~~to~~ require the driver or other person in charge to move the vehicle to a safe position off the ~~paved or~~ main-traveled part of the highway;

(2) ~~remove~~ cause the removal of an unattended vehicle ~~which~~ or cargo that is an obstruction to traffic or to maintenance of the highway to a garage or other place of safety;

(3) ~~remove~~ cause the removal of any vehicle found upon a highway, as defined in 19 V.S.A. § 1, to a garage or other place of safety when:

(A) the officer is informed by a reliable source that the vehicle has been stolen or taken without the consent of its owner; or

(B) the person in charge of the vehicle is unable to provide for its removal; or

(C) the person in charge of the vehicle has been arrested under circumstances ~~which~~ that require his or her immediate removal from control of the vehicle.

(b) In the case of a crash involving a serious bodily injury or fatality, clearance of the crash scene may be delayed until the crash investigation is completed.

(c) A towing operator shall undertake removal of a vehicle or cargo under this section only if summoned to the scene by the vehicle owner or vehicle operator, or an enforcement officer, and is authorized to perform the removal as follows:

(1) The owner or operator of the vehicle or cargo being removed shall summon to the scene the towing operator of the owner's or operator's choice in consultation with the enforcement officer and designate the location to where the vehicle or cargo is to be removed.

(2) The provisions of subdivision (1) of this subsection shall not apply when the owner or operator is incapacitated or otherwise unable to summon a towing operator, does not make a timely choice of a towing operator, or defers to the enforcement officer's selection of the towing operator.

(3) The authority provided to the owner or operator under subdivision (1) of this subsection may be superseded by the enforcement officer if the towing operator of choice cannot respond to the scene in a timely fashion and the vehicle or cargo is a hazard, impedes the flow of traffic, or may not legally remain in its location in the opinion of the enforcement officer.

(d)(1) Except as provided in subdivision (2) of this subsection, the vehicle owner and the motor carrier, if any, shall be responsible to the law enforcement agency or towing operator for reasonable costs incurred solely in the removal and subsequent disposition of the vehicle or cargo under this section.

(2) When applicable, the provisions of 10 V.S.A. § 6615 (liability for release of hazardous materials) shall apply in lieu of this subsection.

(e) Except for intentionally inflicted damage or gross negligence, an enforcement officer or a person acting at the direction of an enforcement officer who removes from a highway a motor vehicle or cargo that is obstructing traffic or maintenance activities or creating a hazard to traffic shall not be liable for damage to the vehicle or cargo incurred during the removal.

(f) Any enforcement officer causing the removal of a motor vehicle under this section shall notify the Department as to the location and date of discovery of the vehicle, date of removal of the vehicle, name of the towing service removing the vehicle, and place of storage. The officer shall record and remove from the vehicle, if possible, any information ~~which~~ that might aid the Department in ascertaining the ownership of the vehicle and forward ~~it~~ the information to the Department. A motor vehicle towed under authority of this section may qualify as an abandoned motor vehicle under subchapter 7 of chapter 21 of this title.

(g)(1) Except as otherwise provided in subdivision (2) of this subsection, the operator of a vehicle involved in a crash who is required by law to stop the vehicle, or who elects to stop the vehicle, at the crash scene shall move and stop the vehicle at the nearest location where the vehicle will not impede traffic or jeopardize the safety of a person.

(2) The duty to move a vehicle under subdivision (1) of this subsection shall not apply when:

(A) the crash involved the death of or apparent injury to any person;

(B) the vehicle to be moved was transporting hazardous material;

(C) the vehicle cannot be operated under its own power without further damage to the vehicle or the highway; or

(D) the movement cannot be made without endangering other highway users.

(3) An operator required to move a vehicle under this subsection who fails to do so shall not be ticketed, assessed a civil penalty, or have points assessed against his or her driving record.

Sec. 26. 23 V.S.A. § 1128 is amended to read:

§ 1128. ACCIDENTS—DUTY TO STOP

(a) The operator of a motor vehicle who has caused or is involved in ~~an accident~~ a crash resulting in injury to any person other than the operator, or in damage to any property other than the vehicle then under his or her control, shall immediately stop and render any assistance reasonably necessary. Subsection 1102(g) of this title (stopping not to impede traffic or jeopardize safety; exceptions) governs the location where a person shall stop. The operator shall give his or her name, residence, license number, and the name of the owner of the motor vehicle to any person who is injured or whose property is damaged and to any enforcement officer. A person who violates this section shall be fined not more than \$2,000.00 or imprisoned for not more than two years, or both.

\* \* \*

\* \* \* Inspections; Mail Carrier Vehicles \* \* \*

Sec. 27. 23 V.S.A. § 1222(e) is added to read:

(e) A vehicle used as a mail carrier under a contract with the U.S. Postal Service shall not fail inspection solely because, in converting the vehicle to be a right-hand drive vehicle, the right air bag in the front compartment has been disconnected or a nonfactory disconnect switch has been installed to disable the air bag.

\* \* \* Inspections; Emissions Repairs \* \* \*

Sec. 27a. MOTOR VEHICLE INSPECTIONS; EMISSIONS REPAIRS

(a) As of March 20, 2017, the Department of Motor Vehicles has required all motor vehicle inspection stations to conduct inspections through an

Automated Vehicle Inspection Program (AVIP). AVIP replaced a paper-based inspection program, and it requires inspection data to be collected and stored electronically.

(b) Notwithstanding 10 V.S.A. § 567 and C.V.R. 14-050-022 (inspection of motor vehicles), any vehicle inspected in Vermont prior to May 1, 2018 that fails the on board diagnostic (OBD) system portion of the inspection, if applicable, and passes the safety-related portion shall pass inspection and receive an inspection sticker, even if the vehicle has been subject to a prior inspection under AVIP and has previously failed the OBD system portion. In such cases, the inspection station shall provide the vehicle owner an inspection report indicating that the vehicle passed the safety portion of the inspection but failed the OBD portion, and that the owner has a 12-month period from the date of the inspection to make OBD system-related repairs.

\* \* \* Motorboat Safety Equipment \* \* \*

Sec. 28. 23 V.S.A. § 3306 is amended to read:

§ 3306. LIGHTS AND EQUIPMENT

(a) Every vessel shall carry and show the following lights when underway between sunset and sunrise:

\* \* \*

(3) motorboats 26 feet or longer, a white light aft showing all around, visible for at least two miles, ~~a white light in the forepart of the boat showing all around,~~ and a light in the forepart of the boat showing red to port and green to starboard, visible at least one mile;

\* \* \*

(g) Motorboats operated on waters that the U.S. Coast Guard has determined to be navigable waters of the United States and therefore subject to the jurisdiction of the United States must have lights and other safety equipment as required by U.S. Coast Guard rules and regulations.

Sec. 29. 23 V.S.A. § 3317 is amended to read:

§ 3317. PENALTIES

(a) A person who violates any of the following sections of this title shall be subject to a ~~fine~~ penalty of not more than \$50.00 for each violation:

\* \* \*

§ 3306(a)–(d) and (g) lights and equipment

§ 3307a documented boat validation sticker

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§ 3308	boat rental records
§ 3309	muffling device
§ 3311(c)	distance requirements
§ 3311(d)	underwater historic preserve area
§ 3311(e)	overloaded vessel
§ 3311(h)-(i)	authority of law enforcement officer
§ 3312	rules between vessels
§ 3313(b)	failing to file report
§ 3315(a)	water ski observer
§ 3315(c)	improper ski towing
§ 3316	boat races

\* \* \*

\* \* \* Injury Prevention; Educational Resource \* \* \*

#### Sec. 30. PREVENTING INJURY ON PROPERTY USED FOR RECREATION

(a) The Secretary of Transportation, in consultation with the Commissioners of Fish and Wildlife and of Forests, Parks and Recreation, shall:

(1) Develop an educational resource for property owners related to the prevention of injuries arising from recreational use of property. At a minimum, this resource shall:

(A) note that failure to mark appropriately a chain, wire, cable, or similar material strung across a known path of recreational users can result in severe injury or death; and

(B) recommend means and methods to mark appropriately such chains, wires, cables, or similar materials.

(2) Take appropriate steps to cause this resource to be disseminated to owners of property in the State.

(b) Nothing in this section is intended to modify the rights, duties, liabilities, or defenses available to any person under any other law. Neither the existence of, nor the fact that a property owner received or may have received or been aware of, the educational resource required to be developed under this section shall be discoverable or used in any civil, criminal, or administrative proceeding.

\*\*\* Effective Dates; Retroactivity; Sunset; Applicability \*\*\*

Sec. 31. EFFECTIVE DATES; RETROACTIVITY; SUNSET;  
APPLICABILITY

(a)(1) This section and Secs. 9 (licenses and permits to operate; refusals to issue), 15 (signs regarding length of vehicles), 16 (list of approved highways), 23 (motor vehicle purchase and use tax; extension of three-month period to reduce taxable cost), 24 (Vermont Strong license plates), 25–26 (incident clearance), 27 (inspections; mail carrier vehicles), 27a (inspections; emissions repairs), 28–29 (motorboat safety equipment), and 30 (injury prevention; educational resource) shall take effect on passage.

(2) In Sec. 14, 23 V.S.A. § 1209a(b) (reinstatement under Total Abstinence Program) shall take effect on passage.

(3) Notwithstanding 1 V.S.A. § 214, Sec. 23 shall apply retroactively to October 26, 2016.

(4) 23 V.S.A. § 1222(e), added in Sec. 27 (inspections; mail carrier vehicles), shall be repealed on July 1, 2020.

(b) In Sec. 14, 23 V.S.A. § 1213(1)(2) (timing of random retests and elimination of GPS requirement) shall take effect 60 days after passage of this act.

(c) All other sections shall take effect on July 1, 2017.

(d) In Sec. 14, 23 V.S.A. § 1213(1)(2) (timing of random retests and elimination of GPS requirement) shall apply to all persons with ignition interlock restricted driver's licenses as of the effective date of this provision and to persons whose underlying DUI offenses occurred prior to the effective date of this act, as well as to persons who obtain ignition interlock RDLs on or after the effective date of this provision.

(e) In Sec. 14, 23 V.S.A. § 1209a(b) (reinstatement under Total Abstinence Program) shall apply to persons whose periods of abstinence began prior to the effective date of this provision, as well as to persons who begin a period of abstinence on or after the effective date of this provision. In addition to hardship fee waivers authorized under 23 V.S.A. § 1209a(b), if a person's application for reinstatement under the Program was denied prior to the effective date solely because of use of a drug in accordance with a valid prescription, and the person used the drug in a manner consistent with the prescription label, the Commissioner shall waive the fee for a subsequent application.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Mazza, the Senate refused to

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concur in the House proposal of amendment and requested a Committee of Conference.

### **House Proposal of Amendment Concurred In**

#### **J.R.S. 25.**

House proposal of amendment to joint Senate resolution entitled:

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

Was taken up.

The House proposes to the Senate to amend the joint resolution as follows:

The House proposes to the Senate that the resolution be amended by striking out the resolution in its entirety and inserting in lieu thereof the following:

Joint resolution authorizing the Commissioner of Forest, Parks, and Recreation to amend conservation easements related to the former Hancock Lands and adjacent Averill Inholdings in Essex County, to sell the Bertha Tract in Mendon and the Burch Tract in Killington to the Trust for Public Lands, to authorize the Commissioner to amend the Department of Forests, Parks and Recreation's existing lease with the Smuggler's Notch Management Company Ltd. and to authorize the Department to enter into a land exchange with the Smuggler's Notch Management Company Ltd.

*Whereas*, in 1996, the Department of Forests, Parks and Recreation acquired from the John Hancock Mutual Life Insurance Company a conservation easement for certain lands (known as the Hancock Lands) in Warren's Gore, and separately in 2005, the Department acquired a second conservation easement for inholdings within the former Hancock Lands in the town of Averill, and

*Whereas*, these easements envisioned that the covered lands could be subdivided and would be dedicated primarily to conservation purposes but commercial forestry management, including maple sugaring and syrup activities, were permissible, and

*Whereas*, the Department has now determined that the language in both easements is ambiguous concerning the construction of forestry management-related structures such as a sugarhouse, and



*Whereas*, upon consultation with the U.S. Forest Service, whose Forest Legacy Program facilitated the Department's acquisition of the easements, the Department has determined the easements should be amended with clarifying language subject to the approval of the owners of the parcels that resulted from the subdivision, and

*Whereas*, the Department owns the Bertha Tract in Mendon and the adjacent Burch Tract in Killington, both of which contain Green Mountain Club-held easements for segments of the Long Trail, and

*Whereas*, the Department proposes to sell these tracts to the Trust for Public Land in anticipation of their eventual transfer to the U.S. Forest Service for inclusion in the Green Mountain National Forest at which time the Green Mountain Club's easements would terminate and the covered Long Trail segments would be subject to federal protection, and

*Whereas*, in 1987, the Department entered into a lease with the Smuggler's Notch Management Company Ltd. (Smuggler's Notch), terminating in 2058 and renewable in ten-year increments, in which the Department leases 2,000 acres (the boundaries having last been amended in 2005) in the Mt. Mansfield State Forest to Smuggler's Notch for use as a ski resort, and

*Whereas*, under the terms of the lease, Smuggler's Notch's Madonna-Sterling base lodge (and all other buildings and structures on the leasehold property) have remained State property, and

*Whereas*, the 45-year-old lodge is in need of major improvements and the current lease makes it economically difficult for Smuggler's Notch to finance these improvements, and

*Whereas*, Smuggler's Notch proposes to assume ownership of the base lodge and two acres of surrounding land contained in the leasehold and in exchange Smuggler's Notch proposes: (i) to relinquish its leasehold interest in approximately 330 acres of land near the summit of Whiteface Mountain, and (ii) to convey a right-of-way to the State across a separate parcel of land that Smuggler's Notch owns in the Mt. Mansfield State Forest, and

*Whereas*, Smuggler's Notch would be responsible for property taxes for the base lodge and the two-acre parcel and would continue to make payments in lieu of base lodge rent, using the formula now in place, and

*Whereas*, Smuggler's Notch will work with the Department to update the lease, and

*Whereas*, pursuant to the authority granted in 10 V.S.A. § 2606(b), the Commissioner of Forests, Parks and Recreation believes that these land transactions are in the best interest of the State, *now therefore be it*

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***Resolved by the Senate and House of Representatives:***

That the General Assembly authorizes the Commissioner of Forests, Parks and Recreation:

First: To amend certain terms and conditions of the conservation easements that the Department acquired with federal Forest Legacy funding: (i) on approximately 31,000 acres (known as the Hancock Lands) from the John Hancock Mutual Life Insurance Company on December 17, 1996; and (ii) on 210 acres (known as the Averill Inholdings) from the Trust for Public Land on December 7, 2005 in order to clarify the allowed uses for forestry-management-related structures and facilities, including their associated infrastructure and utilities.

Second: To sell to the Trust for Public Land two tracts, with the goal that the Trust will subsequently convey these tracts to the U.S. Forest Service for inclusion in the Green Mountain National Forest: (i) an approximately 113-acre tract in the town of Mendon (known as the Bertha Tract), and (ii) a 58-acre tract in the town of Killington (known as the Burch Tract), both of which the Department acquired from the Green Mountain Club on March 31, 2003 and that the sale shall be pursuant to the terms of a mutually satisfactory purchase and sales agreement. The selling price shall be based on the tracts' fair market value that an appraisal shall determine. The sale of these tracts is contingent on support from the towns of Mendon and Killington. The proceeds of the sale shall be deposited in the Agency of Natural Resources Land Acquisition Fund to be used to acquire additional properties for Long Trail protection purposes.

Third: To amend the lease between the Department and Smuggler's Notch to:

(1) Revise the leasehold boundary to conform to the land exchange authorized in the fourth provision of this resolution.

(2) Include new lease provisions: (i) authorizing the Department to add new terms to reflect new laws, administrative rules, and policies should the leasehold be sold, including the sale of all or substantially all of the lessee's assets; and (ii) clarifying the various types of revenue generated within the ski leasehold area that must be incorporated into the ski lease fee payment but not changing the underlying formula.

(3) Update the indemnification and liability language to meet current State requirements.

(4) Clarify public access rights to the leasehold land, including Smuggler's Notch's right to restrict access for safety reasons.

Fourth: To enter into a land exchange with Smuggler's Notch that provides for:

(1) The Department to convey to Smuggler's Notch the base lodge and approximately two acres of surrounding land located within the Smuggler's Notch leasehold.

(2) Smuggler's Notch's relinquishing to the State 330 acres more or less of land within the leasehold located below the summit of Whiteface Mountain.

(3) Smuggler's Notch's conveying to the Department, for management purposes in the Mt. Mansfield State Forest, a right-of-way, for a route to be mutually agreed upon, through a separate parcel of land that Smuggler's Notch owns on the west side of Route 108.

(4) That the proposed exchanges listed in subdivisions (1)–(3) of this provision of the resolution are contingent on the approval of the Town of Cambridge and that Smuggler's Notch's leasehold interest in the 330 more or less acres to be removed from the lease be equal or greater than the appraised value of the base lodge and two acres of surrounding land.

(5) That Smuggler's Notch, upon the conveyance of the base lodge and the surrounding approximately two acres to its ownership, shall continue to pay the Department 2.5 percent of all revenue generated at the base lodge for as long as the lease shall remain in effect, *and be it further*

**Resolved:** That the Secretary of State be directed to send a copy of this resolution to the Commissioner of Forests, Parks and Recreation.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

**Report of Committee of Conference Accepted and Adopted on the Part of the Senate**

**H. 42.**

Senator Collamore, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

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

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that

the bill be further amended by striking out Sec. 4, 24 V.S.A. § 1686 (penalty) in its entirety and inserting in lieu thereof the following:

Sec. 4. 24 V.S.A. § 1686 is amended to read:

§ 1686. PENALTY

(a) At any time in their discretion, town auditors may, and if requested by the selectboard, shall, examine and adjust the accounts of any town officer authorized by law to receive or disburse money belonging to the town.

(b) If the town has voted to eliminate the office of auditor, the public accountant employed by the selectboard shall perform the duties of the town auditors under subsection (a) of this section upon request of the selectboard.

(c)(1) Any If, after at least five business days following his or her receipt by certified mail of a written request by the auditors or public accountant that is approved and signed by the legislative body, a town officer who willfully refuses or neglects to submit his or her books, accounts, vouchers, or tax bills to the auditors or the public accountant upon request, or to furnish all necessary information in relation thereto, that town officer shall be ineligible to reelection for the year ensuing and be subject to the penalties otherwise prescribed by law.

(2) A town officer who violates subdivision (1) of this subsection (c) shall be personally liable to the town for a civil penalty in the amount of \$100.00 per day until he or she submits or furnishes the requested materials or information. A town may bring an action in the Civil Division of the Superior Court to enforce this subdivision.

(d) As used in this section, the term “town officer” shall not include an officer subject to the provisions of 16 V.S.A. § 323.

*BRIAN P. COLLAMORE*

*CLAIRE D. AYER*

*CHRISTOPHER A. PEARSON*

*Committee on the part of the Senate*

*MARCIA L. GARDNER*

*RONALD E. HUBERT*

*PATTI J. LEWIS*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

**Senate Resolution Adopted****S.R. 9.**

Senate resolution entitled:

Senate resolution relating to the appointment of Robin Lunge to the Green Mountain Care Board

Having been placed on the Calendar for action, was taken up and adopted.

**Appointment Confirmed**

The following Gubernatorial appointment was confirmed separately by the Senate, upon full report given by the Committee to which it was referred:

The nomination of

Lunge, Robin of Berlin - Member, Green Mountain Care Board - November 28, 2016, to November 27, 2022.

Was confirmed by the Senate on a roll call Yeas 30, Nays 0.

Senator Sears having demanded the yeas and nays, they were taken and are as follows:

**Roll Call**

**Those Senators who voted in the affirmative were:** Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

**Those Senators who voted in the negative were:** None.

**Rules Suspended; Bills Messaged**

On motion of Senator Ashe, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

**S. 56, H. 42, H. 503, H. 518, H. 519, J.R.S. 25.**

**Committees of Conference Appointed****H. 74.**

An act relating to nonconsensual sexual conduct.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Sears  
Senator Flory  
Senator White

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as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

**H. 508.**

An act relating to building resilience for individuals experiencing adverse childhood experiences.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Lyons  
Senator Ayer  
Senator Ingram

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

**Adjournment**

On motion of Senator Ashe, the Senate adjourned until two o'clock in the afternoon.

**Afternoon**

The Senate was called to order by the President.

**Bills Referred**

Pursuant to Temporary Rule 44A the following bills having failed to meet cross-over and being referred to the Committee on Rules are hereby referred to their respective committees of jurisdictions:

**H. 524.**

An act relating to approval of amendments to the charter of the Town of Hartford.

To the Committee on Government Operations.

**H. 527.**

An act relating to approval of amendments to the charter of the Town of East Montpelier and to the merger of the Town and the East Montpelier Fire District No. 1.

To the Committee on Government Operations.

**H. 536.**

An act relating to approval of amendments to the charter of the Town of Colchester.

To the Committee on Government Operations.

**Rules Suspended; Bill Referred to Committee on Appropriations**

**H. 510.**

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and Senate bill entitled:

An act relating to the cost share for State agricultural water quality financial assistance grants.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and the bill carrying an appropriation and requiring the expenditure of funds, was referred to the Committee on Appropriations under Senate Rule 31.

**Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment; Bill Messaged**

**H. 516.**

House bill entitled:

An act relating to miscellaneous tax changes.

Was taken up.

Thereupon, pending third reading of the bill, Senators Sirotkin, Baruth, Cummings, Ingram, Lyons, MacDonald, Pearson and Pollina moved to amend the Senate proposal of amendment as follows:

First: Following Sec. 52, by redesignating Sec. 53 (effective dates) to be Sec. 62 and inserting reader assistance and Secs. 53–62 to read:

\* \* \* Vermont Housing and Conservation Board;  
Housing Bond Proceeds for Affordable Housing \* \* \*

Sec. 53. FINDINGS AND PURPOSE; AFFORDABLE HOUSING BOND

(a) Findings.

(1) The General Assembly finds that investments are needed to help house the most vulnerable as well as creating more homes for workers.

(2) The shortage of affordable and available homes has been highlighted recently by:

(A) the Vermont Futures Project of the Vermont Chamber of Commerce, which set a growth target of 5,000 new and improved housing units annually;

(B) a national consultant's recommendations for a Roadmap to End Homelessness, which calls for, over the next five years, 368 new units for permanent supportive housing and 1,251 new homes affordable to families with income that is not more than 30 percent of the median; and

(C) the 2015 statewide housing needs assessment by Bowen National Research, which found the largest gaps in housing affordable to households with income below 30 percent of median and households with income between 85 percent and 120 percent of median and found a lack of housing availability across the income spectrum.

(b) Purpose. The purpose of Secs. 54–61 of this act is to promote the development and improvement of housing for Vermonters.

Sec. 54. 10 V.S.A. § 314 is added to read:

§ 314. AFFORDABLE HOUSING BOND; INVESTMENT

The Vermont Housing and Conservation Board shall use the proceeds of bonds, notes, and other obligations issued by the Vermont Housing Finance Agency pursuant to subdivision 621(22) of this title and transferred to the Vermont Housing and Conservation Trust Fund to fund the creation and improvement of owner-occupied and rental housing for Vermonters with very low to middle income, in areas targeted for growth and reinvestment, as follows:

(1) not less than 25 percent of the housing shall be targeted to Vermonters with very low income, meaning households with income below 50 percent of area median income;

(2) not less than 25 percent of the housing shall be targeted to Vermonters with moderate income, meaning households with income between 80 and 120 percent of area median income; and

(3) the remaining housing shall be targeted to Vermonters with income that is less than or equal to 120 percent of area median income, consistent with the provisions of this chapter.

Sec. 55. 10 V.S.A. § 323 is amended to read:

§ 323. ANNUAL REPORT

Prior to January 31 of each year, the board Board shall submit a report concerning its activities to the governor Governor and legislative committees on agriculture, natural resources and energy, appropriations, ways and means, finance, and institutions to the House Committees on Agriculture and Forestry, on Appropriations, on Corrections and Institutions, on Natural Resources, Fish and Wildlife, and on Ways and Means and the Senate Committees on



Agriculture, on Appropriations, on Finance, on Institutions, and on Natural Resources and Energy. The report shall include, ~~but not be limited to,~~ the following:

(1) a list and description of activities funded by the ~~board~~ Board during the preceding year, including commitments made to fund projects through housing bond proceeds pursuant to section 314 of this title, and project descriptions, levels of affordability, and geographic location;

\* \* \*

\* \* \* Allocation of Property Transfer Tax Revenues \* \* \*

Sec. 56. 32 V.S.A. § 9610 is amended to read:

§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF RETURNS

(a) Not later than 30 days after the receipt of any property transfer return, a town clerk shall file the return in the office of the town clerk and electronically forward a copy of the acknowledged return to the Commissioner; provided, however, that with respect to a return filed in paper format with the town, the Commissioner shall have the discretion to allow the town to forward a paper copy of that return to the ~~department~~ Department.

(b) The copies of property transfer returns in the custody of the town clerk may be inspected by any member of the public.

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and ~~32 V.S.A. § subdivision~~ 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.

(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and subsection (c) of this section, \$2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(2) As long as the bonds, notes, and other obligations incurred pursuant to subdivision (1) of this subsection remain outstanding, the rate of tax imposed pursuant to section 9602 of this title shall not be reduced below a rate estimated, at the time of any reduction, to generate annual revenues of at least \$12,000,000.00.

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\* \* \* Vermont Housing Finance Agency; Authority to Issue Bonds for  
Affordable Housing \* \* \*

Sec. 57. 10 V.S.A. § 621 is amended to read:

§ 621. GENERAL POWERS AND DUTIES

The Agency shall have all of the powers necessary and convenient to carry out and effectuate the purposes and provisions of this chapter, including without limitation those general powers provided a business corporation by 11A V.S.A. § 3.02 and those general powers provided a nonprofit corporation by 11B V.S.A. § 3.02 and including, without limiting the generality of the foregoing, the power to:

\* \* \*

(21) use funds received from real estate trust and escrow accounts established under 26 V.S.A. § 2214(c), IORTA funds, for down payment and closing cost assistance with priority given to persons and families at or below 90 percent of median income and to persons and families purchasing perpetually affordable housing;

(22) issue bonds, notes, and other obligations secured by the property transfer tax revenues transferred to the Agency pursuant to 32 V.S.A. § 9610(d).

Sec. 58. 10 V.S.A. § 631(1) is added to read:

(1)(1) The bonds, notes, and other obligations authorized to be issued pursuant to subdivision 621(22) of this title shall be secured by a pledge of the property transfer tax revenues to be transferred to the Agency pursuant to 32 V.S.A. § 9610(d) and shall mature on or before June 30, 2038.

(2) The Agency may issue the bonds, notes, and other obligations in one or more series at one time or from time to time, provided that the aggregate annual debt service on the bonds, notes, and other obligations shall not exceed \$2,500,000.00 at any time.

(3) The Agency shall transfer the proceeds of the bonds, notes, and other obligations, less issuance fees and costs and required reserves, to the Vermont Housing and Conservation Trust Fund established pursuant to section 312 of this title for use by the Vermont Housing and Conservation Board as provided in section 314 of this title.

(4) The Agency, the Vermont Housing and Conservation Board, and the State Treasurer may execute one or more agreements governing the terms and conditions under which the property transfer tax revenues that secure the bonds, notes, and obligations shall be transferred to the Agency, and any other issues they determine appropriate.

\* \* \* Rooms and Meals Tax; Imposition of Surcharge for  
Affordable Housing Bond \* \* \*

Sec. 59. 32 V.S.A. § 9241a is added to read:

§ 9241a. AFFORDABLE HOUSING SURCHARGE;  
ALLOCATION OF REVENUES

(a) In addition to the tax on the rent of each occupancy imposed in section 9241 of this title, an operator shall collect an affordable housing surcharge of \$0.35 for each night of the occupancy.

(b) The revenues generated by the surcharge imposed in subsection (a) of this section shall be allocated as follows:

(1) the first \$1,000,000.00 shall be transferred to the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312; and

(2) any remaining revenues shall be transferred to the General Fund created in section 435 of this title.

(c) The provisions of this chapter relating to the imposition, collection, remission, and enforcement of the meals and rooms tax imposed in section 9241 of this title shall apply to the affordable housing surcharge imposed in this section.

\* \* \* Appropriation; Vermont Housing and Conservation Board \* \* \*

Sec. 60. INTENT; FUNDING FOR AFFORDABLE HOUSING BOND  
PROGRAM; ALLOCATION OF PROPERTY TRANSFER TAX  
REVENUES

(a) Revenues from the property transfer tax are currently allocated pursuant to statute as follows:

(1) The first two percent is deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs pursuant to 32 V.S.A. § 9610(c).

(2) Of the remaining 98 percent of the revenues:

(A) 17 percent is deposited in the Municipal and Regional Planning Fund created in 24 V.S.A. § 4306.

(B) 50 percent is deposited in the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312.

(C) 33 percent is deposited in the General Fund created in 32 V.S.A. § 435.

(b) Pursuant to Sec. 56 of this act, in 32 V.S.A. § 9610(d), the first \$2,500,000.00 of revenue generated from the property transfer tax is transferred to the Vermont Housing Finance Agency to service the bonds, notes, and other obligations incurred by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(c) Transferring the first \$2,500,000.00 of property transfer tax revenues to the Vermont Housing Finance Agency for debt service creates a proportionate reduction in the amount of revenues available for allocation to the respective statutory recipients identified in subsection (a) of this section.

(d) To compensate for this reduction of available property transfer tax revenue, it is the intent of the General Assembly through this act to provide for the transfer of \$2,500,000.00 to the Vermont Housing and Conservation Trust Fund, as follows:

(1) Sec. D.100(a)(2) of H.518 (2017) appropriates \$11,304,840.00 in fiscal year 2018 from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Upon the effective date of this act, the Board shall transfer the amount of \$1,500,000.00 back to the Fund, resulting in a fiscal year 2018 total appropriation to the Board of \$9,804,840.00.

(2) As provided in Sec. 59 of this act, pursuant to 32 V.S.A. § 9241a, the first \$1,000,000.00 generated by the affordable housing surcharge shall be transferred to the Vermont Housing and Conservation Trust Fund.

\* \* \* Repeal of Affordable Housing Bond Provisions After 20 Years \* \* \*

#### Sec. 61. REPEAL

The following shall be repealed on July 1, 2038:

(1) 10 V.S.A. § 314 (Vermont Housing and Conservation Board; affordable housing bond and investments).

(2) 32 V.S.A. § 9610(d) (property transfer tax priority for affordable housing debt repayment).

(3) 10 V.S.A. § 621(22) (Vermont Housing Finance Agency (VHFA) authority to issue debt obligations secured by property transfer tax).

(4) 10 V.S.A. § 631(l) (debt obligations issued by VHFA).

(5) 32 V.S.A. § 9241a (affordable housing surcharge).

Second: In the redesignated Sec. 62 (effective dates) by adding a subdivision (13) to read:

(13) Secs. 53–61 (affordable housing) shall take effect on July 1, 2017.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as recommended by Senators Sirotkin, Baruth, Cummings, Ingram, Lyons, MacDonald, Pearson and Pollina?, Senator Sirotkin requested and was granted leave to withdraw the proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was ordered messaged to the House forthwith.

### **Adjournment**

On motion of Senator Ashe, the Senate adjourned until ten o'clock in the morning.