

House Calendar

Wednesday, April 24, 2019

106th DAY OF THE BIENNIAL SESSION

House Convenes at 1:00 P.M.

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ACTION CALENDAR

Third Reading

S. 86

An act relating to increasing the legal age for buying and using cigarettes, electronic cigarettes, and other tobacco products from 18 to 21 years of age

Favorable with Amendment

S. 95

An act relating to municipal utility capital investment

Rep. Sibilia of Dover, for the Committee on Energy and Technology, recommends that the House propose to the Senate that the bill be amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 24 V.S.A. § 1822 is amended to read:

§ 1822. POWERS; APPROVAL OF VOTERS

(a) In addition to the powers it may now or hereafter have, a municipal corporation otherwise authorized to own, acquire, improve, control, operate, or manage a public utility or project and to issue bonds pursuant to this subchapter, may also, by action of its legislative branch, exercise any of the following powers:

(1) to borrow money and issue bonds for the purposes of acquiring, improving, maintaining, financing, controlling, or operating the public utility or project, or for the purpose of selling, furnishing, or distributing the services, facilities, products, or commodities of such utility or project;

(2) to enter into contracts in connection with the issuance of bonds for any of the purposes enumerated in subdivision (1) of this subsection;

(3) to purchase, hold, and dispose of any of its bonds;

(4) to pledge or assign all or part of any net revenues of the public utility or project, to provide for or to secure the payment of the principal of and the interest on bonds issued in connection with such public utility or project;

(5) to do any and all things necessary or prudent to carry out the powers expressly granted or necessarily implied in this subchapter, including without limitation those powers enumerated in section 1824 of this title.

(b)(1) The bonds authorized under this section shall be in such form, shall contain such provisions, and shall be executed as may be determined by the legislative branch of the municipal corporation, but shall not be executed, issued, or made, and shall not be valid and binding, unless and until at least a majority of the legal voters of such municipal corporation present and voting at a duly warned annual or special meeting called for that purpose shall have first voted to authorize the same.

(2) The warning calling such a meeting shall state the purpose for which it is proposed to issue bonds, the estimated cost of the project, the amount of bonds proposed to be issued under this subchapter therefor, that such bonds are to be payable solely from net revenues, and shall fix the place where and the date on which such meetings shall be held and the hours of opening and closing the polls.

(3) The notice of the meeting shall be published and posted as provided in section 1756 of this title.

(4) When a majority of all the voters voting on the question at such meeting vote to authorize the issuance of bonds under this subchapter to pay for such project, the legislative body shall be authorized to issue bonds or enter into contracts, pledges, and assignments as provided in this subchapter.

(5) Sections 1757 and 1758 of this title shall apply to the proceedings taken hereunder, except that the form of ballot to be used shall be substantially as follows:

Shall bonds of the (name of municipality) to the amount of \$ _____ be issued under subchapter 2 of chapter 53 of Title 24, Vermont Statutes Annotated, payable only from net revenues derived from the (type) public utility system, for the purpose of paying for the following public utility project?

If in favor of the bond issue, make a cross (x) in this square .

If opposed to the bond issue, make a cross (x) in this square .

(c) The bonds authorized by this subchapter shall be sold at par, premium, or discount by negotiated sale, competitive bid, or to the Vermont Municipal Bond Bank.

(d) Notwithstanding the provisions of subsection (b) of this section, the legislative branch of a municipal corporation owning a municipal plant as defined in 30 V.S.A. § 2901 may authorize by resolution the issuance of bonds in an amount not to exceed 50 percent of the total assets of said municipal plant without the need for voter approval. Nothing in this subsection shall be

interpreted as eliminating the requirement for approval from the Public Utility Commission pursuant to 30 V.S.A. § 108, where applicable.

Sec. 2. 30 V.S.A. § 108 is amended to read:

§ 108. ISSUE OF BONDS OR OTHER SECURITIES

* * *

(b) The provisions of this section shall not apply to the Vermont Public Power Supply Authority or to a public utility which that meets each and all of the following four conditions:

(1) is incorporated in some state other than Vermont;

(2) is conducting an interstate and intrastate telephone business which that is subject to regulation by the Federal Communications Commission in some respects;

(3) is conducting telephone operations in four or more states; and

(4) has less than 10 percent of its total investment in property used or useful in rendering service located within this State to the extent that such public utility may issue stock, bonds, notes, debentures, or other evidences of indebtedness not directly or indirectly constituting or creating a lien on any property used or useful in rendering service which that is located within this State.

(c)(1) A municipality shall not issue bonds or notes or pledge its net revenues under 24 V.S.A. chapter 53, respecting the ownership or operation of a gas or electric utility, unless the Public Utility Commission first finds, upon petition of the municipality and after notice and an opportunity for hearing, that the proposed action will be consistent with the general good of the State.

(2) If the Public Utility Commission does not issue its ruling within 90 days of the filing of the petition, as may be extended by consent of the municipality, the issuance of the proposed bonds or notes or pledge of net revenues shall be deemed to be consistent with the general good of the State.

(3) If the Public Utility Commission issues a ruling in accordance with subdivision (1) of this subsection, or does not rule within the period specified in subdivision (2) of this subsection, a municipality must subsequently obtain also have obtained voter approval in accordance with 24 V.S.A. chapter 53, if required, prior to issuing bonds or notes or pledging its net revenues.

(d) Notwithstanding the provisions of subsection (c) of this section, a municipality may:

(1) issue bonds or notes or pledge its net revenues payable within three years from the date of issue without such consent, provided such borrowing is necessary in an emergency to restore service immediately after damage by disaster; ~~or~~

(2) issue bonds or notes or pledge its net revenues payable within one year of the date of issuance without the consent otherwise required by this subdivision, provided its total bonds, notes, or evidences of indebtedness so payable within one year do not exceed 20 percent of its total assets; or

(3) issue bonds or notes without the consent otherwise required by this subdivision, provided:

(A) the amount of the issuance plus the amount of any bond or note issuances during the previous 12 calendar months does not exceed 20 percent of the municipality's total assets; and

(B) after the proposed issuance, the total amount of the municipality's outstanding bonds, notes, or evidences of indebtedness would not exceed 50 percent of its total assets.

Sec. 3. 30 V.S.A. § 5031(a)(4) is amended to read:

(4) Bonds and notes may be issued in accordance with this chapter, ~~subject to~~ without the need to obtain the consent and approval of the Public Utility Commission as provided in this title.

Sec. 4. 30 V.S.A. § 8002 is amended to read:

§ 8002. DEFINITIONS

As used in this chapter:

* * *

(10) "Group net metering system" means a net metering system serving more than one customer, or a single customer with multiple electric meters, located within the service area of the same retail electricity provider. Various buildings owned by municipalities, including water and wastewater districts, fire districts, villages, school districts, and towns, may constitute a group net metering system. A union or district school facility ~~shall~~ may be considered in the same group net metering system with buildings of its member ~~municipalities~~ schools that are located within the service area of the same retail electricity provider ~~that serves the facility~~. The cumulative group net metering capacity of a customer that is a school district shall not exceed 1 MW provided that each account is enrolled in only one group.

* * *

Sec. 5. 30 V.S.A. § 8010 is amended to read:

§ 8010. SELF-GENERATION AND NET METERING

* * *

(f) Except for net metering systems for which the Commission has established a registration process, the Commission shall issue a final determination as to an uncontested application within 90 days of the date of the last substantive filing by a party.

Sec. 6. PUBLIC UTILITY COMMISSION; RULES

(a) The Public Utility Commission shall update its applicable rules for consistency with this act.

(b) The provisions of this act shall supersede any provisions to the contrary contained in the Public Utility Commission's rules as they existed immediately prior to the effective date of this act.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(Committee vote: 7-1-1)

(For text see Senate Journal March 12, 2019)

Amendment to be offered by Rep. Browning of Arlington to S. 95

That the House propose to the Senate that the bill be amended by striking out Sec. 1 in its entirety and by renumbering the remaining sections to be numerically correct.

**Senate Proposal of Amendment to House Proposal of Amendment to
Senate Proposal of Amendment**

H. 97

An act relating to fiscal year 2019 budget adjustments

The Senate concurs in the House proposal of amendment to Senate proposal of amendment with the following proposals of amendment as follows :

First: By striking out the *First* and *Second* House proposals of amendment in their entirety.

Second: By striking out the *Third* House proposal of amendment in its entirety and inserting in lieu thereof a new *Third* proposal of amendment to read as follows:

Third: In Sec. 56, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) The following General Fund amount shall be reserved for appropriation or transfer in the fiscal year 2020 budget: \$9,700,000.

Third: By striking out the *Sixth* House proposal of amendment in its entirety and inserting in lieu thereof a new *Sixth* proposal of amendment to read as follows:

Sixth: By striking out Sec. 88 in its entirety and inserting in lieu thereof a new Sec. 88 to read as follows:

Sec. 88. FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS AND
TRANSFERS FROM THE GENERAL FUND

(a) The following appropriations are made from the General Fund in fiscal year 2019:

(1) To the Agency of Digital Services: \$1,800,000 to be apportioned as follows:

(A) \$1,300,000 for firewalls;

(B) \$500,000 to invest in hardware for the data storage of State devices.

(2) To the Department of Health: \$2,400,000 to fund the testing for lead content in schools' and licensed child care centers' drinking water consistent with the program established in S.40 of 2019. These funds are allocated as follows:

(A) \$125,000 to fund the limited service program position established in S.40 of 2019.

(B) \$150,000 to fund program start-up and data management costs for the program.

(C) \$1,265,000 to fund the initial testing and retesting costs.

(D) \$860,000 to fund the estimated 50 percent State share of tap remediation costs. This State share funding commitment is limited to remediation of tap fixtures only. The funding will provide 50 percent of up to \$300 for each tap fixture replacement excluding labor at schools, and 50 percent of up to \$600 for each tap fixture replacement including labor at licensed childcare providers.

(3) To the Department of Environmental Conservation: \$125,000 to fund the limited service remediation position established in S.40 of 2019.

(4) To the Attorney General: \$22,662 for the increased diversion and pre-trial services caseload increases in fiscal year 2019.

(5) To Department of Public Safety: \$196,812 for the cost of replacement holsters, sidearm lighting, communications equipment, and less lethal weapons.

(6) To the Joint Fiscal Office: \$275,000 to be allocated as follows for studies that will be comprehensively defined in the fiscal year 2020 budget process:

(A) \$250,000 to be reserved to fund contracted services for research and findings to identify and examine the factors contributing to Vermont's high rate of children entering the custody of the State. Such research shall study the preventive and upstream services and interventions provided to families and the extent to which these supports to families have demonstrated effectiveness in allowing children to remain with their families. Policy recommendations resulting from this research is intended to inform funding decisions regarding these services to ensure the safety of Vermont's vulnerable children and to enhance the long-term stability and well-being of these families.

(B) \$25,000 to be reserved to fund contracted services for research and findings related to the detention population of the Department of Corrections (DOC) and policy recommendations to reduce this population and/or reduce the need for DOC in-state bed capacity for this population. The report shall be submitted to the General Assembly on or before December 15, 2019.

(b) The following transfers are made from the General Fund in fiscal year 2019:

(1) State Treasurer: \$22,200,000 from the General Fund to the Retired Teachers' Health and Medical Benefits Fund to repay-in-full in fiscal year 2019 the interfund loan obligation authorized by 16 V.S.A. § 1944b(e). This transfer shall be recognized as an additional contribution to the Retired Teachers' Health and Medical Fund in fiscal year 2019.

(2) State Treasurer: \$3,293,817 from the General Fund to the Vermont Teachers' Retirement Fund, established pursuant to 16 V.S.A. § 1944. This amount reflects an additional contribution above the actuarially determined employer contribution and the VSTRS Board of Trustees' request for fiscal year 2020. This amount shall be transferred in fiscal year 2019.

(For House Proposal of Amendment see House Journal February 27, 2019.)

NOTICE CALENDAR

Favorable

H. 544

An act relating to approval of amendments to the charter of the City of Burlington

Rep. Hooper of Burlington, for the Committee on Government Operations, recommends the bill ought to pass.

(Committee Vote: 11-0-0)

H. 549

An act relating to approval of the dissolution of Rutland Fire District No. 10

Rep. Harrison of Chittenden, for the Committee on Government Operations, recommends the bill ought to pass.

(Committee Vote: 11-0-0)