| 1 | H.744 |
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| 2 | Introduced by Representatives Canfield of Fair Haven, Grad of Moretown, |
| 3 | Baser of Bristol, Batchelor of Derby, Beyor of Highgate, |
| 4 | Brennan of Colchester, Burditt of West Rutland, Christie of |
| 5 | Hartford, Condon of Colchester, Cupoli of Rutland City, |
| 6 | Donahue of Northfield, Fagan of Rutland City, Frenier of |
| 7 | Chelsea, Gage of Rutland City, Gamache of Swanton, Hebert of |
| 8 | Vernon, Jickling of Randolph, Keefe of Manchester, Lewis of |
| 9 | Berlin, Lucke of Hartford, Martel of Waterford, Mattos of |
| 10 | Milton, Morrissey of Bennington, Myers of Essex, Norris of |
| 11 | Shoreham, Poirier of Barre City, Quimby of Concord, Read of |
| 12 | Fayston, Rosenquist of Georgia, Savage of Swanton, |
| 13 | Scheuermann of Stowe, Shaw of Pittsford, Sibilia of Dover, |
| 14 | Smith of Derby, Smith of New Haven, Strong of Albany, |
| 15 | Sullivan of Dorset, Terenzini of Rutland Town, Troiano of |
| 16 | Stannard, Willhoit of St. Johnsbury, and Wright of Burlington |
| 17 | Referred to Committee on |
| 18 | Date: |
| 19 | Subject: National Guard; Adjutant and Inspector General; General Assembly; |
| 20 | legislative elections; motor vehicles; registration; veterans' |
| 21 | exemptions; equipment; certified inspection mechanics; Secretary of |

| State; professional regulation; professions and occupations; nurses; |
|---|
| licensed nursing assistants; health; food service establishment |
| licenses; taxation and finance; exemption for military retirement pay |
| Statement of purpose of bill as introduced: This bill proposes to establish |
| minimum qualifications for candidates for Adjutant and Inspector General; to |
| transfer authority for the appointment of the Adjutant and Inspector General |
| from the General Assembly to the Governor; to create a board to review and |
| recommend to the Governor candidates for Adjutant and Inspector General; to |
| clarify provisions related to financial assistance provided to veterans by the |
| U.S. Department of Veterans Affairs for the purchase of motor vehicles; to |
| facilitate professional licensing for veterans and members of the U.S. Armed |
| Forces who have a relevant military credential; to require the Office of |
| Professional Regulation to study the feasibility of offering professional |
| licensing reciprocity for certain immigrants settling in Vermont; and to create |
| an exemption from the income tax for military retirement pay. |

An act relating to veterans and military affairs

| 1 | It is hereby enacted by the General Assembly of the State of Vermont: |
|----|--|
| 2 | * * * Selection of the Adjutant and Inspector General * * * |
| 3 | Sec. 1. 2 V.S.A. § 11 is amended to read: |
| 4 | § 10. ELECTION OF STATE AND JUDICIAL OFFICERS |
| 5 | (a) At 10 o'clock and 30 minutes, forenoon, on the seventh Thursday after |
| 6 | their biennial meeting and organization, the Senate and House of |
| 7 | Representatives shall meet in joint assembly and proceed therein to elect the |
| 8 | State officers, except judicial officers, whose election by the Constitution and |
| 9 | laws devolves in the first instance upon them in joint assembly, including the |
| 10 | Sergeant at Arms, the Adjutant and Inspector General, and the legislative |
| 11 | trustees of the University of Vermont and State Agricultural College. In case |
| 12 | election of all such officers shall not be made on that day, they shall meet in |
| 13 | joint assembly at 10 o'clock and 30 minutes, forenoon, on each succeeding |
| 14 | day, Saturdays and Sundays excepted, and proceed in such election, until all |
| 15 | such officers are elected. |
| 16 | * * * |
| 17 | Sec. 2. 20 V.S.A. § 370 is added to read: |
| 18 | § 370. ADJUTANT AND INSPECTOR GENERAL NOMINATING |
| 19 | BOARD |
| 20 | (a) The Adjutant and Inspector General Nominating Board is created to |
| 21 | nominate candidates for Adjutant and Inspector General. |

| 1 | (b)(1) The Board shall consist of nine members who shall be selected |
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| 2 | as follows: |
| 3 | (A) Three members of the Governor's Veterans Advisory Council |
| 4 | appointed on a majority vote of the Council. |
| 5 | (B) Three members of the House, not all of whom shall be members |
| 6 | of the same party, appointed by the Speaker of the House. |
| 7 | (C) Three members of the Senate, not all of whom shall be members |
| 8 | of the same party, appointed by the Committee on Committees. |
| 9 | (2)(A) The members of the Board shall serve for terms of two years and |
| 10 | may serve for not more than three consecutive terms. |
| 11 | (B) All appointments shall occur between January 1 and February 1 |
| 12 | of each odd-numbered year, except to fill a vacancy. A House vacancy that |
| 13 | occurs when the General Assembly is adjourned shall be filled by the Speaker |
| 14 | of the House and a Senate vacancy that occurs when the General Assembly is |
| 15 | adjourned shall be filled by the Senate Committee on Committees. |
| 16 | (C) Members shall serve until their successors are appointed. |
| 17 | (3) The members shall elect their own chair who shall serve for a term |
| 18 | of two years. |
| 19 | (c) Legislative members of the Board shall be entitled to per diem |
| 20 | compensation and reimbursement for expenses in accordance with 2 V.S.A. |
| 21 | § 406. Members of the Board who are not otherwise compensated by their |

| 1 | employer shall be entitled to per diem compensation and reimbursement for |
|----|---|
| 2 | expenses in the same manner as board members are compensated under |
| 3 | 32 V.S.A. § 1010. The compensation and reimbursement for the six members |
| 4 | appointed by the House and Senate shall be paid from the legislative |
| 5 | appropriation. The compensation and reimbursement for the three members |
| 6 | appointed by the Governor's Veterans Advisory Council shall be paid from the |
| 7 | appropriation for the Military Department. |
| 8 | (d) A quorum of the Board shall consist of a majority of the members. |
| 9 | (e) The Board is authorized to use the staff and services of appropriate |
| 10 | State agencies and departments as necessary to conduct investigations of |
| 11 | candidates. |
| 12 | Sec. 3. 20 V.S.A. § 371 is added to read: |
| 13 | § 371. DECLARATION OF CANDIDACY FOR ADJUTANT AND |
| 14 | INSPECTOR GENERAL; REQUIREMENTS |
| 15 | (a)(1) A candidate for Adjutant and Inspector General shall, on or before |
| 16 | November 1 of the year prior to when the Governor will appoint a new |
| 17 | Adjutant and Inspector General, declare his or her candidacy to the Board |
| 18 | pursuant to procedures adopted by the Board and certify under oath that he or |
| 19 | she meets the qualifications set forth in subsection (b) of this section. |
| 20 | (2) In the case of a vacancy occurring during a term, a candidate shall, |
| 21 | not later than 14 days after the office of Adjutant and Inspector General |

| 1 | becomes vacant, declare his or her candidacy to the Board pursuant to |
|----|---|
| 2 | procedures adopted by the Board and certify under oath that he or she meets |
| 3 | the qualifications set forth in subsection (b) of this section. |
| 4 | (b) A candidate for Adjutant and Inspector General shall: |
| 5 | (1) be a resident of Vermont; |
| 6 | (2) have attained the rank of lieutenant colonel (O-5) or above; |
| 7 | (3) be a current member of the U.S. Army, the U.S. Air Force, the |
| 8 | U.S. Army Reserve, the U.S. Air Force Reserve, the Army National Guard, or |
| 9 | the Air National Guard or be eligible to return to active service in the Army |
| 10 | National Guard or the Air National Guard; and |
| 11 | (4) be a graduate of a Senior Service College, currently be enrolled in a |
| 12 | Senior Service College, or be eligible to be enrolled in a Senior Service |
| 13 | College during the biennium in which the candidate would first be appointed. |
| 14 | (c) The Board's procedures pursuant to this section and section 372 of this |
| 15 | chapter shall not be subject to rulemaking under 3 V.S.A. §§ 836-844 and may |
| 16 | be adopted and revised at the discretion of the Board. |
| 17 | (d)(1) Except as otherwise provided by subdivision (2) of this subsection: |
| 18 | (A) all proceedings of the Board shall be confidential and exempt |
| 19 | from the Vermont Open Meeting Law, 1 V.S.A. chapter 5, subchapter 2; and |

| 1 | (B) all records of the Board, including the names of candidates and |
|----|---|
| 2 | any information related to candidates, shall be exempt from public inspection |
| 3 | and copying under the Public Records Act and shall be kept confidential. |
| 4 | (2) The following shall be public: |
| 5 | (A) the Board's operating procedures; |
| 6 | (B) the Board's application procedures and any application or other |
| 7 | forms used by the Board, provided they do not contain information about a |
| 8 | candidate or confidential proceedings; |
| 9 | (C) proceedings of the Board that are not directly related to the |
| 10 | consideration of candidates; |
| 11 | (D) the names of the candidates sent to the Governor; and |
| 12 | (E) at the time the Board sends the names of the candidates to the |
| 13 | Governor, the total number of applicants interviewed by the Board and the |
| 14 | total number of candidates sent to the Governor. |
| 15 | Sec. 4. 20 V.S.A. § 372 is added to read: |
| 16 | § 372. DUTIES OF NOMINATING BOARD |
| 17 | (a) Interview and selection. The Board shall interview each candidate for |
| 18 | Adjutant and Inspector General and evaluate him or her with respect to: |
| 19 | (1) the qualifications set forth in subsection 371(b) of this title; |
| 20 | (2) leadership; |
| 21 | (3) integrity; and |

| 1 | (4) administrative and communication skills. |
|----|---|
| 2 | (b) Nomination. After interviewing and evaluating all candidates, the |
| 3 | Board shall submit to the Governor a list of all well-qualified candidates for |
| 4 | Adjutant and Inspector General. |
| 5 | Sec. 5. 20 V.S.A. § 363 is amended to read: |
| 6 | § 363. OFFICERS GENERALLY |
| 7 | (a) The general assembly shall biennially elect Governor shall appoint, |
| 8 | with the advice and consent of the Senate and from a list of candidates |
| 9 | submitted by the Adjutant and Inspector General Nominating Board, an |
| 10 | adjutant and inspector general, who Adjutant and Inspector General for a term |
| 11 | of four years. An Adjutant and Inspector General appointed to fill a vacancy |
| 12 | occurring during a term shall serve the remainder of the unexpired term. The |
| 13 | Adjutant and Inspector General shall also be quartermaster general |
| 14 | Quartermaster General with the rank of a major general. |
| 15 | (b)(1) Such officer The Adjutant and Inspector General may appoint a |
| 16 | deputy with appropriate rank, an assistant adjutant general Assistant Adjutant |
| 17 | General for army Army, an assistant adjutant general Assistant Adjutant |
| 18 | General for air Air, an assistant adjutant general Assistant Adjutant General for |
| 19 | joint operations Joint Operations, a sergeant major, and a chief master |
| 20 | sergeant, without pay, with the approval of the governor Governor. |

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| 1 | (2) The adjutant general Adjutant and Inspector General may remove |
|----|--|
| 2 | the appointed assistant adjutant generals and sergeants and shall be responsible |
| 3 | for their acts. |
| 4 | (3) Upon appointment, each assistant adjutant general shall be a |
| 5 | federally recognized officer of the national guard National Guard of the rank of |
| 6 | lieutenant colonel or above, and shall have a rank of colonel or brigadier |
| 7 | general, and the sergeant major shall be a federally recognized |
| 8 | noncommissioned officer of the national guard National Guard of the rank of |
| 9 | master sergeant or first sergeant, and the chief master sergeant shall be a |
| 10 | federally recognized noncommissioned officer of the rank of senior master |
| 11 | sergeant or first sergeant. |
| 12 | (4) The deputy, assistants, and sergeants shall perform duties as the |
| 13 | adjutant and inspector general and quartermaster general Adjutant and |
| 14 | <u>Inspector General</u> shall direct. In the absence or disability of the officer |
| 15 | Adjutant and Inspector General, the deputy shall perform the duties of that |
| 16 | office. |
| 17 | (c) In case a vacancy occurs in the office of adjutant and inspector general |
| 18 | and quartermaster general Adjutant and Inspector General, the deputy shall |

assume and discharge the duties of the office until the vacancy is filled.

| 1 | (d) The appointments Appointments made pursuant to subsections (a) and |
|----|---|
| 2 | (b) of this section shall be in writing and recorded in the office of the secretary |
| 3 | of state Secretary of State. |
| 4 | (e) All other officers of the national guard National Guard shall be chosen |
| 5 | in accordance with such regulations as rules adopted by the governor may |
| 6 | prescribe Governor consistent with the laws of this state State and the United |
| 7 | States. |
| 8 | * * * Vehicles Acquired with Financial Assistance from |
| 9 | the U.S. Department of Veterans Affairs * * * |
| 10 | Sec. 6. 23 V.S.A. § 378 is amended to read: |
| 11 | § 378. VETERANS' EXEMPTIONS |
| 12 | No fees shall be charged an honorably discharged veterans veteran of the |
| 13 | U.S. Armed Forces, who are residents is a resident of the State of Vermont for |
| 14 | the registration of a motor vehicle granted that the veteran by the Veterans' |
| 15 | Administration has acquired with financial assistance from the |
| 16 | U.S. Department of Veterans Affairs, or for the registration of a motor vehicle |
| 17 | owned by him or her during his or her lifetime obtained as a replacement |
| 18 | thereof, when his or her application is accompanied by a certificate copy of an |
| 19 | approved VA Form 21-4502 issued by the Veterans' Administration center |
| 20 | U.S. Department of Veterans Affairs certifying him or her to be entitled to |
| 21 | such exemption the financial assistance. |

| 1 | Sec. 7. 23 V.S.A. § 609 is amended to read: |
|----|---|
| 2 | § 609. VETERANS' EXEMPTION |
| 3 | No fees shall be charged an honorably discharged veterans veteran of the |
| 4 | U.S. Armed Forces, who are residents is a resident of the State of Vermont, for |
| 5 | a license to operate a motor vehicle, when the veteran has received acquired a |
| 6 | motor vehicle with financial assistance from the Veterans' Administration |
| 7 | U.S. Department of Veterans Affairs and he or she is otherwise eligible to be |
| 8 | granted such the license, and when his or her application is accompanied by a |
| 9 | certificate copy of an approved VA Form 21-4502 issued by the Veterans' |
| 10 | Administration center U.S. Department of Veterans Affairs certifying him or |
| 11 | her to be entitled to such exemption the financial assistance. |
| 12 | Sec. 8. 23 V.S.A. § 2002 is amended to read: |
| 13 | § 2002. FEES |
| 14 | (a) The Commissioner shall be paid the following fees: |
| 15 | * * * |
| 16 | (11) for a certificate of title for a motor vehicle granted acquired by a |
| 17 | veteran by with financial assistance from the Veterans' Administration |
| 18 | U.S. Department of Veterans Affairs and exempt from registration fees |
| 19 | pursuant to section 378 of this title, no fee; |
| 20 | * * * |

| 1 | Sec. 9. 32 V.S.A. § 8911 is amended to read: |
|----|---|
| 2 | § 8911. EXCEPTIONS |
| 3 | The tax imposed by this chapter shall not apply to: |
| 4 | * * * |
| 5 | (14) A motor vehicle granted acquired by a veteran by with financial |
| 6 | assistance from the Veterans' Administration U.S. Department of Veterans |
| 7 | Affairs or a vehicle obtained as a replacement to one granted acquired with |
| 8 | such assistance, when accompanied by a certificate copy of an approved VA |
| 9 | Form 21-4502 issued by the Veterans' Administration Center U.S. Department |
| 10 | of Veterans Affairs certifying the veteran to be entitled to the exemption |
| 11 | financial assistance. |
| 12 | * * * |
| 13 | * * * Professional Licensing * * * |
| 14 | Sec. 10. 26 V.S.A. § 1643 is amended to read: |
| 15 | § 1643. NURSING ASSISTANT LICENSURE BY ENDORSEMENT |
| 16 | (a) The Board may issue a license to practice as a nursing assistant to an |
| 17 | applicant who: |
| 18 | (1) is licensed or registered in another U.S. jurisdiction; and |
| 19 | (2) who has met the practice requirements set by the Board by rule. |
| 20 | (b) The Board may issue a license to practice as a nursing assistant to an |
| 21 | applicant who: |

| 1 | (1) is a service member or a veteran; |
|----|--|
| 2 | (2) has received designation by the U.S. Armed Forces as a 68W |
| 3 | Healthcare Specialist; and |
| 4 | (3) is certified as a National Registry Emergency Medical Technician. |
| 5 | (c) As used in this section: |
| 6 | (1) "Service member" means an individual who is an active duty |
| 7 | member of: |
| 8 | (A) the U.S. Armed Forces; |
| 9 | (B) a reserve component of the U.S. Armed Forces; |
| 10 | (C) the U.S. Coast Guard; or |
| 11 | (D) the National Guard of any state. |
| 12 | (2) "Veteran" means a former service member who received an |
| 13 | honorable discharge or a general discharge under honorable conditions from |
| 14 | active duty not more than two years prior to submitting an application for |
| 15 | <u>licensure.</u> |
| 16 | Sec. 11. 23 V.S.A. § 1227 is amended to read: |
| 17 | § 1227. CERTIFIED INSPECTION MECHANICS |
| 18 | * * * |
| 19 | (b)(1) A person who applies for certification under this section shall: |
| 20 | (1)(A) complete an application form prescribed by the Commissioner; |
| 21 | (2)(B) be at least 18 years of age; and |

| 1 | (3)(C) except as otherwise provided pursuant to subdivision (2) of this |
|----|---|
| 2 | subsection (b), pass an examination based on the official inspection manual for |
| 3 | each type of vehicle to be inspected and on the inspection requirements for |
| 4 | each type of vehicle to be inspected. |
| 5 | (2) A service member or veteran shall not be required to pass an |
| 6 | examination pursuant to subdivision (1)(C) of this subsection if he or she has |
| 7 | been designated by the U.S. Armed Forces as a 91B Wheeled Vehicle |
| 8 | Mechanic and has one or more of the following national certifications: |
| 9 | (A) ASE Diesel Mechanic; |
| 10 | (B) ASE Light Truck Engine Repair; |
| 11 | (C) ASE Automobile Service Consultant; |
| 12 | (D) Certified Hazardous Material Manager; or |
| 13 | (E) Associate Safety Professional. |
| 14 | * * * |
| 15 | (e) As used in this section: |
| 16 | (1) "Service member" means an individual who is an active duty |
| 17 | member of: |
| 18 | (A) the U.S. Armed Forces; |
| 19 | (B) a reserve component of the U.S. Armed Forces; |
| 20 | (C) the U.S. Coast Guard; or |
| 21 | (D) the National Guard of any state. |

| 1 | (2) "Veteran" means a former service member who received an |
|----|---|
| 2 | honorable discharge or a general discharge under honorable conditions from |
| 3 | active duty not more than two years prior to submitting an application for |
| 4 | certification under this section. |
| 5 | Sec. 12. 18 V.S.A. § 4303 is amended to read: |
| 6 | § 4303. RULEMAKING |
| 7 | (a) The Commissioner shall adopt rules pursuant to 3 V.S.A. chapter 25 to |
| 8 | establish minimum standards for the safe and sanitary operation of food or |
| 9 | lodging establishments or children's camps or any combination thereof and |
| 10 | their administration and enforcement. The rules shall require that an |
| 11 | establishment shall be constructed, maintained, and operated with strict regard |
| 12 | for the health of the employees and the public pursuant to the following |
| 13 | general requirements: |
| 14 | * * * |
| 15 | (b)(1) The rules adopted by the Commissioner shall provide that a service |
| 16 | member or veteran who is designated by the U.S. Armed Forces as a 92G |
| 17 | Culinary Specialist and certified as a culinarian by the American Culinary |
| 18 | Federation shall be deemed to: |
| 19 | (A) have knowledge of the prevention of food-borne disease; |
| 20 | (B) be able to apply the Hazard Analysis Critical Control Point |
| 21 | principles; and |

| 1 | (C) have met the criteria for "demonstration of knowledge" |
|----|--|
| 2 | requirements set forth by the Department of Health in rule for the purposes of |
| 3 | obtaining a food establishment license. |
| 4 | (2) As used in this subsection: |
| 5 | (A) "Service member" means an individual who is an active duty |
| 6 | member of: |
| 7 | (i) the U.S. Armed Forces; |
| 8 | (ii) a reserve component of the U.S. Armed Forces; |
| 9 | (iii) the U.S. Coast Guard; or |
| 10 | (iv) the National Guard of any state. |
| 11 | (B) "Veteran" means a former service member who received an |
| 12 | honorable discharge or a general discharge under honorable conditions from |
| 13 | active duty not more than two years prior to submitting an application for a |
| 14 | food establishment license under this chapter. |
| 15 | Sec. 13. LICENSING RECIPROCITY FOR IMMIGRANTS SETTLING IN |
| 16 | VERMONT; REPORT |
| 17 | The Director of the Office of Professional Regulation, in consultation with |
| 18 | the State Refugee Coordinator, shall examine means of reducing unnecessary |
| 19 | barriers to professional licensure for qualified immigrants to Vermont from |
| 20 | foreign countries. On or before January 15, 2019, the Director shall submit to |

| 1 | the House and Senate Committees on Government Operations a report of his or |
|----|--|
| 2 | her findings and any recommendations for legislative action. |
| 3 | * * * Tax Exemption for U.S. Armed Forces Retirement Pay * * * |
| 4 | Sec. 14. 32 V.S.A. § 5811 is amended to read: |
| 5 | § 5811. DEFINITIONS |
| 6 | The following definitions shall apply throughout this chapter unless the |
| 7 | context requires otherwise: |
| 8 | * * * |
| 9 | (21) "Taxable income" means, in the case of an individual, federal |
| 10 | adjusted gross income determined without regard to 26 U.S.C. § 168(k) and: |
| 11 | (A) Increased increased by the following items of income (to the |
| 12 | extent such income is excluded from federal adjusted gross income): |
| 13 | * * * |
| 14 | (B) Decreased decreased by the following items of income (to the |
| 15 | extent such income is included in federal adjusted gross income): |
| 16 | (i) income from U.S. government obligations; |
| 17 | (ii) with respect to adjusted net capital gain income as defined in |
| 18 | 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend |
| 19 | income: either the first \$5,000.00 of such adjusted net capital gain income; or |
| 20 | 40 percent of adjusted net capital gain income from the sale of assets held by |

| 1 | the taxpayer for more than three years, except not adjusted net capital gain |
|----|---|
| 2 | income from: |
| 3 | (I) the sale of any real estate or portion of real estate used by |
| 4 | the taxpayer as a primary or nonprimary residence; or |
| 5 | (II) the sale of depreciable personal property other than farm |
| 6 | property and standing timber; or stocks or bonds publicly traded or traded on |
| 7 | an exchange, or any other financial instruments; regardless of whether sold by |
| 8 | an individual or business; and provided that the total amount of decrease under |
| 9 | this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable |
| 10 | income; and |
| 11 | (iii) recapture of State and local income tax deductions not taken |
| 12 | against Vermont income tax; and |
| 13 | (iv) income from U.S. Armed Forces retirement pay that is subject |
| 14 | to federal income tax; and |
| 15 | (C) Decreased decreased by the following exemptions and |
| 16 | deductions: |
| 17 | * * * |
| 18 | Sec. 15. 32 V.S.A. § 5813 is amended to read: |
| 19 | § 5813. STATUTORY PURPOSES |
| 20 | * * * |

| 1 | (g)(1) The statutory purpose of the exemption for military pay in |
|----|---|
| 2 | subdivisions 5823(a)(2) and (b)(3) of this title is to provide additional |
| 3 | compensation for military personnel in recognition of their service to Vermont |
| 4 | and to the country. |
| 5 | (2) The statutory purpose of the exemption for U.S. Armed Forces |
| 6 | retirement pay in subdivision 5811(21)(B)(iv) of this title is to provide |
| 7 | additional income to retired military personnel who derive part of their income |
| 8 | in the form of military retirement pay, in recognition of their service to |
| 9 | Vermont and to the country. |
| 10 | * * * |
| 11 | * * * Effective Dates * * * |
| 12 | Sec. 16. EFFECTIVE DATES |
| 13 | (a) Notwithstanding 1 V.S.A. § 214, Secs. 14 and 15 shall take effect |
| 14 | retroactively on January 1, 2018 and apply to taxable year 2018 and after. |
| 15 | (b) This section and the remaining sections shall take effect on July 1, |
| 16 | <u>2018.</u> |