

1 S.178

2 Introduced by Senator Pearson

3 Referred to Committee on

4 Date:

5 Subject: Appropriations

6 Statement of purpose of bill as introduced: This bill proposes to limit the
7 amount of compensation for an officer, board member, or employee of a
8 nonprofit organization that receives State funding, unless the recipient receives
9 a waiver from the Secretary of Administration.

10 An act relating to limiting compensation for employees of nonprofit
11 organizations that receive State funding

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 32 V.S.A. § 707 is added to read:

14 § 707. NONPROFIT RECIPIENTS OF STATE FUNDING; LIMITATION

15 ON EMPLOYEE COMPENSATION

16 (a) Unless it receives a waiver from the Secretary of Administration
17 pursuant to subsection (b) of this section, for any fiscal year in which a
18 nonprofit organization receives a total of \$1,000,000.00 or more in State
19 funding, including through one or more direct or indirect appropriations, pass-
20 through grants of federal or State funds, or any other form of transfer from the

1 State, the organization shall not provide to any of its officers, directors, or
2 employees total compensation that exceeds the compensation specified for the
3 Governor of Vermont in that fiscal year.

4 (b) The Secretary of Administration shall have the authority to collect
5 information to verify compliance with this section from nonprofit
6 organizations that receive State funding and to adopt rules and procedures to
7 collect such information and evaluate and approve requests for waivers from
8 the limitation imposed in subsection (a) of this section.

9 (c) If the Secretary determines that a nonprofit organization violates
10 subsection (a) of this section, the organization shall be ineligible for State
11 funding for two consecutive years following the year in which the violation
12 occurred.

13 Sec. 2. EFFECTIVE DATE

14 This act shall take effect on passage.