

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was  
3 referred House Bill No. 802 entitled “An act relating to rural economic  
4 development infrastructure districts” respectfully reports that it has considered  
5 the same and recommends that the bill be amended by striking out all after the  
6 enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 24 V.S.A. § 5704 is amended to read:

8 § 5704. GOVERNING BOARD; COMPOSITION; MEETINGS; REPORT

9 (a) Governing board. The legislative power and authority of a district and  
10 the administration and the general supervision of all fiscal, prudential, and  
11 governmental affairs of a district shall be vested in a governing board, except  
12 as otherwise specifically provided in this chapter.

13 (b) Composition. The ~~first~~ governing board of the district shall consist of  
14 ~~four to eight~~ members appointed in equal numbers by the legislative bodies of  
15 the underlying municipalities. ~~It~~ The board shall draft the district’s bylaws  
16 specifying the size, composition, quorum requirements, and manner of  
17 appointing **and removing** members to the ~~permanent governing~~ board,  
18 **including non-voting, at-large board members**. The bylaws shall require  
19 that ~~a majority of the board shall be appointed annually by~~ the legislative  
20 bodies of the underlying municipalities appoint board members and fill board  
21 member vacancies. Board members appointed by the underlying

1 municipalities may appoint ~~up to six~~ additional, **non-voting**, at-large board  
2 members and fill at-large board member vacancies. Board members, including  
3 at-large members, are not required to be residents of an underlying  
4 municipality. **However, a majority of the board shall be residents of an**  
5 **underlying municipality**. Board members shall serve staggered, three-year  
6 terms, and shall be eligible to serve successive terms. ~~The legislative bodies of~~  
7 ~~the municipalities in which the district is located shall fill board vacancies, and~~  
8 ~~may remove board members at will.~~ **At-large board members shall serve**  
9 **one-year terms, and shall be eligible to serve successive terms.** Any bylaws  
10 developed by the governing board under this subsection shall be submitted for  
11 approval to the legislative bodies of the municipalities within the district and  
12 shall be considered duly adopted 45 days ~~from~~ after the date of submission,  
13 provided none of the legislative bodies disapprove ~~of~~ the bylaws.

14 (c) First meeting. The first meeting of the district shall be called upon  
15 30 days' posted and published notice by a presiding officer of a legislative  
16 body in which the district is located. ~~Voters within a municipality in which the~~  
17 ~~district is located are eligible to vote at annual and special district meetings. At~~  
18 ~~the first meeting of the district, and at each subsequent annual meeting, there~~  
19 ~~shall be elected from among board members a chair, vice chair, clerk, and~~  
20 ~~treasurer who shall assume their respective offices upon election. At the first~~  
21 ~~meeting, the fiscal year of the district shall be established and rules of~~

1 ~~parliamentary procedure shall be adopted.~~ The board shall elect from among  
2 its members a chair, vice chair, clerk, and treasurer. The board shall establish  
3 the fiscal year of the district and shall adopt rules of parliamentary procedure.

4 Prior to assuming their offices, officers may be required to post bond in such  
5 amounts as determined by resolution of the board. The cost of such bond shall  
6 be borne by the district.

7 (d) Annual and special meetings. Unless otherwise established by the  
8 voters, the annual district meeting shall be held on the second Monday in  
9 January and shall be warned by the clerk or, in the clerk's absence or neglect,  
10 by a member of the board. Special meetings shall be warned in the same  
11 manner on application in writing by five percent of the voters of the district.  
12 A warning for a district meeting shall state the business to be transacted. The  
13 time and place of holding the meeting shall be posted in two or more public  
14 places in the district not more than 40 days nor less than 30 days before the  
15 meeting and recorded in the office of the clerk before the same is posted.

16 (e) Annual report. The district shall report annually to the legislative  
17 bodies and the citizens of the municipalities in which the district is located on  
18 the results of its activities in support of economic growth, job creation,  
19 improved community efficiency, and any other benefits incident to its  
20 activities.

1        (f) Definition. For purposes of this section and section 5709 of this  
2        chapter, after a district has been established pursuant to section 5702 of this  
3        chapter, “voter” means a board member or subscriber or customer of a service  
4        provided by the district. **It does not mean an at-large board member unless**  
5        **the vote is taken at an annual or special meeting and the at-large board**  
6        **member is a subscriber or customer of a service provided by the district.**

7        Sec. 2. 24 V.S.A. § 5705 is amended to read:

8        § 5705. OFFICERS

9        (a) Generally. The ~~district~~ board shall elect at its first meeting and at each  
10       annual meeting thereafter a chair, vice chair, clerk, and treasurer, who shall  
11       hold office until the next annual meeting and until others are elected. The  
12       board may fill a vacancy in any office.

13       (b) Chair. The chair shall preside at all meetings of the board and make  
14       and sign all contracts on behalf of the district upon approval by the board. The  
15       chair shall perform all duties incident to the position and office as required by  
16       the general laws of the State.

17       (c) Vice chair. During the absence of or inability of the chair to render or  
18       perform his or her duties or exercise his or her powers, the same shall be  
19       performed and exercised by the vice chair, and when so acting, the vice chair  
20       shall have all the powers and be subject to all the responsibilities given to or  
21       imposed upon the chair. During the absence or inability of the vice chair to

1 render or perform his or her duties or exercise his or her powers, the board  
2 shall elect from among its members an acting vice chair who shall have the  
3 powers and be subject to all the responsibilities given to or imposed upon the  
4 vice chair.

5 (d) Clerk. The clerk shall keep a record of the meetings, votes, and  
6 proceedings of the district for the inspection of its inhabitants.

7 (e) Treasurer. The treasurer of the district shall be ~~appointed~~ elected by the  
8 board; and shall serve at its pleasure. The treasurer shall have the exclusive  
9 charge and custody of the funds of the district and shall be the disbursing  
10 officer of the district. When warrants are authorized by the board, the treasurer  
11 may sign, make, or endorse in the name of the district all checks and orders for  
12 the payment of money and pay out and disburse the same and receipt therefor.  
13 The treasurer shall keep a record of every obligation issued and contract  
14 entered into by the district and of every payment made. The treasurer shall  
15 keep correct books of account of all the business and transactions of the district  
16 and such other books and accounts as the board may require. The treasurer  
17 shall render a statement of the condition of the finances of the district at each  
18 regular meeting of the board and at such other times as required of the  
19 treasurer. The treasurer shall prepare the annual financial statement and the  
20 budget of the district for distribution, upon approval of the board, to the  
21 legislative bodies of district members. Upon the treasurer's termination from

1 office by virtue of removal or resignation, the treasurer shall immediately pay  
2 over to his or her successor all of the funds belonging to the district and at the  
3 same time deliver to the successor all official books and papers.

4 Sec. 3. EFFECTIVE DATE

5 This act shall take effect on passage.

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8 (Committee vote: \_\_\_\_\_)

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\_\_\_\_\_

Representative \_\_\_\_\_

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FOR THE COMMITTEE