

Sec 1. - Credit Bureau Information

9 V.S.A. § 2480e. Consumer consent

(a) A person shall not obtain the credit report of a consumer unless:

(1) the report is obtained in response to the order of a court having jurisdiction to issue such an order; ~~or~~

(2) the person has secured the consent of the consumer, and the report is used for the purpose consented to by the consumer; or

(3) the person is the holder of a Judgment Order which has remained unsatisfied after 30 days since it became final.

(b) Credit reporting agencies shall adopt reasonable procedures to ensure maximum possible compliance with subsection (a) of this section.

(c) Nothing in this section shall be construed to affect:

(1) the ability of a person who has secured the consent of the consumer pursuant to subdivision

(a)(2) of this section to include in his or her request to the consumer permission to also obtain credit reports, in connection with the same transaction or extension of credit, for the purpose of reviewing the account, increasing the credit line on the account, for the purpose of taking collection action on the account, or for other legitimate purposes associated with the account; and

(2) the use of credit information for the purpose of prescreening, as defined and permitted from time to time by the Federal Trade Commission. (Added 1991, No. 246 (Adj. Sess.), § 1.)

9 V.S.A. § 2480g. Exemptions

(a) The provisions of this subchapter shall not apply to education loans made, guaranteed or serviced by the Vermont Student Assistance Corporation pursuant to 16 V.S.A. chapter 87.

(b) The provisions of section 2480e of this title shall not apply to the Office of Child Support services when investigating a child support case pursuant to Title IV-D of the Social Security Act and 33 V.S.A. § 4102.

(c) The provisions of section 2480e of this title shall not apply to credit transactions entered into prior to January 1, 1993.

(d) The provisions of section 2480e of this title shall not apply to the Department of Taxes, its agents or assigns:

(1) where the Department has reason to believe that the taxpayer is liable for delinquent taxes, and the Department is seeking the taxpayer's credit report in furtherance of the investigation or collection of such delinquent taxes; or

(2) where the Department is seeking the taxpayer's credit report in furtherance of the collection of a debt owed by the taxpayer to the State of Vermont.

(e) The provisions of section 2480e of this title shall not apply to a creditor with a legal claim against a consumer who accesses that consumer's FICO credit score only (no tradeline information) for the purpose of determining whether to take legal action on a claim against the consumer.

Sec 2. Extending time to renew Judgment Orders

12 V.S.A. § 506. Judgments

Actions on judgments and actions for the renewal or revival of judgments shall be brought by filing a new and independent action on the judgment within ~~eight~~ twelve years after the rendition of the judgment, and not after.

12 V.S.A. § 2903. Duration and effectiveness

(a) A judgment lien shall be effective for ~~eight~~ twelve years from the issuance of a final judgment on which it is based except that an action to foreclose the judgment lien during the ~~eight~~ twelve -year period shall extend the period until the termination of the foreclosure suit if a copy of the complaint is filed in the land records on or before ~~eight~~ twelve years from the issuance of the final judgment.

(b) A judgment which is renewed or revived pursuant to section 506 of this title shall constitute a lien on real property for ~~eight~~ twelve years from the issuance of the renewed or revived judgment if recorded in accordance with this chapter. The renewed or revived judgment shall relate back to the date on which the original lien was first recorded if a copy of the complaint to renew the judgment was recorded in the land records where the property lies within ~~eight~~ twelve years after the rendition of the judgment, and the renewed or revived judgment is subsequently recorded in accordance with this chapter.

(c) Interest on a judgment lien shall accrue at the rate of 12 percent per annum.

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

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

Sec. 3. Removing Writ of Execution Requirement for Trustee Process

12 V.S.A. § 2732. Goods, effects, and credits held by third person

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

Sec. 4. Default Motions for Wage Garnishment

§ 3168. Motion for issuance of trustee process; scheduling and notice of hearing

(a) Whenever a judgment debtor has neglected or refused to pay or make reasonable arrangements to pay a money judgment in any civil action, the judgment creditor may move the court which rendered the judgment to issue trustee process against the earnings of the judgment debtor. The motion shall describe in detail the grounds for requesting issuance of trustee process, the amount of judgment alleged to be unpaid and the source of earnings of the judgment debtor.

(b) Upon receipt of the motion of the judgment creditor, the court shall give notice thereof to the trustee and to the judgment debtor as provided by Rule 4.2 of the Rules of Civil Procedure and shall hold a hearing on the motion.

(c) In the event the Court schedules the hearing on the judgment creditor's motion more than 30 days after the scheduling notice, the judgment creditor may file a proposed withholding order, which is in compliance with section 3170(b) of this title, no less than 20 days prior to the hearing date along with a written notice to the judgment debtor that unless they submit a written request no less than 5 days prior to the scheduled hearing date that the hearing be held as scheduled, the hearing shall be cancelled and the proposed order issued without a hearing. If the judgment debtor does not file a request for hearing, the scheduled hearing shall be cancelled and the proposed withholding order approved.

Sec. 5. Discovery of Report of first hire

§ 1314. Reports and records; separation information; determination of eligibility; failure to report employment information; disclosure of information to other state agencies to investigate misclassification or miscoding

(a) The Commissioner may require any employing unit to keep such true and accurate records and make such reports covering persons employed by it respecting employment, wages, hours, unemployment, and related matters as the Commissioner deems reasonably necessary for the effective administration of this chapter. Such records shall be open to inspection and subject to being copied by the Commissioner or his or her authorized representatives at any reasonable time and as often as may be necessary.

(b) On request of the Commissioner, an employing unit shall report, within 10 days of the mailing or personal delivery of the request, employment and separation information with respect to a claimant and the wages paid to a claimant.

(c) If an employing unit fails to comply adequately with the provisions of subsection (b) of this section and section 1314a of this title, the Commissioner shall determine the benefit rights of a claimant upon such information as is available. Prompt notice in writing of the determination shall be given to the employing unit. The determination shall be final with respect to a noncomplying employer as to any charges against its experience-rating record for benefits paid to the claimant before the week following the receipt of the employing unit's reply. The employing unit's experience rating record shall not be relieved of these charges, notwithstanding any other provision of this chapter, unless the Commissioner determines that failure to comply was due to unavoidable accident or mistake.

(d)(1) Except as otherwise provided in this chapter, information obtained from any employing unit or individual in the administration of this chapter, and determinations as to the benefit rights of any individual shall be held confidential and shall not be disclosed or open to public inspection in any manner revealing the individual's or employing unit's identity, nor be admissible in evidence in any action or proceeding other than one arising out of this chapter, or to support or facilitate an investigation by a public agency identified in subdivision (e)(1) of this section.

(2) An individual or his or her duly authorized agent may be supplied with information from those records to the extent necessary for the proper presentation of his or her claims for benefits or to inform him or her of his or her existing or prospective rights to benefits; an employing unit may be furnished with such information as may be deemed proper, within the discretion of the Commissioner, to enable it to fully discharge its obligations and safeguard its rights under this chapter.

(3) Automatic data processing services and systems and programming services within the

Department of Labor shall be the responsibility and under the direct control of the Commissioner in the administration of this chapter and chapter 15 of this title.

(4) Notwithstanding the provisions in subdivision (3) of this section, the Department of Labor shall, at the request of the Agency of Administration, perform such services for other departments and agencies of the State as are within the capacity of its data processing equipment and personnel, provided that such services can be accomplished without undue interference with the designated work of the Department of Labor.

(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 151, subchapter 11E; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.

(A) The Department of Labor shall participate in the income and eligibility verification procedures under the Deficit Reduction Act of 1984, Pub. L. No. 98-369, which provides for the exchange of information among state agencies administering programs funded with federal monies provided under the Temporary Assistance for Needy Families (TANF) block grant, Medicaid, Supplemental Nutrition Assistance Program (SNAP), SSI, Unemployment Compensation, and any other state program under a plan approved under Title I, X, XIV, or XVI of the Social Security Act.

(B) The Department of Labor is designated as the Vermont agency for the collection of wage records on workers covered under this chapter, as required by the Deficit Reduction Act of 1984, Pub. L. No. 98-369.

(2)(A)(i) The Department of Labor shall disclose, upon request, to officers or employees of any state or local child support enforcement agency any wage information or other information material to the location of an individual, the individual's assets, or the individual's place of employment or other source of income contained in the Department's unemployment compensation claim records with respect to an identified individual which is contained in those records.

(ii) The term "state or local child support enforcement agency" means any agency of a state or

political subdivision thereof operating pursuant to a plan described in Section 454 of the Social Security Act, which has been approved by the Secretary of Health and Human Services under part D, Title IV of the Social Security Act.

(B) The requesting agency shall agree that information provided under this subsection is to be used only for the following purposes:

(i) establishing and collecting child support obligations from, and locating, individuals owing such obligations which are being enforced pursuant to a plan described in Section 454 of the Social Security Act that has been approved by the Secretary of Health and Human Services under part D, Title IV of the Social Security Act; and

(ii) establishing parentage and expediting procedures relating to establishing parentage pursuant to Section 466(c)(1) of the Social Security Act as added by Section 325(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 Pub. L. 104-193).

(3)(A) The Department of Labor shall disclose, upon request, to officers and employees of the U.S. Department of Agriculture and any state agency, with respect to an identified individual, any of the following information which is contained in its records:

(i) wage information;

(ii) whether the individual is receiving, has received, or has made application for unemployment compensation and the amount of any compensation being received or to be received by such individual;

(iii) the current or most recent home address of the individual; and

(iv) whether the individual has refused an offer of employment, and if so, a description of the employment offered and the terms, conditions, and rate of pay therefor.

(B) The term "state agency" means any agency described in 7 U.S.C. § 2012(s) which administers the Supplemental Nutrition Assistance Program established under that act.

(C) The requesting agency shall agree that such information shall be used only for purposes of determining the applicant's eligibility for benefits, or the amount of benefits, under the Supplemental Nutrition Assistance Program established under 7 U.S.C. chapter 51.

(D) The information shall not be released unless the requesting agency agrees to reimburse the costs involved for furnishing such information.

(E) In addition to the requirements of this subdivision, all other requirements with respect to confidentiality of information obtained in the administration of this chapter and the sanctions

imposed for improper disclosure of information obtained in the administration of this chapter shall apply to the use of such information by the officers and employees of any state agency or the U.S. Department of Agriculture.

(4)(A)(i) The Department of Labor shall disclose, upon request, to officers or employees of any State or local agency charged with administering AFDC, any wage information with respect to an identified individual which is contained in its records, which is necessary for the purpose of determining an individual's eligibility for aid or services or the amount of such aid or services to needy families with children.

(ii) The term "State or local agency charged with administering AFDC" means any such agency administering a plan approved under part A of Title IV of the Social Security Act.

(B) The information requested shall not be released unless the requesting AFDC agency agrees to reimburse the Department of Labor for the costs involved in furnishing such information.

(C) The requesting agency shall agree that the requested information shall be used only for the purposes authorized in subdivision (e)(4)(A) of this section.

(5)(A) The Department of Labor shall disclose to officers or employees of the Federal Parent Locator Service (FPLS) or National New Hire Directory any employment, wage, and unemployment compensation claim information contained in its claim records which may be useful in locating an absent parent or the parent's employer solely for purposes of administering the child support enforcement provisions of Title IV of the Social Security Act.

(B) The requesting Federal Parent Locator Service shall agree that the requested information shall be used only for purposes authorized in section 303(h)(1) of the Social Security Act.

(C) The information requested shall not be released unless the requesting Federal Parent Locator Service agrees to reimburse the Department of Labor for the costs involved in furnishing the requested information.

(6)(A) The Department of Labor shall disclose, upon request, to officers or employees of the Department of Housing and Urban Development (HUD) and to representatives of a public housing agency any wage information and unemployment compensation benefit information which is contained in its records with respect to an identified individual applying for or participating in any housing assistance program administered by HUD which is necessary for the purposes of determining the individual's eligibility for benefits or the amount of benefits under a HUD housing assistance program. For the purposes of this subdivision, the term "public housing agency" means any agency described in section 3(b)(6) of the U.S. Housing Act of 1937 which is authorized to engage in or assist in the development or operation of low income housing.

(B) HUD or the requesting public housing agency shall agree that the requested information shall

be used only for purposes of determining individual's eligibility for benefits or the amount of benefits under a HUD housing assistance program and that it will comply with the provisions of 20 C.F.R. section 603.7 and the limitations on the use of the information set forth in section 904(c)(2) of P.L. 100-628.

(C) The information requested shall not be released unless the individual about whom the requested information relates has signed a consent form, approved by the secretary of HUD, which permits the release of the requested information.

(D) The information requested shall not be released unless HUD or the requested public housing agency agrees to reimburse the Department of Labor for the costs involved in furnishing the requested information.

(7)(A) The Department of Labor shall disclose, upon request, to officers and employees of the Vermont Center for Crime Victim Services, with respect to an identified individual, the name and address of the individual's employer.

(B) The Center and the Department shall develop an agreement that complies with 20 C.F.R. § 603.6, and the Center shall comply with the confidentiality requirements of 20 C.F.R. § 603.7.

(8)(A) The Department of Labor shall disclose, upon request, to the judgment creditor or their attorney of a final judgment that has remained unsatisfied after 30 days, with respect to the judgment debtor individual, the name and address of the individual's employer.

(B) The request for the judgment debtor's information must include the individual's social security number and the judgment creditor must comply with the confidentiality requirements of 20 C.F.R. § 603.7.

(f) Nothing contained in this section shall be deemed to interfere with the disclosure of certain information obtained under this chapter as provided in sections 1315, 1316, and 1317 of this title or to interfere with disclosure to the Internal Revenue Service of the U.S. Department of the Treasury or to any state for purposes of the Federal Unemployment Tax Act or for the purposes of taxation of unemployment compensation benefits paid to individuals by this Department. Information may be exchanged with the Vermont Department of Taxes for the purpose of establishing liability of employers for unemployment compensation purposes or identifying employers affected by Vermont tax laws. Information reported to the Department of Labor may be provided to the Vermont Department of Taxes for the purposes of assessment and collection of Vermont taxes, including identifying nonfilers of the State tax, locating and identifying persons in debt to the Department of Taxes; and verifying eligibility for tax credits, tax adjustments, or other tax benefits.

(g) All written, or oral reports, or other communications, from an employer or his or her workers to each other, or to the Commissioner or any of his or her agents, representatives, or employees,

made in connection with the requirements and administration of this chapter or the regulations thereunder, shall be absolutely privileged and shall not be made the subject matter or basis for any suit for slander or libel in any court of this State, unless they are false in fact and malicious in intent.

(h) Any employing unit that fails to report employment and separation information with respect to a claimant and wages paid to a claimant required under subsection (b) of this section shall be subject to a penalty of \$100.00 for each report not received by the prescribed due date, which penalty shall be collected in the manner provided for the collection of contributions in section 1329 of this title and shall be paid into the contingent fund provided in section 1365 of this title. If the employing unit demonstrates that its failure was due to a reasonable cause, the Commissioner may waive the penalty.

Sec 6. Tax Refund Intercept

32 V.S.A. § 5932. Definitions

As used in this chapter:

(1) (A) "Claimant agency" means any unit of State government, including agencies, departments, boards, commissions, authorities or public corporations, including the Vermont Student Assistance Corporation and a collection agency under contract with the Court Administrator pursuant to 4 V.S.A. § 1109(d) or 13 V.S.A. § 7171. Notwithstanding the foregoing, the Department of Taxes shall not be considered a claimant agency and shall not be subject to the limitations contained in this chapter when it applies a refund to the outstanding Vermont State tax liability of a taxpayer, including a taxpayer's liability for interest, penalties and fees.

(B) "Claimant agency" shall also mean a judgment creditor of a final judgment which has remained unsatisfied for at least 30 days, who has submitted a request for intercept by no later than the first day of December preceding the issuance of a Refund, which includes a copy of the Judgment Order in compliance with the certification requirements of 12 V.S.A. §2904, the judgment debtor's social security or federal tax identification number, and an affidavit detailing the total amount due as of the date of filing.

(2) "Debtor" means any individual owing a debt to a claimant agency, or owing any support debt that may be collected by the Department for Children and Families.

(3) "Nondebtor spouse" means any individual who is not a debtor, but has filed a joint income tax return or claim under chapter 154 of this title with a debtor.

(4) "Debt" means any obligation to pay a sum of money to a claimant agency, the amount of which is fixed by agreement between the debtor and the claimant agency or by operation of law.

(5) "Department" means the Vermont Department of Taxes.

(6) "Refund" means any individual's State income tax refund under chapter 151 of this title and any payment due a claimant under chapter 154 of this title.

(7) "Support debt" means a support delinquency pursuant to an obligation determined under a court order or as a result of an administrative process established by this or another state.

(8) "Court" means a Superior Court or the Judicial Bureau.

(9) "Judgment debtor" means any person who has not paid in full a court judgment for payment of a fine, penalty, surcharge, or fee, ~~but not~~ damages, interest or costs due and payable to the State Claimant Agency or a political subdivision thereof.

Sec 7. Lottery Prize Intercept

12 V.S.A. § 2820. Lottery offset

(a) A judgment creditor of a final judgment which has remained unsatisfied for at least 30 days, may submit a request for intercept of lottery prizes by no later than the first day of December each year. The Judgment Creditor shall submit a copy of the Judgment Order in compliance with the certification requirements of 12 V.S.A. §2904, the judgment debtor's social security or federal tax identification number, and an affidavit detailing the total amount due as of the date of filing. The request for Lottery prize intercept shall be effective for the single calendar year following the Judgment Creditor's request

(b) For all Vermont lottery games, the lottery commission shall, before issuing prize money of \$500.00 or more to a winner, determine whether the winner has an outstanding judgment order filed in accordance with this section. If the winner has an outstanding judgment, the lottery commission shall withhold the entire amount of winnings or the amount due on the unsatisfied judgment, whichever is less and pay the same to the judgment creditor.

(c) This section shall apply to tri-state lottery games at such time as the same or similar provisions become law in Maine and New Hampshire in accordance with the tri-state lotto compact.