

House Calendar

Friday, May 10, 2019

122nd DAY OF THE BIENNIAL SESSION

House Convenes at 9:30 A.M.

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ORDERS OF THE DAY

ACTION CALENDAR

Third Reading

S. 18

An act relating to consumer justice enforcement

S. 58

An act relating to the State hemp program

S. 96

An act relating to the provision of water quality services

Amendment to be offered by Rep. Kimbell of Woodstock to S. 96

By inserting a Sec. 4c to read as follows:

Sec. 4c. SALES TAX GUIDANCE

When applying Vermont's sales and use tax to transactions involving prewritten software accessed remotely, the Department of Taxes shall be guided by the "true object of the transaction" test as developed in other states.

Amendment to be offered by Rep. Sibilia of Dover to S. 96

First: In Sec. 3a, 10 V.S.A. § 1388, by striking out subdivision (a)(4) in its entirety and inserting in lieu thereof a new subdivision (a)(4) to read as follows:

(4) 1.77 percent of the revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233; and

Second: By striking out Sec. 4a in its entirety and inserting in lieu thereof a new Sec. 4a to read as follows:

Sec. 4a. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

* * *

(6) 98.23 percent of the revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233; and

* * *

S. 113

An act relating to the management of single-use products

Favorable with Amendment

S. 107

An act relating to elections corrections

Rep. Mrowicki of Putney, for the Committee on Government Operations, 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:

* * * Ratification of Articles of Amendment to the Vermont Constitution * * *

Sec. 1. 17 V.S.A. chapter 32 is amended to read:

CHAPTER 32. PUBLICATION AND RATIFICATION OF ARTICLES OF AMENDMENT TO VERMONT CONSTITUTION

* * *

§ 1841. CONSTITUTIONAL REQUIREMENTS

(a) Amendments to the Constitution, having been proposed by the General Assembly, published, and concurred in by the succeeding General Assembly as required by § 72 of Chapter II of the Constitution, shall be submitted to the people of the state State for their ratification and adoption in the manner provided in this chapter.

(b) Following the concurrence by the succeeding General Assembly but prior to being submitted to the people of the State, the Governor shall issue a proclamation providing public notice of the proposed constitutional amendment.

§ 1842. TIME OF VOTING; WARNING

(a) The people shall be assembled for the purpose of voting on the article of amendment in their respective towns and cities at the same time and place as for the general election, on the first Tuesday after the first Monday in November, in even-numbered years, and the warning for each meeting shall contain an article, in substance as follows:

“To see if the ~~freemen and freewomen~~ voters will vote to accept or reject the proposed article of amendment to the Constitution of Vermont.”

(b) The omission of that article from the warning shall not invalidate nor affect the vote on the proposed article of amendment, and the ~~freemen and freewomen~~ voters of each town or city shall vote on the article of amendment whether the warning contains the foregoing article or not.

§ 1843. PROCESS OF VOTING; MAKING RETURNS; CONDUCT OF MEETINGS

(a)(1) At those meetings the ~~freemen and freewomen~~ voters may vote by ballot for or against the article of amendment.

(2) The same officer shall preside in each such meeting as provided in section 2680 of this title.

(b) The board of civil authority shall, in open meeting, receive, sort, and count the votes of the ~~freemen and freewomen~~ voters for and against the article of amendment and the result shall be declared by the presiding officer. That result shall be recorded by the clerk of the town or city and true returns thereof shall be made, sealed up and sent by the clerk by mail or otherwise to the Secretary of State as provided in section 2588 of this title.

(c) ~~The ballot boxes for the reception of votes~~ polls for voting on the article of amendment shall be ~~opened and shall close~~ open as provided in section 2561 of this title.

§ 1844. PUBLICATION IN NEWSPAPERS AND ON STATE WEBSITES; BALLOTS

(a)(1) The Secretary of State shall, between September 25 and October 1 in any year in which a vote on ratification of an article of amendment is taken, prepare copies of the proposal of amendment and forward them, with a summary of proposed changes, for publication in at least two newspapers having general circulation in the State, as determined by the Secretary of State.

(2) The proposal shall be so published once each week for three successive weeks in each of the papers at the expense of the State and on the websites of the General Assembly and the Office of the Secretary of State.

(b) The Secretary of State shall cause ballots to be prepared for a vote by the ~~freemen and freewomen~~ voters of the State upon the proposal of amendment.

§ 1845. QUALIFICATIONS OF VOTERS; ~~CHECKLISTS, BOOTHS,~~ CLERKS CONDUCT OF ELECTION

The qualifications of voters on the proposal of amendment, the checklist requirements for the election, and all other provisions relating to the conduct of the election shall be the same as those required ~~of voters at general elections under sections 2121-2126 of this title and sections 2141-2150 of this title relating to checklists shall apply, but the checklist specified in section 2141 of this title to be used at the meetings under this act shall be prepared and posted~~

at least 30 days before the first Tuesday after the first Monday in November, in even-numbered years. Voting booths shall be prepared and the ballot clerks and assisting clerks shall be appointed, as in case of general elections.

§ 1846. FAILURE TO POST CHECKLISTS

The failure of the selectboard of any town, or the proper officers of any city, to prepare and post checklists of the ~~freemen and freewomen~~ voters of the town or city at least 30 days before the first Tuesday after the first Monday in November, in even-numbered years, as provided by section 1845 2141 of this title, shall not invalidate the votes given by the ~~freemen and freewomen~~ voters of the town or city upon the proposed article of amendment.

* * *

§ 1848. TABULATION OF RETURNS; RECORD OF AMENDMENTS

The Governor and Secretary of State shall, on the second Tuesday of December, of the year in which a vote on ratification of an article of amendment is taken, open and tabulate the returns made under section 1843 of this ~~title~~ chapter; and if it appears therefrom that the article of amendment has been ratified and adopted by a majority of the ~~freemen and freewomen~~ voters voting thereon, the amendment shall be enrolled on the parchment and deposited in the office of the Secretary of State as a part of the Constitution of this State and shall, in all future official revisions of the laws, be published in immediate connection therewith.

§ 1849. PROCLAMATION BY GOVERNOR

The Governor shall thereupon forthwith issue his or her proclamation, attested by the Secretary of State, reciting the article of amendment and announcing the ratification and adoption of it by the people of this State under this chapter and that the amendment has become a part of the Constitution thereof and requiring all ~~magistrates and~~ officers, and all citizens of the State to take notice thereof and govern themselves accordingly; or that the article of amendment has been rejected, as the case may be.

§ 1850. TRANSMISSION OF COPIES OF ~~ACT~~ CHAPTER AND FORMS TO CLERKS

(a) The Secretary of State shall send to the clerk of each city and town a copy of this ~~act~~ chapter at least two months before the vote on the ratification of an article of amendment.

(b) In any year in which a vote on ratification of an article of amendment is taken, the Secretary of State shall, within the period prescribed by section 1844 of this ~~title~~ chapter, send to the clerk of each city and town ballots

provided for in ~~that section 1844 of this title~~ and blank forms for the returns of votes on the article of amendment.

* * * Reapportionment * * *

Sec. 2. 17 V.S.A. § 1881a is amended to read:

§ 1881a. SENATORIAL DISTRICTS; NOMINATIONS AND ELECTION

* * *

(c)(1) Petitions for nominating candidates for Senator in the General Assembly by primary or by certificates of nomination of candidates for that office by convention, caucus, committee, or voters under chapter 49 of this title may be filed in the office of any county clerk in a senatorial district.

(2)(A) On the day after the last day for filing those petitions or certificates for that office, the other county clerk shall notify the senatorial district clerk of the facts concerning those petitions or certificates.

(B) The senatorial district clerk shall be responsible for determining the names of candidates and other facts required by law to appear on the ballot for the office of Senator, and for obtaining and distributing the ballots to the other clerks in the district. ~~In senatorial districts, the ballots for Senator in the General Assembly shall be separate from those for other county officers.~~

* * *

Sec. 3. 17 V.S.A. § 1901 is amended to read:

§ 1901. PURPOSE

(a) The Supreme Court of the United States has ruled that the Equal Protection Clause of the Fourteenth Amendment to the U.S. Constitution requires all state legislative bodies to be apportioned in such manner as to achieve substantially equal weighting of the votes of all voters in the choice of legislators.

(b) To comply with such requirement it will be necessary to reapportion the House of Representatives and Senate at periodic intervals, so that changes may be recognized in legislative apportionment.

(c) It is the purpose of this chapter to achieve such reapportionment in an orderly and impartial manner.

Sec. 4. 17 V.S.A. § 1909 is amended to read:

§ 1909. REVIEW

(a) Within 30 days of the effective date of any apportionment bill enacted pursuant to section 1906b, 1906c, or 1907 of this title chapter, any five or

more ~~freemen and freewomen~~ voters of the State aggrieved by the plan or act may petition the Supreme Court of Vermont for review of same.

(b) The sole grounds of review to be considered by the Supreme Court shall be that the apportionment plan, or any part of it, is unconstitutional or violates section 1903 of this ~~title~~ chapter.

* * *

* * * Offenses Against the Purity of Elections * * *

Sec. 5. 17 V.S.A. § 2017 is amended to read:

§ 2017. UNDUE INFLUENCE

A person who attempts by bribery, threats, or any undue influence to dictate, control, or alter the vote of a ~~freeman or freewoman~~ voter about to be given at a local, primary, or general election shall be fined not more than \$200.00.

* * * Voter Registration * * *

Sec. 6. 17 V.S.A. § 2145a is amended to read:

§ 2145a. REGISTRATIONS AT THE DEPARTMENT OF MOTOR

VEHICLES

(a) An application for, or renewal of, a motor vehicle driver's license or nondriver identification card shall serve as a simultaneous application to register to vote unless the applicant checks the box on the application designating that he or she declines to use the application as a voter registration application.

* * *

(c) An application for voter registration under this section shall update any previous voter registration by the applicant. Any change of address form submitted to the Department of Motor Vehicles in connection with an application for a motor vehicle driver's license shall serve to update voter registration information previously provided by the voter, unless the voter states on the form that the change of address is not for voter registration purposes.

(d)(1) The Department of Motor Vehicles shall transmit motor vehicle driver's license and nondriver identification card applications received under this section to the Secretary of State not later than five days after the date the application was accepted by the Department, or before the date of any primary or general election, whichever is sooner.

(2) The Department of Motor Vehicles shall not transmit motor vehicle driver's license and nondriver identification card applications when the applicant has designated that he or she declines to be registered.

(3) The Department of Motor Vehicles shall ensure confidentiality of records as required by subdivision (b)(2)(A) of this section.

* * *

(i) Notwithstanding the provisions of subsection (d) of this section or any other provision of law to the contrary, the Department of Motor Vehicles shall share its motor vehicle driver's license, driver privilege card, and nondriver identification card customer data with the Secretary of State's office for the Secretary's use in conducting voter registration and voter checklist maintenance activities.

Sec. 7. 17 V.S.A. § 2145b is amended to read:

§ 2145b. VOTER REGISTRATION AGENCIES

(a) Each voter registration agency shall:

(1) distribute voter registration application forms approved under section 2145 of this title;

(2) assist applicants in completing voter registration application forms, unless the applicant refuses such assistance; and

(3) accept completed voter registration applications and transmit completed applications to the Secretary of State not later than 10 days after the date of acceptance, or before the date of any primary or general election, whichever is sooner.

(b) The Secretary shall promptly transmit applications received under this section to the clerks of the appropriate municipalities.

(c)(1) A voter registration agency shall provide each applicant who does not decline to register to vote the same degree of assistance with regard to the completion of the voter registration application that the office provides with regard to the completion of its own forms, unless the applicant refuses such assistance.

(2) If an agency provides services to a person with a disability at the person's home, the agency shall provide the services described in subsection (a) of this section at the person's home.

(d) Except as provided in subsection (e) of this section, a voter registration agency that provides services or assistance in addition to conducting voter registration shall distribute a voter registration application

with each application for the services or assistance provided by the agency, and with each recertification, renewal, or change of address form relating to those services or assistance. In addition to the voter registration application form, the agency shall distribute a separate form that includes the following:

(1) The question, “If you are not registered to vote where you live now, would you like to apply to register to vote here today?”

(2) In the case of an agency that provides public assistance, the statement, “Applying to register or declining to register to vote will not affect the amount of assistance that you will be provided by this agency.”

(3) Boxes for the applicant to check to indicate whether the applicant would like to register or declines to register to vote, together with the statement, “IF YOU DO NOT CHECK EITHER BOX, YOU WILL BE CONSIDERED TO HAVE DECIDED NOT TO REGISTER TO VOTE AT THIS TIME.”

(4) The statement, “If you would like help in filling out the voter registration application form, we will help you. The decision whether to seek or accept help is yours. You may fill out the application form in private.”

(5) The statement, “If you believe that someone has interfered with your right to register or to decline to register to vote, you may file a complaint with the Secretary of State (Secretary of State’s office address and telephone number).”

(e) The Secretary of State may designate voter registration agencies that shall provide qualified applicants for such agency’s services, or qualified inmates within the custody of the Department of Corrections, with automatic voter registration as an integrated option on application forms for services provided by those agencies.

(1) Such designations shall be limited to a voter registration agency or a specific program administered by such an agency:

(A) that, in the regular course of the agency’s or program’s business, already collects and verifies documents necessary to provide proof of an individual’s eligibility to vote under subchapter 1 of this chapter; and

(B) whose secretary, commissioner, or other applicable head of the agency has approved of such designation.

(2) On or before January 1 of each year, the Secretary shall, in accordance with the approval given by a voter registration agency’s secretary, commissioner, or other head:

(A) publish on his or her official website a list of voter registration agencies designated under this subsection;

(B) specify which programs or services offered by each agency are included within the designation; and

(C) provide the date by which the agency's specified programs or services will comply with requirements of this subsection.

(3) Beginning on the date by which a voter registration agency's specified programs or services will comply with requirements of this subsection, an application for those services and any change of address form related to those services provided by the agency shall request the following information in a form approved by the Secretary of State:

(A) The applicant's citizenship.

(B) The applicant's date of birth.

(C) The applicant's town of legal residence.

(D) The applicant's street address or a description of the physical location of the applicant's residence. The description must contain sufficient information so that the town clerk can determine whether the applicant is a resident of the town.

(E) The voter's oath.

(F) The applicant's e-mail address, which shall be optional to provide.

(4) An application for a designated automatic voter registration agency's services shall provide the following statements:

(A) "By signing and submitting this application, you are authorizing this voter registration agency to transmit this application to the Secretary of State for voter registration purposes. YOU MAY DECLINE TO REGISTER. Both the office through which you submit this application and your decision of whether or not to register will remain confidential and will be used for voter registration purposes only."

(B) "In order to be registered to vote, you must: (1) be a U.S. citizen; (2) be a resident of Vermont; (3) have taken the voter's oath; and (4) be 18 years of age or older. Any person meeting the requirements of (1)–(3) who will be 18 years of age on or before the date of a general election may register and vote in the primary election immediately preceding that general election. Failure to decline to register is an attestation that you meet the requirements to vote."

(f)(1) The Secretary of State shall have the authority to audit any voter registration agency to determine compliance with the requirements of this section and to require any voter registration agency to implement any remedial measures necessary to ensure compliance with this section.

(2) The Secretary of Administration shall provide the Secretary of State any assistance that is necessary to ensure the cooperation of voter registration agencies in implementing any remedial measures the Secretary of State requires under this subsection.

Sec. 8. 17 V.S.A. § 2150 is amended to read:

§ 2150. REMOVING NAMES FROM CHECKLIST

* * *

(d) Except as provided in subsection (a) of this section, a board of civil authority shall only remove a name from the checklist in accordance with the following procedure:

(1) If the board of civil authority is satisfied that a voter whose eligibility is being considered is still qualified to vote in the municipality, the voter's name shall remain on the checklist, and no further action shall be taken.

(2)(A)(i) If the board of civil authority does not immediately know that the voter is still qualified to vote in the municipality, the board shall attempt to determine with certainty what the true status of the voter's eligibility is.

(ii) The board of civil authority may consider and rely upon official and unofficial public records and documents, including telephone directories, city directories, newspapers, death certificates, ~~obituary~~ obituarie (or other public ~~notice~~ notices of death), tax records, and any checklist or checklists showing persons who voted in any election within the last four years.

(iii) The board of civil authority may also designate one or more persons to attempt to contact the voter personally.

(B) Any voter whom the board of civil authority finds through such inquiry to be eligible to remain on the checklist shall be retained without further action being taken.

(C) The name of any voter proven to be deceased shall be removed from the checklist.

(3)(A)(i) If after conducting its inquiry the board of civil authority or town clerk is unable to locate a voter whose name is on the checklist, or if the

inquiry reveals facts indicating that the voter may no longer be eligible to vote in the municipality, the board of civil authority or, upon request of the board, the town clerk shall send a written notice to the voter.

(ii) The notice shall be sent by first-class mail to the most recent known address of the voter, asking the voter to verify his or her current eligibility to vote in the municipality.

(iii) The notice shall be sent with the required U.S. Postal Service language for requesting change of address information.

(B) Enclosed with the notice shall be a ~~postage-paid~~ postage-paid pre-addressed return form on which the voter may reply swearing or affirming the voter's current place of residence as the municipality in question or alternatively consenting to the removal of the voter's name.

(C) The notice required by this subsection shall also include the following:

(A)(i) A statement informing the voter that if the voter has not changed his or her residence, or if the voter has changed his or her residence but the change was within the area covered by the checklist, the voter should return the form to the town clerk's office. The statement shall also inform the voter that if he or she fails to return the form as provided in this subdivision, written affirmation of the voter's address shall be required before the voter is permitted to vote.

(B)(ii) Information concerning how the voter can register to vote in another state or another municipality within this State.

(4) If the voter confirms in writing that the voter has changed his or her residence to a place outside the area covered by the checklist, the board of civil authority shall remove the voter's name from the checklist.

(5) In the case of voters who failed to respond to the notice sent pursuant to subdivision (3) of this subsection, the board of civil authority shall remove the voter's name from the checklist on the day after the second general election following the date of such notice, if the voter has not voted or appeared to vote in an election since the notice was sent or has not otherwise demonstrated his or her eligibility to remain on the checklist.

(6)(A) Notwithstanding the provisions of subdivision (5) of this subsection, if at any time subsequent to removal of a person's name from the checklist, the board determines that the person was still qualified to vote and that the voter's name should not have been removed, the board shall add the person's name to the checklist as provided in section 2147 of this ~~title~~ chapter.

(B) The provisions of this chapter shall be liberally construed, so that if there is any reasonable doubt whether a person's name should have been removed from the checklist, the person shall have the right to have the person's name immediately returned to the checklist.

(7)(A) The board of civil authority shall keep detailed records of its proceedings under this subchapter for at least two years. These records, except records relating to a person's decision not to register to vote or to the identity of the voter registration agency through which any particular voter registered, shall be public records and shall be available for inspection and copying at actual cost. The records shall include:

(A)(i) in the case of each name removed from the checklist, a clear statement of the reason or reasons for which the name was removed;

(B)(ii) in the case of the updating of the checklist required by subsection (c) of this section, the working copy or copies of the checklist used in the name by name review conducted to ascertain continued eligibility to vote;

(C)(iii) the total number of new registrations occurring during the period between general elections;

(D)(iv) the total number of persons removed from the checklist during the period between general elections; and

(E)(v) lists of the names and addresses of all persons to whom notices were sent under this subsection, and information concerning whether or not each person to whom a notice was sent responded to the notice as of the date that inspection of the records is made.

(B)(i) A letter certifying compliance with this section shall be filed with the Secretary of State ~~by~~ on or before September 20 of each odd-numbered year.

(ii) Upon request of any Superior judge or upon request of the Secretary of State, the town clerk shall forward a certified copy of the records of checklist maintenance.

* * * Political Parties * * *

Sec. 9. 17 V.S.A. chapter 45 is amended to read:

CHAPTER 45. POLITICAL PARTIES

§ 2301. ORGANIZATION OF MAJOR POLITICAL PARTIES

A major political party shall organize biennially as provided in this chapter. ~~No~~ A person acting on behalf of a major political party shall not accept any

contribution or make any expenditure (except for the purpose of organizing under this chapter) unless the party has a current certificate of organization on file with the Secretary of State.

§ 2302. STATE CHAIR TO CALL CAUCUS

(a) The chair of the State committee of a party shall set a date for members of the party to meet in caucus in their respective towns, ~~which~~. The date shall be between September 10 and September 30, inclusive, in each odd-numbered year.

(b) At least 14 days before the date set for the caucuses, the State chair shall mail or electronically mail a notice of the date and purpose of the caucuses to each town clerk and to each town and county chair of the party.

§ 2303. TOWN CHAIR TO GIVE NOTICE

(a) The town chair or, if unavailable or if the records of the Secretary of State show there is no chair, any three voters of the town shall arrange to hold a caucus on the day designated by the State chair, in some public place within the town and shall set the hour of the caucus.

(b)(1) At least five days before the day of the caucus, the town chair shall post a notice of the date, purpose, time, and place of the caucus in the town clerk's office and in at least one other public place in town.

(2) In towns of ~~3,000~~ 5,000 or more population, he or she shall also publish the notice:

(A) in a newspaper having general circulation in the town; or

(B) in a nonpartisan electronic news media website or online forum that specializes in news of the State or the community.

(c) If three voters arrange to call the caucus, the voters shall designate one person among them to perform the duties prescribed in subsection (b) of this section for the town chair.

§ 2304. TOWN CAUCUS

(a)(1) At the time and place set for the town caucus, the voters of the party residing in the town shall meet in caucus and proceed to elect a town committee, consisting of such number of voters of the town as the caucus deems necessary, to serve during the following two years or until their successors are elected or appointed.

(2) Additional members of a town committee may be elected by the town committee at any meeting, and may be eligible to vote on matters before the town committee at that meeting or at the next meeting, as determined by

the members of the committee before the election.

(b) The voter checklist used by the caucus shall be the most recent checklist approved by the board of civil authority.

§ 2305. FIRST MEETING OF TOWN COMMITTEE

(a)(1) The first meeting of the town committee shall be held immediately following adjournment of the caucus.

(2) At this meeting, members of the town committee shall elect committee officers and delegates to the county committee.

(b) All officers and other members of the town committee and all delegates to the county committee shall be voters of the town.

§ 2306. PROCEDURE UPON FAILURE TO HOLD CAUCUS

If the voters of the party residing in any town fail to hold a caucus on the day designated by the State ~~chairman~~ chair, any three or more voters of the party residing in the town may call and hold a caucus at any time thereafter, in the manner provided above in sections 2303 through 2305 of this chapter. Those voters calling the caucus shall designate one of their number person among them to perform the duties prescribed above in section 2303 for the town chair.

§ 2307. CERTIFICATION OF OFFICERS AND COUNTY COMMITTEE

DELEGATES

(a) Within 72 hours after the caucus, the chair and secretary of the town committee shall mail submit to the ~~Secretary of State and the chairs of the State and county committees~~ a copy of the notice calling the meeting and a certified list of the names, and mailing addresses, phone numbers, and e-mails of the officers and members of the town committee and of the delegates to the county committee.

(b) A committee is not considered organized until a certificate of organization is filed by the State committee with the Secretary of State pursuant to section 2313 of this chapter. ~~it has filed the material required by this section.~~

(c) The Secretary of State shall furnish forms for this purpose to the chair of the State committee of a political party.

§ 2308. COMPOSITION OF COUNTY COMMITTEE

(a) The number of delegates to the county committee that each town caucus is entitled to elect shall be apportioned by the State committee, based

upon the number of votes cast for the party's candidate for Governor in the last election, provided that each town caucus shall be entitled to elect at least two delegates.

(b) Delegates to the county committee shall be voters of the town, but need not be members of the town committee; ~~they~~.

(c) Delegates shall serve ~~during the following~~ for two years following their election or until their successors are elected or appointed.

§ 2309. FIRST MEETING OF COUNTY COMMITTEE

(a)(1) The chair of the State committee shall set a date, ~~not more than 45 days after the date of the party's caucuses~~, for the first meeting of each county committee.

(2) The State chair shall notify the chairs of the county committees of the date of the meeting.

(3)(A) The chair of the county committee shall set the hour and place of the meeting and shall notify all delegates-elect by mail or electronic mail not less than 10 days prior to the meeting.

(B) If the chair of the county committee receives notice that a town committee within the county has organized 10 or fewer days before the date of the first meeting of the county committee, the chair ~~must~~ shall notify the newly elected members within 48 hours of receiving notice of the organized town committee.

(b)(1) At the time and place set for the meeting, the delegates shall proceed to elect their officers and perfect an organization of the county committee for the ensuing two years.

(2) All officers and other members of the county committee and all delegates to the State committee shall be voters of the county.

§ 2310. ELECTION OF STATE COMMITTEE

(a)(1) The chair of the county committee shall be a member of the State committee.

(2) Each county committee shall be entitled to elect at least two additional members of the State committee. These delegates need not be members of the county committee.

(3) If the rules or bylaws of a State committee provide for apportionment of additional members of the State committee to come from the county, the county committee also shall elect those additional members.

(b) All county committee members and officers and all persons elected to the State committee shall be voters in the county from which they are elected.

(c) County committee members and delegates to the State committee shall serve for ~~the following~~ two years following their election or until their successors are elected or appointed.

§ 2311. CERTIFICATION OF COUNTY OFFICERS AND STATE

COMMITTEE MEMBERS

(a) Within 72 hours of the first meeting of the county committee, its chair and secretary shall ~~mail~~ submit ~~to the Secretary of State and~~ the chair of the State committee a copy of the notice calling the meeting and a certified list of the names, ~~and mailing addresses,~~ phone numbers, and e-mails of the officers of the county committee and of the members elected by the county committee to the State committee.

(b) A committee is not considered organized until ~~it has filed the material required by this section~~ a certificate of organization is filed by the State committee with the Secretary of State pursuant to section 2313 of this chapter.

(c) The Secretary of State shall prescribe and furnish forms for this purpose.

§ 2312. FIRST MEETING OF THE STATE COMMITTEE

(a) The chair of the State committee shall name an hour and place of meeting ~~on a day not less than 15 nor more than 30 days after the day set for the first meeting of the county committee of the party,~~ at which time the members-elect of the State committee shall meet and perfect an organization of the State committee for the ensuing two years.

(b) The chair of the State committee shall notify all members-elect of the State committee in writing, at least ~~seven~~ 10 days before the day set for the meeting.

§ 2313. FILING OF CERTIFICATE OF ORGANIZATION

(a)(1) Within 10 days after the first meeting of the State committee of a party, the chair and secretary shall file in the office of the Secretary of State a certificate stating that the party has completed its organization for the ensuing two years and has substantially complied with the provisions of this chapter.

(2) However, no State committee shall be eligible to file a certificate of organization unless it has town committees organized in at least 30 towns in this State and county committees organized in at least seven counties by January 1 of the year of the general election.

(b) The certificate of organization shall:

(1) set forth the names, ~~and~~ mailing addresses, phone numbers, and e-mails of the officers and members of the State committee, together with the counties that they represent. ~~It shall also;~~

(2) contain a listing of the towns and counties in which committees have organized;

(3) designate, in not more than three words, the name by which the party shall be identified on any Australian ballot; ~~and shall~~

(4) be accompanied by a copy of the notice calling the meeting.

* * *

§ 2316. ~~SECRET BALLOT~~

~~At every caucus or meeting of a political committee, if there is a contest for nomination, recommendation, or election to any office or position, the vote shall be taken by secret written ballot. [Repealed.]~~

§ 2317. VOTERS NOT TO PARTICIPATE IN MORE THAN ONE PARTY

~~No~~ A voter shall not vote in the ~~biennial~~ a town, county, or State caucus of more than one party in the same ~~year~~ 12-month period, nor shall any voter simultaneously hold membership on the committees of more than one political party.

* * *

§ 2319. PARTY CONVENTIONS FOR PLATFORMS ~~AND~~
PRESIDENTIAL ELECTIONS

On or before the fourth Tuesday in September in each even-numbered year, upon the call of the chair of the State committee of the party, a party platform convention of each organized political party shall be held to make and adopt the platform of the party. ~~In presidential years, the convention shall be the same convention held to nominate presidential electors.~~

* * *

* * * Nominations * * *

Sec. 10. 17 V.S.A. chapter 49 is amended to read:

CHAPTER 49. NOMINATIONS

Subchapter 1. Primary Elections

* * *

§ 2353. PETITIONS TO PLACE NAMES ON BALLOT

(a) The name of any person shall be printed upon the primary ballot as a candidate for nomination by any major political party for ~~any~~ the office indicated, if ~~petitions~~ a petition containing the requisite number of signatures made by registered voters, in substantially the following form, ~~are~~ is filed with the proper official, together with the person's written consent to having his or her name printed on the ballot:

* * *

(b)(1) A person's name shall not be listed as a candidate on the primary ballot of more than one party in the same election.

(2) A single petition shall contain only one office for which a person seeks to be a candidate.

(3) A person shall file a separate petition for each office for which he or she seeks to be a candidate.

§ 2354. SIGNING PETITIONS

(a) Any number of voters may sign the same petition.

(b)(1) A voter's signature shall not be valid unless at the time he or she signs, the voter is registered and qualified to vote for the candidate whose petition he or she signs.

(2) Each voter shall indicate his or her town of residence next to his or her signature.

(c) The signature of a voter on a candidate's petition does not necessarily indicate that the voter supports the candidate. ~~A voter shall not sign more than one petition for the same office, unless more than one nomination is to be made, in which case he or she may sign as many petitions as there are nominations to be made for the same office.~~

(d) A petition shall contain the name of only one candidate.

* * *

§ 2368. CANVASSING COMMITTEE MEETINGS

After the primary election is conducted, ~~the~~ the

(1) The canvassing committee for State and national offices and statewide public questions shall meet at 10 a.m. one week after the day of the election.

(2) The canvassing committee for county offices ~~and~~ and countywide public questions, and State Senator shall meet at 10 a.m. on the third day following

the election.

(3) The canvassing committees for local offices ~~and~~, local public questions, ~~including and~~ State Representative, shall meet at 10 a.m. on the day after the election, except that in the case of canvassing committees for State Representative in multi-town representative districts, the committees shall meet at 10 a.m. on the third day after the election.

§ 2369. DETERMINING WINNER; TIE VOTES

(a) A person who receives a plurality of all the votes cast by a party in a primary shall be a candidate of that party for the office designated on the ballot.

(b)(1) If, after the period for requesting a recount under section 2602 of this title has expired, no candidate has requested a recount and two or more candidates of the same party are tied for the same office, or if the results of any recount result in a tie the choice among those tied shall be determined upon five days' notice and not later than 10 days following the primary election by the committee of that party, which shall meet to nominate a candidate from among the tied candidates. The committee that nominates a candidate shall be as follows:

- (A) the State committee of a party for a State or congressional office;
- (B) the senatorial district committee for State Senate;
- (C) the county committee for county office; or

(D) the representative district committee for a Representative to the General Assembly.

(2) The committee chair shall certify the candidate nomination for the general election to the Secretary of State within 48 hours of the nomination.

* * *

Subchapter 3. Independent Candidates

* * *

§ 2403. NUMBER OF CANDIDATES; PARTY NAMES

(a)(1) A statement of nomination shall contain the name of only one candidate, except in the case of presidential and vice presidential candidates, who may be nominated by means of the same statement of nomination. ~~A person shall not sign more than one statement of nomination for the same office.~~

(2) A single statement of nomination shall contain only one office for

which a person seeks to be a candidate.

* * *

Subchapter 4. Miscellaneous Provisions

* * *

§ 2414. CANDIDATES FOR STATE AND LEGISLATIVE OFFICE; DISCLOSURE FORM

* * *

(d)(1) A senatorial district clerk or representative district clerk who receives a disclosure form under this section shall forward a copy of the disclosure to the Secretary of State within three business days of receiving it.

(2)(A) The Secretary of State shall post a copy of any disclosure forms and tax returns he or she receives under this section on his or her official State website. The forms shall remain posted on the Secretary's website until the date of the filing deadline for petition and consent forms for major party candidates for the statewide primary in the following election cycle.

* * *

* * * Election Complaint Procedure * * *

Sec. 11. 17 V.S.A. § 2458 is amended to read:

§ 2458. COMPLAINT PROCEDURE

(a)(1) The Secretary of State shall adopt rules to establish a uniform and nondiscriminatory complaint procedure to be used by any person who believes that a violation of this title or any other provision of ~~Title III of United States Public Law 107-252~~ 52 U.S.C. chapter 209, subchapter III (Uniform and Nondiscriminatory Election Technology and Administration Requirements) has occurred, is occurring, or is about to occur in the course of any election in which a candidate for federal office appears on the ballot.

(b) ~~For purposes of~~ As used in this section, "complaint" ~~shall mean~~ means a statement in writing made by a voter stating, with particularity, the violation, notarized, and sworn or affirmed under penalty of perjury.

(c) The Secretary's rules shall provide for an informal proceeding to hear complaints for all complainants unless a formal hearing is requested. Formal complaints held pursuant to this section shall be in conformance with the rules adopted by the Secretary.

(d) Any decision of the Secretary may be appealed to the Superior Court in the county where the individual resides.

* * * Conduct of Elections * * *

Sec. 12. 17 V.S.A. § 2473 is amended to read:

§ 2473. PROVISIONS RELATIVE TO PRESIDENTIAL ELECTION

* * *

(c)(1) If a candidate whose name is not printed on the ballot receives the greatest number of votes for President, the Secretary of State shall notify him or her of that fact, and within two weeks thereafter, the candidate shall file with the Secretary of State, a list of ~~freemen and freewomen~~ voters equal to the number of electors that the State is entitled to elect. The list shall be signed by the candidate personally.

(2) The persons so named shall be electors, having the duties prescribed in this title.

Sec. 13. 17 V.S.A. § 2508 is amended to read:

§ 2508. CAMPAIGNING DURING POLLING HOURS; VOTER ACCESS

(a)(1) The presiding officer shall ensure during polling hours on the day of the election that:

(A) within the building containing a polling place, no campaign literature, stickers, buttons, name stamps, information on write-in candidates, or other political materials that display the name of a candidate on the ballot or an organized political party or that demonstrate support or opposition to a question on the ballot are displayed, placed, handed out, or allowed to remain;

(B) within the building containing a polling place, no candidate, election official, or other person distributes election materials, solicits voters regarding an item or candidate on the ballot, or otherwise campaigns; and

(C) on the walks and driveways leading to a building in which a polling place is located, no candidate or other person physically interferes with the progress of a voter to and from the polling place.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period of early or absentee voting.

(b) During polling hours, the presiding officer shall control the placement of signs on the property of the polling place in a fair manner.

(c) The provisions of this section shall be posted in the notice required by section 2521 of this ~~title~~ chapter.

* * * Early or Absentee Voters * * *

Sec. 14. 17 V.S.A. chapter 51, subchapter 6 is amended to read:

Subchapter 6. Early or Absentee Voters

§ 2531. APPLICATION FOR EARLY VOTER ABSENTEE BALLOT

(a) Deadline to file.

(1)(A) A voter who expects to be an early or absentee voter, or an authorized person on behalf of such voter, may apply for an early voter absentee ballot until 5:00 p.m. or the closing of the town clerk's office on the day preceding the election.

~~(2)(B)~~ If a town clerk does not have regular office hours on the day before the election and his or her office will not otherwise be open on that day, an application may be filed until the closing of the clerk's office on the last day that office has hours preceding the election.

(2)(A) In cases of emergency, including unanticipated illness or injury, at his or her discretion the town clerk may accept a request for an absentee ballot after the deadline set forth in subdivision (1) of this subsection.

(B) In such cases of emergency, the ballot may be mailed, electronically delivered, or delivered by two justices of the peace as set forth in subsection 2539(b) of this subchapter.

(b) Place of filing.

(1) All applications shall be filed with the town clerk of the town in which the early or absentee voter is registered to vote.

(2) The town clerk shall file written applications and memoranda of verbal applications in his or her office, and shall retain the applications and memoranda for 90 days following the election, at which time they may be destroyed.

(c) Australian ballot. Voting by early voter absentee ballot shall be allowed only in elections using the Australian ballot system.

§ 2532. APPLICATIONS AUTHORIZED APPLICANTS; APPLICATION FORM; DUPLICATES

(a) Authorized applicants.

(1) An early or absentee voter, or an authorized family member or health care provider acting in the voter's behalf, may apply for an early voter absentee ballot by telephone, in person, or in writing. “Family As used in this subsection, “family member” here means a person's spouse, children, brothers, sisters, parents, spouse's parents, grandparents, and spouse's grandparents.

(2) Any other authorized person may apply in writing or in person;

provided, however, that voter authorization to such a person shall not be given by response to a robotic phone call.

(b)(2) Form of application.

(1) The application shall be in substantially the following form:

REQUEST FOR EARLY VOTER ABSENTEE BALLOT

Name of early or absentee voter: _____

Voter's Town of Residence: _____

Current physical address (address where you reside): _____

Telephone Number: _____ E-mail Address: _____

Date: _____

I request early voter absentee ballot(s) for the election(s) checked below:

- (1) Annual Town Meeting;
- (2) All other local elections;
- (3) August Primary Election;
- (4) Presidential Primary (YOU MUST SELECT PARTY);
- (5) November General Election;
- (6) All elections in this calendar year.

Please deliver the ballot(s) as indicated below (check one):

(1) Mail to voter at: _____

Street or P.O. Box Town/City State Zip Code

(2) Delivery by two Justices of the Peace (this may only be selected if you are ill ~~or if you, injured, or have a physical~~ disability).

If applicant is other than early or absentee voter:

Name of applicant: _____

Address of applicant: _____

Relationship to early or absentee voter: _____

Organization, if applicable: _____

Date: _____ Signature of applicant: _____

~~(3)~~(2) If the application is made by telephone or in writing, the

information supplied ~~must~~ shall be in substantial conformance with the information requested on this form.

~~(b) A person temporarily residing in a foreign country who is eligible to register to vote in this State, or a military service absentee voter who is eligible to register to vote in this State, may apply for early voter absentee ballots in the same manner and within the same time limits that apply for other early or absentee voters. An official federal postcard application shall suffice as a simultaneous request for an application for addition to the checklist and for an early voter absentee ballot, when properly submitted. Any other person also may make a simultaneous request for an application for addition to the checklist and for an early voter absentee ballot.~~

(c) Simultaneous voter registration.

(1) If a person makes a simultaneous request to register to vote and to apply for an early voter absentee ballot or if the request for an early voter absentee ballot is made for a person who is not yet registered and the request is received by the town clerk receives the request prior to the deadline for requesting to apply for early voter absentee ballots set forth in section 2531 of this chapter subchapter, the town clerk shall mail a blank voter registration application for addition to the checklist, together with a full set of early voter absentee ballots, to that person.

(2) An official federal postcard application shall suffice as a simultaneous application to register to vote and for an early voter absentee ballot.

(3)(A) All such voter registration applications for addition to the checklist that are returned to the town clerk before the close of the polls on election day shall be considered and acted upon by the board of civil authority before the ballots are counted.

(B) If the voter registration application is approved and the voter's name added to the checklist, the early voter absentee ballots cast by that voter shall be treated as other valid early voter absentee ballots.

(d) Application time frame.

(1) An application for an early voter absentee ballot shall be valid for the elections or the time frame specified by the applicant.

~~(e)~~(2) A single application shall only be valid for any elections within the same calendar year.

~~(f) A person residing in a State institution may apply for early voter absentee ballots in the same manner and within the same time limits that apply~~

~~for other early or absentee voters.~~

(g)(e) Duplicate early voter absentee ballots.

(1)(A) The town clerk may, upon application, issue a duplicate early voter absentee ballot if the original ballot is not received by the voter within a reasonable period of time after mailing.

(B) The application may be made by a person entitled to apply for an early voter absentee ballot under subsection (a) of this section and shall be accompanied by a sworn statement affirming that the voter has not received the original ballot.

(2) If a duplicate early voter absentee ballot is issued and both the duplicate and original early voter absentee ballots are received before the close of the polls on election day, the ballot with the earlier postmark shall be counted.

(h)(f) Unauthorized applicants.

(1) Any person who applies for an early voter absentee ballot knowing the person is without authorization from the early or absentee voter shall be fined not more than \$100.00 per violation for the first three violations; not more than \$500.00 per violation for the fourth through ninth violations; and not more than \$1,000.00 per violation for the tenth and subsequent violations.

(2) The Attorney General or a State's Attorney, whenever he or she has reason to believe any person to be or to have been in violation of this provision, shall conduct a civil investigation in accordance with the procedures set forth in section 2904 of this title.

* * *

§ 2537. EARLY OR ABSENTEE VOTING IN THE TOWN CLERK'S OFFICE

(a)(1) A voter may, if he or she chooses, apply in person to the town clerk for the early voter absentee ballots and envelopes ~~rather than having them mailed as required by section 2539 of this subchapter.~~

(2) In this case, the clerk shall furnish the early voter absentee ballots and envelopes when a valid application has been made, or at such time as the clerk receives the ballots, whichever comes first.

(3) The voter may:

(A) mark his or her ballots, place them in the envelope, sign the certificate, and return the ballots in the envelope containing the certificate to

the town clerk or an assistant town clerk without leaving the office of the town clerk; ~~or the voter may~~

(B) take the ballots and return them to the town clerk in the same manner as if the ballots had been received by mail.

(b) ~~No person, except~~ Except for justices of the peace as provided in section 2538 of this subchapter, ~~may a person shall not~~ take any ballot from the town clerk on behalf of any other person.

§ 2538. DELIVERY OF BALLOTS BY JUSTICES OF THE PEACE

(a)(1) In the case of persons who are early or absentee voters due to illness, injury, or ~~physical~~ disability, ballots shall be delivered in the following manner, unless the early or absentee voter has requested pursuant to section 2539 of this ~~title subchapter~~ that the early voter absentee ballots be mailed or electronically delivered.

(2) Not later than three days prior to the election, the board of civil authority or, upon request of the board, the town clerk, shall designate in pairs justices of the peace in numbers sufficient to deliver early voter absentee ballots to the applicants for early voter absentee ballots who have stated in their applications that they are unable to vote in person at the polling place due to illness, injury, or ~~physical~~ disability ~~but who have not requested in their applications that early voter absentee ballots be mailed to them~~. No A pair shall not consist of two justices from the same political party.

(3) If there shall not be available a sufficient number of justices to make up the required number of pairs, a member of each remaining pair shall be designated by the board, to be selected from lists of registered voters submitted by the chairs of the town committees of political parties, and from among registered voters who in written application to the board state that they are not affiliated with any political party.

(4) ~~No~~ A candidate or spouse, parent, or child of a candidate shall not be eligible to perform the duties prescribed by this section unless the candidate involved is not disqualified by section 2456 of this ~~title chapter~~ from serving as an election official. ~~This shall not prevent a candidate for district office from serving as a justice in another district.~~

(5) The compensation of justices and voters designated under this subsection shall be fixed by the board of civil authority and shall be paid by the town.

(6) The justices may, but shall not be required to, deliver ballots outside the town.

(b)(1) The town clerk shall divide the list of applicants who have an illness, injury, or ~~physical~~ disability into approximately as many equal parts as there are pairs of justices so designated, having regard to the several parts of the town in which the applicants may be found.

(2) As soon as early voter absentee ballots are available, the clerk shall deliver to each pair of justices one part of the list, together with early voter absentee ballots and envelopes for each applicant.

(3) When justices receive ballots and envelopes prior to election day, they shall receive only the ballots and envelopes they are assigned to deliver on that day.

(c)(1) Each pair of justices on the days they are assigned to deliver the ballots and envelopes shall call upon each of the early or absentee voters whose name appears on the part of the list furnished to them and shall deliver early voter absentee ballots and envelopes to each early or absentee voter.

(2) The early or absentee voter shall then proceed to mark the ballots alone or in the presence of the justices, but without exhibiting them to the justices or to any other person, except that when the early or absentee voter is blind or physically unable to mark his or her ~~ballet~~ ballots, they may be marked by one of the justices in full view of the other.

§ 2539. MAILING DELIVERY OF EARLY VOTER ABSENTEE

BALLOTS; VOTERS WHO ARE PERMANENTLY DISABLED

(a) Default; town office or mail.

(1) ~~Unless~~ Except as provided in subsections (b) and (c) of this section, unless the early or absentee voter votes in the town clerk's office as set forth in section 2537 of this subchapter, or unless the justices are to deliver the early voter absentee ballots to the early or absentee voter, the town clerk shall provide to the early or absentee voter who comes to the town clerk's office a complete set of early voter absentee ballots or mail a complete set of early voter absentee ballots to each early or absentee voter for whom a valid application has been filed.

(2) The early voter absentee ballots shall be mailed forthwith upon the filing of a valid application, or upon the town clerk's receipt of the necessary ballots, whichever is later.

(b) Voters who are ill, injured, or have a disability. In the case of persons who are early or absentee voters due to illness, injury, or ~~physical~~ disability, if the voter or authorized person requests in his or her application or otherwise that early voter absentee ballots be mailed ~~rather than delivered by justices of~~

~~the peace or electronically delivered, the town clerk shall mail or electronically deliver the ballots; otherwise the ballots shall be delivered to such voters the voter by justices of the peace as set forth in section 2538 of this subchapter. In the case of all other early or absentee voters, the town clerk shall mail the early voter absentee ballots, unless the voter chooses to apply and vote in person at the town clerk's office.~~

(c) Military or overseas voters.

(1) Early voter absentee ballots ~~to~~ for military or overseas voters shall be sent air mail, first class, postpaid when such service is available, or they may be ~~sent by email~~ electronically delivered when requested by the voter.

(2)(A) The town clerk's office shall be open on the 46th day before any election that includes a federal office and the town clerk shall send on or before that day all absentee ballots to any military or overseas voter who requested an early voter absentee ballot on or before that day.

(B) On that day the town clerk shall complete any reporting requirements and any other responsibilities regarding the mailing of early voter absentee ballots to military or overseas voters, as directed by the Secretary of State.

§ 2540. INSTRUCTIONS TO BE SENT WITH BALLOTS

(a) The town clerk shall send with all early voter absentee ballots and envelopes printed instructions, which may be included on the envelope, in substantially the following form:

INSTRUCTIONS FOR EARLY OR ABSENTEE VOTERS

1. Mark the ballots.
2. Place them in this envelope.
3. Fill out and sign the certificate on the envelope.
4. Mail or deliver the envelope containing the ballots to the town clerk of the town where you are a registered voter in time to arrive not later than election day.

Note: If these ballots have been brought to you personally by two justices of the peace because of your illness, injury or ~~physical~~ disability, just return them to the justices after you have signed the envelope. YOU HAVE THE RIGHT TO MARK YOUR BALLOTS IN PRIVATE - but if you ask for help in filling out the ballots, they will give it to you.

BE SURE TO FILL OUT AND SIGN THE CERTIFICATE ON THIS ENVELOPE OR YOUR VOTE WILL NOT COUNT!

(b) In the case of early absentee voting in a primary, the instructions shall also include appropriate instructions prepared by the Secretary of State for separating and depositing unvoted ballots in a separate envelope provided and clearly marked for that purpose.

§ 2541. MARKING OF BALLOTS

(a) An early or absentee voter to whom ballots, envelopes, and instructions are mailed shall mark the ballots in accordance with the instructions.

~~(b) When an early or absentee voter is blind or is physically unable to go to the polls to vote in person or to mark his or her ballots, they may be marked by one of the officers who delivers the ballots, in the presence of the other officer. A person who gives assistance to a voter in the marking or registering of ballots shall not in any way divulge any information regarding the choice of the voter or the manner in which the voter's ballot was cast.~~

(c) If an early or absentee voter makes an error in marking a ballot, the voter may return that ballot by mail or in person to the town clerk and receive another ballot, consistent with the provisions of section 2568 of this ~~title~~ chapter.

* * *

§ 2546b. EARLY VOTING IN TOWN CLERK'S OFFICE; DEPOSIT INTO VOTE TABULATOR

(a)(1) A board of civil authority may vote to permit its town's registered early or absentee voters to vote in the town clerk's office in the same manner as those voting on election day by marking their early voter absentee ballots and depositing them into a vote tabulator.

(2) If a board of civil authority votes to permit early voting as described in subdivision (1) of this subsection, the town's process for conducting this early voting shall conform to the provisions of this section and to procedures that the Secretary of State shall adopt for this purpose.

(b)(1) During business hours in the town clerk's office, the vote tabulator and ballot bin shall be in a secured area accessible only to election officials and voters. The vote tabulator unit shall be secured with an identifiable seal and the ballot box containing voted ballots shall remain locked at all times and secured with an identifiable seal. Neither seal shall be broken prior to the time of closing the polls on election day.

(2) Once early voting has commenced in the town clerk's office, the town clerk or designee shall certify each day in a record prepared for this purpose that the seals on the vote tabulator and ballot box are intact.

(3) When an election official is not present or at times other than business hours, the sealed vote tabulator and ballot box shall be secured in the town clerk's office vault.

(4) The town clerk shall maintain a record of each early or absentee voter who voted in person in accordance with this section.

(c) On the day of the election:

(1) The sealed vote tabulator and sealed ballot boxes shall be transferred to the polling place on election day by two election officials and shall not be opened until the polls have closed on election day.

(2) When the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number of voters who deposited their early voter absentee ballots in the vote tabulator in accordance with this section and any early voter absentee ballots that were processed and deposited in the vote tabulator under section 2546a of this subchapter.

(3) All early voter absentee ballots shall be commingled with those voted at the polls on election day prior to being examined for the purpose of identifying write-in votes.

§ 2547. DEFECTIVE BALLOTS

(a) If upon examination by the election officials it shall appear that any of the following defects is present, either the ballot or the unopened certificate envelope shall be marked "defective" and the ballot shall not be counted:

(1) the identity of the early or absentee voter cannot be determined;

(2) the early or absentee voter is not legally qualified to vote;

~~(2)~~(3) the early or absentee voter has voted in person or previously returned a ballot in the same election;

~~(3) the affidavit on the certificate envelope is not completed;~~

(4) the certificate is not signed;

(5) the voted ballot is not in the certificate envelope; or

(6) in the case of a primary vote, the early or absentee voter has failed to return the unvoted primary ballots.

(b) Each defective ballot or unopened certificate envelope shall be:

(1) affixed with a note from the presiding officer indicating the reason it was determined to be defective;

(2) placed with other such defective ballots in an envelope marked “Defective Ballots - Voter Checked Off Checklist - Do Not Count”; and

(3) returned in that envelope to the town clerk in the manner prescribed by section 2590 of this ~~title~~ chapter.

(c) The provisions of this section shall be indicated prominently in the early or absentee voter material prepared by the Secretary of State.

* * *

* * * Process of Voting; Count and Return of Votes * * *

Sec. 15. 17 V.S.A. § 2568 is amended to read:

§ 2568. REMOVING BALLOTS FROM POLLING PLACE;

REPLACEMENT, ~~BLANK,~~ AND UNUSED BALLOTS

(a) Removing ballots from polling place. A person shall not take or remove a ballot from the polling place before the close of the polls.

(b) Replacement ballots.

* * *

(c) Unused ballots. Ballots originally delivered to the presiding officer that remain undistributed to the voters shall be preserved and returned to the town clerks, and ~~the clerk shall preserve them in such condition, unless called for by some authority entitled to demand and receive them. After 90 days from the date the election is held~~ following the election, they may be destroyed or distributed by the town clerk for educational purposes or for any other purpose the town clerk deems appropriate.

* * * Recounts * * *

Sec. 16. 17 V.S.A. § 2601 is amended to read:

§ 2601. RECOUNT THRESHOLD

(a)(1) In an election for federal office, statewide office, county office, or State Senator, if the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is two percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that losing candidate shall have the right to have the votes for that office recounted.

(2) In an election for State Representative, if the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is five percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that

losing candidate shall have the right to have the votes for that office recounted.

(b) In the case of a recount for a local election, the threshold and procedures for conducting the recount shall be as provided in chapter 55, subchapter 3 of this title.

Sec. 17. 17 V.S.A. § 2602k is amended to read:

§ 2602k. RECOUNT TIES

(a)(1) If a recount of a primary election results in a tie, the provisions of subsection 2369(b) of this title shall apply.

(2) If a recount of a public question results in a tie, a runoff election shall not be held, and the question shall be certified not to have passed.

(3) If ~~the~~ a recount of a general election results in a tie, the provisions of this section shall apply, and the court shall order a runoff election to be held, within three weeks of the recount, on a date set by the court.

(b) The only candidates who shall appear on the ballot at the runoff election shall be those who tied in the previous election.

(c) The runoff election shall be considered a separate election for the purpose of voter registration under chapter 43 of this title.

~~(d) If the recount confirms a tie as to any public question, a runoff election shall not be held, and the question shall be certified not to have passed. [Repealed.]~~

(e) Warnings for a runoff election shall be posted as required by subchapter 5 of this chapter, except that the warnings shall be posted not less than 10 days before the runoff election.

(f) The conduct of a runoff election shall be as provided in this chapter for general elections.

* * * Special Election for Congressional Vacancies * * *

Sec. 18. 17 V.S.A. § 2621 is amended to read:

§ 2621. VACANCY IN OFFICE OF U.S. SENATOR OR
REPRESENTATIVE

(a) If a vacancy occurs in the office of U.S. Senator or U.S. Representative, the Governor shall call a special election to fill the vacancy. His or her proclamation shall specify a day for the special election and a day for a special primary, pursuant to section 2352 of this title.

(b) The special election shall be held not more than ~~three~~ six months

from the date the vacancy occurs, except that if the vacancy occurs within six months of a general election, the special election may be held the same day as the general election provided the ballots for the special election are able to be distributed by the deadline set forth in section 2479 of this title.

* * * Local Elections * * *

Sec. 19. 17 V.S.A. § 2647 is amended to read:

§ 2647. INCOMPATIBLE OFFICES

(a)(1) An auditor shall not be town clerk, town treasurer, selectboard member, first constable, collector of current or delinquent taxes, trustee of public funds, town manager, road commissioner, water commissioner, sewage system commissioner, sewage disposal commissioner, cemetery commissioner, or town district school director; nor shall a spouse of or any person assisting any of these officers in the discharge of official duties be eligible to hold office as auditor.

(2) A selectboard member or school director shall not be first constable, collector of taxes, town treasurer, assistant town treasurer, auditor, or town agent. A selectboard member shall not be lister or assessor.

(3) A cemetery commissioner or library trustee shall not be town treasurer, assistant town treasurer, or auditor.

(4) A town manager shall not hold any elective office in that town or town school district.

(5) Election officers at local elections shall be disqualified as provided in section 2456 of this title.

(b) Notwithstanding subsection (a) of this section, if a school district prepares and reports its budget independently from the budget of the town and the school district is audited by an independent public accountant, a ~~person~~ school director or spouse of a school director shall be eligible to hold office as auditor or town treasurer ~~even if that person's spouse holds office as a school director.~~

Sec. 20. 17 V.S.A. § 2681 is amended to read:

§ 2681. NOMINATIONS; PETITIONS; CONSENTS

(a)(1)(A) Nominations of the municipal officers shall be by petition. The petition shall be filed with the municipal clerk, together with the endorsement, if any, of any party or parties in accordance with the provisions of this title, not later than 5:00 p.m. on the sixth Monday preceding the day of the election, which shall be the filing deadline.

* * *

(3) A petition shall contain the name of only one candidate, and the candidate's name shall appear on the petition as it does on the voter checklist. A voter shall not sign more than one petition for the same office, unless more than one nomination is to be made, in which case the voter may sign as many petitions as there are nominations to be made for the same office.

* * *

* * * Voting on Town Manager Form of Governance * * *

Sec. 21. 24 V.S.A. chapter 37 is amended to read:

CHAPTER 37. TOWN, CITY, OR VILLAGE MANAGERS

* * *

§ 1241. PETITION; WARNING

When voters, in number equal to five percent of the legal registered voters in town, petition the selectboard ~~therefor~~ in writing to adopt or rescind the town manager form of governance, the warning for the annual or special meeting which that shall be called upon such petition shall contain an article in substantially the following form set forth in section 1243 of this chapter: ~~“To see if the town will vote to take advantage of the provisions of chapter 37 of Title 24 of the Vermont Statutes Annotated and authorize the selectboard to employ a town manager.”~~

* * *

§ 1243. METHOD OF VOTING

~~When the question of the adoption or rejection of~~ A town may vote at an annual or special meeting to adopt or rescind the provisions of this chapter is submitted to a meeting wherein the Australian ballot system is used for the election of officers, there. A vote on the question shall be printed upon the ballots below the list of candidates the following question in substantially the following form:

~~““Will~~ Shall the [town name] vote to take advantage of [adopt/rescind] the town manager form of governance in accordance with the provisions of chapter 37 of Title 24 of the Vermont Statutes Annotated and authorize the selectboard to employ a town manager?”

Yes — No

~~And the voter shall make a cross or X in the blank space against the answer he or she desires to give concerning such question. The ballots shall be~~

~~counted forthwith by the board of civil authority and the result announced by the presiding officer.~~

* * *

* * * Campaign Finance; Reporting Dates * * *

Sec. 22. 17 V.S.A. § 2964 is amended to read:

§ 2964. CAMPAIGN REPORTS; CANDIDATES FOR STATE OFFICE,
THE GENERAL ASSEMBLY, AND COUNTY OFFICE;
POLITICAL COMMITTEES; POLITICAL PARTIES

(a)(1) Each candidate for State office, the General Assembly, or a two-year-term county office who has rolled over any amount of surplus into his or her new campaign or who has made expenditures or accepted contributions of \$500.00 or more during the two-year general election cycle and, except as provided in subsection (b) of this section, each political committee that has not filed a final report pursuant to subsection 2965(b) of this chapter, and each political party required to register under section 2923 of this chapter shall file with the Secretary of State campaign finance reports as follows:

(A) in the first year of the two-year general election cycle, on July ~~15~~ 1; and

(B) in the second year of the two-year general election cycle:

(i) on March 15;

(ii) on July ~~15~~ 1 and August ~~15~~ 1;

(iii) on September 1;

(iv) on October 1, October 15, and the Friday before the general election; and

(v) two weeks after the general election.

(2) Each candidate for a four-year-term county office who has rolled over any amount of surplus into his or her new campaign or who has made expenditures or accepted contributions of \$500.00 or more during the four-year general election cycle shall file with the Secretary of State campaign finance reports as follows:

(A) in the first three years of the four-year general election cycle, on July ~~15~~ 1; and

(B) in the fourth year of the four-year general election cycle:

(i) on March 15;

- (ii) on July ~~15~~ 1 and August ~~15~~ 1;
- (iii) on September 1;
- (iv) on October 1, October 15, and the Friday before the general election; and
- (v) two weeks after the general election.

* * *

* * * Effective Dates * * *

Sec. 23. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that:

(1) this section and Secs. 19, 17 V.S.A. § 2647 (incompatible offices) and 22, 17 V.S.A. § 2964 (campaign finance reports), shall take effect on passage; and

(2) in Sec. 14, 17 V.S.A. chapter 51, subchapter 6 (early or absentee voters), § 2546b (early voting in town clerk's office; deposit into vote tabulator) shall take effect on July 1, 2020, except that the Secretary of State shall adopt the procedures described in subdivision (a)(2) of that section on or before January 1, 2020.

(Committee vote: 11-0-0)

(For text see Senate Journal March 20, 21, 2019)

Favorable

S. 111

An act relating to the U.S. Department of Veterans Affairs' Airborne Hazards and Open Burn Pit Registry

Rep. Howard of Rutland City, for the Committee on General; Housing; and Military Affairs, recommends that the bill ought to pass in concurrence.

(Committee Vote: 10-0-1)

(For text see Senate Journal April 4, 2019)

Senate Proposal of Amendment

H. 13

An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws

The Senate proposes to the House to amend the bill as follows:

First: In Sec. 3, 7 V.S.A. § 64, after “who intentionally removes or defaces the label attached to a keg shall be” by striking out “imprisoned not more than two years one year or”, and after “fined not more than \$1,000.00” by striking out “, or both”.

Second: By striking out Sec. 15, 7 V.S.A. § 1005, in its entirety and inserting in lieu thereof a new Sec. 15 to read as follows:

Sec. 15. [Deleted.]

Third: By striking out Sec. 45, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof new Secs. 45–47 and their respective reader assistance headings to read as follows:

* * * Tax on Spirits and Fortified Wines * * *

Sec. 45. 7 V.S.A. § 422 is amended to read:

§ 422. TAX ON SPIRITS AND FORTIFIED WINES

(a) A tax of five percent is assessed on the gross revenue from the sale of spirits and fortified wines in the State of Vermont by the Board of Liquor and Lottery or the retail sale of spirits and fortified wines in Vermont by a manufacturer or rectifier of spirits or fortified wines, in accordance with the provisions of this title. ~~The tax shall be at the following rates based on the gross revenue of the retail sales by the seller in the current year:~~

~~(1) if the gross revenue of the seller is \$500,000.00 or lower, the rate of tax is five percent;~~

~~(2) if the gross revenue of the seller is between \$500,000.00 and \$750,000.00, the rate of tax is \$25,000.00 plus 10 percent of the gross revenues over \$500,000.00;~~

~~(3) if the gross revenue of the seller is \$750,000.00 or more, the rate of tax is 25 percent.~~

* * *

* * * Board of Liquor and Lottery; Duties * * *

Sec. 46. 7 V.S.A. § 104 is amended to read:

§ 104. DUTIES; AUTHORITY TO RESOLVE ALLEGED VIOLATIONS

The Board shall supervise and manage the sale of spirits and fortified wines within the State in accordance with the provisions of this title, and through the Commissioner of Liquor and Lottery shall:

* * *

(13) Set and periodically revise the prices for spirits and fortified wines sold in Vermont in a manner that is designed to ensure that the Department generates revenue for the State that is equal to or greater than the revenue generated by the Department during the prior fiscal year.

* * * Effective Date * * *

Sec. 47. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(For text see House Journal March 19, 2019)

Amendment to be offered by Rep. Walz of Barre City to H. 13

That the House concur in the Senate proposal of amendment with further amendment as follows: by striking out Secs. 46–47 and their respective reader assistance headings in their entirety and inserting in lieu thereof Secs. 46–51 and their respective reader assistance headings to read as follows:

* * * Retail Licenses and Permits * * *

Sec. 46. 7 V.S.A. § 223 is amended to read:

§ 223. THIRD-CLASS LICENSES

(a)(1) The Board of Liquor and Lottery may grant to a person who operates a hotel, restaurant, club, boat, or railroad dining car, or who holds a manufacturer's or rectifier's license, a third-class license if:

(1) the person files an application accompanied by the fee provided in section 204 of this title for the premises in which the business of the hotel, restaurant, club, or manufacturer or rectifier is carried on or for the boat or railroad dining car;

(2) the local control commissioners have approved the application; and

(2)(3) The applicant shall satisfy ~~The~~ satisfies the Board that:

(A) the applicant is the bona fide owner or lessee of the premises, boat, or railroad dining car;

(B) except in the case of clubs, the premises, boat, or railroad dining car has adequate and sanitary space and equipment for preparing and serving meals to the public; and

(C) ~~that it~~ the premises, boat, or railroad dining car is operated for the purpose covered by the license.

* * *

(d)(1) Except as otherwise provided in ~~subdivision~~ subdivisions (2) and (3) of this subsection ~~and section 271 of this title~~, a person who holds a third-class license shall purchase from the Board of Liquor and Lottery all spirits and fortified wines dispensed in accordance with the provisions of the third-class license and this title.

(2) For a third-class license issued for a dining car or boat, the licensee may procure outside the State of Vermont spirits and fortified wines that are sold pursuant to the license.

(3) For a third-class license that is issued to a licensed manufacturer or rectifier of spirits or fortified wines, the licensee shall not be required to purchase from the Board of Liquor and Lottery spirits and fortified wines that it has manufactured or rectified before selling them pursuant to its third-class license.

* * *

* * * Tasting and Event Permits * * *

Sec. 47. 7 V.S.A. § 252 is amended to read:

§ 252. SPECIAL EVENT PERMITS

* * *

(c)(1) A licensed manufacturer or rectifier may be issued ~~no~~ not more than ~~104~~ 10 special event permits ~~during a~~ for the same physical location in a calendar year.

~~(2) Each manufacturer or rectifier planning to attend a single special event pursuant to this section may be listed on a single permit for the special event. However, each attendance at a special event shall count toward the manufacturer's or rectifier's annual limit of 104 special event permits.~~

Sec. 48. 7 V.S.A. § 253 is amended to read:

§ 253. FESTIVAL PERMITS

* * *

(b) A festival permit holder shall be permitted to conduct an event that is open to the public at which malt beverages, vinous beverages, fortified wines, spirits, or any combination of the four are served.

(c)(1) A festival permit holder shall require individuals attending the festival to pay an entry fee of at least \$5.00.

(2) Alcoholic beverages served pursuant to a festival permit shall be served in compliance with the following limitations:

(A) Malt beverages shall be served to individuals attending the festival in amounts equal to not more than 12 ounces at one time and not more than 60 ounces total at any one festival.

(B) Vinous beverages shall be served to individuals attending the festival in amounts equal to not more than five ounces at one time and not more than 25 ounces total at any one festival.

(C) Fortified wines shall be served to individuals attending the festival in amounts equal to not more than three ounces at one time and not more than 15 ounces total at any one festival.

(D) Spirits shall be served to individuals attending the festival in amounts equal to not more than one ounce at one time and not more than five ounces total at any one festival.

(E) For festivals at which a combination of malt beverages, vinous beverages, fortified wines, and spirits are served, an individual shall not be served a combined total of more than six standard drinks. As used in this subdivision (E), a “standard drink” means an alcoholic beverage containing 0.6 fluid ounces or 14 grams of pure ethyl alcohol.

(3) A festival permit holder shall ensure that the festival complies with all applicable requirements of this title and the rules of the Board.

(d)(1) A festival permit holder may purchase invoiced volumes of malt or vinous beverages directly from a manufacturer or packager licensed in Vermont, or a manufacturer or packager that holds a federal Basic Permit or Brewers Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

(2) The invoiced volumes of malt or vinous beverages may be transported to the site and sold by the glass to the public by the permit holder or its employees and volunteers only during the event.

~~(e)~~(e) A festival permit holder shall be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of the alcoholic beverages and shall pay the tax on the malt or vinous beverages pursuant to section 421 of this title.

~~(d)~~(f) A person shall be granted ~~no~~ not more than ~~four~~ 10 festival permits per year, and each permit shall be valid for ~~no~~ not more than four consecutive days.

* * * Manufacturing and Distribution of Alcohol * * *

Sec. 49. 7 V.S.A. § 271 is amended to read:

§ 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

(a)(1) The Board of Liquor and Lottery may grant a manufacturer's or rectifier's license upon application and payment of the fee provided in section 204 of this title that permits the license holder to operate a facility that manufacture manufactures or rectify rectifies:

(1)(A) malt beverages;

(2)(B) vinous beverages and fortified wines; or

(3)(C) spirits and fortified wines.

(2) A manufacturer or rectifier shall obtain a separate license for each facility at which it manufactures or rectifies alcoholic beverages.

* * *

(d)(1) The Board of Liquor and Lottery may grant to a licensed manufacturer or rectifier a first-class license or ~~a first-~~ and a third-class license, or both, permitting the licensee to sell alcoholic beverages to the public at an establishment located at the manufacturer's ~~premises~~ or rectifier's licensed facility, provided the manufacturer or rectifier owns or has direct control over that establishment.

(2) ~~For a A licensed manufacturer of malt beverages, the premises of the manufacturer may include~~ may operate up to two licensed establishments pursuant to this subsection that are located at the licensed manufacturing facility or on ~~the property that is owned by the licensee and is contiguous real estate of with the license holder~~ parcel of land on which the licensed manufacturing facility is located, provided the manufacturer owns or has direct control over both establishments.

(3) Notwithstanding subdivisions (1) and (2) of this subsection, a manufacturer or rectifier that, on July 1, 2019, is operating at a location separate from its licensed manufacturing facility an establishment for which it was granted a first-class license or a third-class license, or both, before July 1, 2019 may continue to operate that establishment, and the local control commissioners and the Board may annually renew the licenses in effect for that establishment on July 1, 2019.

(e) The Board of Liquor and Lottery may grant a licensed manufacturer of malt beverages a second-class license permitting the licensee to sell alcoholic beverages to the public anywhere on the ~~manufacturer's premises~~ of the licensed manufacturing facility.

(f)(1) A licensed manufacturer or rectifier may serve alcoholic beverages with or without charge at an event held ~~on the premises of the licensee~~ at the

licensed manufacturing or rectifying facility or at a location on the property that is owned by the licensee and is contiguous real estate of the licensee with the parcel of land on which the licensed facility is located, provided the licensee at least five days before the event gives the Division written notice of the event, including details required by the Division.

* * *

Sec. 50. 7 V.S.A. § 271 is amended to read:

§ 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

* * *

(d)(1) The Board of Liquor and Lottery may grant to a licensed manufacturer or rectifier a first-class license or a third-class license, or both, permitting the licensee to sell alcoholic beverages to the public at an establishment located at the manufacturer's or rectifier's licensed facility, provided the manufacturer or rectifier owns or has direct control over that establishment.

(2) A licensed manufacturer of malt beverages may operate up to two licensed establishments pursuant to this subsection that are located at the licensed manufacturing facility or on property that is owned by the licensee and is contiguous with the parcel of land on which the licensed manufacturing facility is located, provided the manufacturer owns or has direct control over both establishments.

~~(3) Notwithstanding subdivisions (1) and (2) of this subsection, a manufacturer or rectifier that, on July 1, 2019, is operating at a location separate from its licensed manufacturing facility an establishment for which it was granted a first-class license or a third-class license, or both, before July 1, 2019 may continue to operate that establishment, and the local control commissioners and the Board may annually renew the licenses in effect for that establishment on July 1, 2019. [Repealed.]~~

* * *

* * * Effective Dates * * *

Sec. 51. EFFECTIVE DATES

(a) Sec. 47 (special event permits) and Sec. 50 (repeal of manufacturer grandfather provision) shall take effect on July 1, 2020.

(b) All remaining sections shall take effect on July 1, 2019.

H. 47

An act relating to the taxation of electronic cigarettes

The Senate proposes to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. § 7702(15) is amended to read:

(15) “Other tobacco products” means any product manufactured from, derived from, or containing tobacco that is intended for human consumption by smoking, chewing, or in any other manner, including products sold as a tobacco substitute, as defined in 7 V.S.A. § 1001(8), and including any liquids, whether nicotine based or not, or delivery devices sold separately for use with a tobacco substitute; but shall not include cigarettes, little cigars, roll-your-own tobacco, snuff, or new smokeless tobacco as defined in this section.

Sec. 2. 32 V.S.A. § 7811 is amended to read:

§ 7811. IMPOSITION OF TOBACCO PRODUCTS TAX

(a) There is hereby imposed and shall be paid a tax on all other tobacco products, snuff, and new smokeless tobacco possessed in the State of Vermont by any person for sale on and after July 1, 1959 which were imported into the State or manufactured in the State after that date, except that no tax shall be imposed on tobacco products sold under such circumstances that this State is without power to impose such tax, or sold to the United States, or sold to or by a voluntary unincorporated organization of the U.S. Armed Forces operating a place for the sale of goods pursuant to regulations promulgated by the appropriate executive agency of the United States. The tax is intended to be imposed only once upon the wholesale sale of any other tobacco product and shall be at the rate of 92 percent of the wholesale price for all tobacco products except snuff, which shall be taxed at \$2.57 per ounce, or fractional part thereof, new smokeless tobacco, which shall be taxed at the greater of \$2.57 per ounce or, if packaged for sale to a consumer in a package that contains less than 1.2 ounces of the new smokeless tobacco, at the rate of \$3.08 per package, and cigars with a wholesale price greater than \$2.17, which shall be taxed at the rate of \$2.00 per cigar if the wholesale price of the cigar is greater than \$2.17 and less than \$10.00, and at the rate of \$4.00 per cigar if the wholesale price of the cigar is \$10.00 or more. Provided, however, that upon payment of the tax within 10 days, the distributor or dealer may deduct from the tax two percent of the tax due. It shall be presumed that all other tobacco products, snuff, and new smokeless tobacco within the State are subject to tax until the contrary is established and the burden of proof that any other tobacco products, snuff, and new smokeless tobacco are not taxable hereunder shall be

upon the person in possession thereof. Licensed wholesalers of other tobacco products, snuff, and new smokeless tobacco shall state on the invoice whether the price includes the Vermont tobacco products tax.

(b) The tax established in this section shall not be imposed on marijuana-related supplies sold by a dispensary registered under 18 V.S.A. chapter 86 to registered patients and registered caregivers, as those terms are defined in 18 V.S.A. § 4472.

Sec. 3. 7 V.S.A. § 1001(8) is amended to read:

(8) “Tobacco substitute” means products, including electronic cigarettes or other electronic or battery-powered devices, that contain ~~and~~ or are designed to deliver nicotine or other substances into the body through the inhalation of vapor and that have not been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes. Products that have been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes shall not be considered to be tobacco substitutes.

Sec. 4. EFFECTIVE DATES

(a) Secs. 1 (32 V.S.A. § 7702) and 2 (32 V.S.A. § 7811) shall take effect on July 1, 2019.

(b) Sec. 3 (7 V.S.A. § 1001) and this section shall take effect on passage.

(For text see House Journal January 31, 2019)

H. 57

An act relating to preserving the right to abortion

The Senate proposes to the House to amend the bill as follows:

By striking out Sec. 1 (legislative intent) in its entirety and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT

Currently Vermont does not impose legal restrictions on the right to abortion. Health care practitioners providing abortion care in Vermont make determinations regarding the provision of safe and legal abortion within the scope of their practice and license, and in accordance with the relevant standards of medical practice and guiding ethical principles. The General Assembly intends this act to safeguard these existing rights to access reproductive health services in Vermont by ensuring those rights are not denied, restricted, or infringed by a governmental entity. Nothing about this act shall be construed to undermine the supreme legislative power exercised by

the Senate and House of Representatives in accordance with Chapter II, Section 2 of the Vermont Constitution or the judicial power vested in Vermont's unified judicial system in accordance with Chapter II, Section 4 of the Vermont Constitution, or to contravene 18 U.S.C. § 1531.

(For text see House Journal February 20, 21, 2019)

H. 205

An act relating to the regulation of neonicotinoid pesticides

The Senate proposes to the House to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 6 V.S.A. § 911 is amended to read:

§ 911. DEFINITIONS

As used in this chapter:

* * *

(4) "Secretary" means the Secretary of Agriculture, Food and Markets.

(5) "Economic poison" means:

(A) any substance produced, distributed, or used for preventing, destroying, or repelling any insects, rodents, nematodes, fungi, weeds, or other forms of plant or animal life or viruses, except viruses on or in living ~~man~~ humans or other animals, which the Secretary shall declare to be a pest;

(B) any substance produced, distributed, or used as a plant regulator, defoliant, or desiccant.

* * *

(7) "Fungicide" means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any fungi.

(8) "Herbicide" means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any weed.

* * *

(12) "Insecticide" means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any insects ~~which~~ that may be present in any environment whatsoever.

* * *

(16) "Person" means any individual, partnership, association, corporation, or organized group of persons whether incorporated or not.

(17) “Registrant” means the person registering any economic poison pursuant to the provisions of this chapter.

(18) “Rodenticide” means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating rodents or any other vertebrate animal ~~which~~ that the Secretary shall declare to be a pest.

(19) “Weed” means any plant ~~which~~ that grows where not wanted.

(20) “Nematocide” means any substance produced, distributed, or used for preventing, destroying, or repelling nematodes.

(21) “Plant regulator” means any substance produced, distributed, or used for the purposes of accelerating or retarding the rate of growth or rate of maturation, or otherwise altering the behavior of plants but shall not include substances produced, distributed, or used for plant nutrients, trace elements, nutritional chemicals, plant inoculants, and soil amendments.

(22) “Defoliant” means any substance produced, distributed, or used for causing the foliage to drop from a plant, with or without causing abscission.

(23) “Desiccant” means any substance produced, distributed, or used for artificially accelerating the drying of plant tissues.

* * *

(25) “Agricultural seed” has the same meaning as in section 641 of this title.

(26) “Neonicotinoid pesticide” means any economic poison containing a chemical belonging to the neonicotinoid class of chemicals, including:

(A) imidacloprid;

(B) nithiazine;

(C) acetamiprid;

(D) clothianidin;

(E) dinotefuran;

(F) thiacloprid;

(G) thiamethoxam; and

(H) any other chemical designated by the Secretary by rule.

(27) “Treated article” or “treated article pesticide” shall have the same meaning as “treated article” in section 1101 of this title.

(28) “Treated article seed” means an agricultural seed, flower seed, or vegetable seed that is a treated article pesticide.

Sec. 2. 6 V.S.A. § 918 is amended to read:

§ 918. REGISTRATION

(a) Every economic poison ~~which~~ that is distributed, sold, or offered for sale within this State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State shall be registered in the Office of the Secretary, and such registration shall be renewed annually; provided that products ~~which~~ that have the same formula are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same economic poison may be registered as a single economic poison; and additional names and labels shall be added by ~~supplement~~ supplemental statements during the current period of registration. It is further provided that any economic poison imported into this State, which is subject to the provisions of any federal act providing for the registration of economic poisons and which has been duly registered under the provisions of this chapter, may, in the discretion of the Secretary, be exempted from registration under this chapter, when sold or distributed in the unbroken immediate container in which it was originally shipped. The registrant shall file with the Secretary a statement including:

(1) The name and address of the registrant and the name and address of the person whose name will appear on the label, if other than the registrant.

(2) The name of the economic poison.

(3) A complete copy of the labeling accompanying the economic poison and a statement of all claims to be made for it, including directions for use.

(4) If requested by the Secretary, a full description of the tests made and the results thereof upon which the claims are based. In the case of renewal of registration, a statement shall be required only with respect to information ~~which~~ that is different from that furnished when the economic poison was registered or last reregistered.

(b) The registrant shall pay an annual fee of ~~\$175.00~~ \$200.00 for each product registered, and ~~\$160.00~~ \$185.00 of that amount shall be deposited in the special fund created in section 929 of this title, ~~of which \$5.00 from each product registration shall be used for an educational program related to the proper purchase, application, and disposal of household pesticides, and \$5.00 from each product registration shall be used to collect and dispose of obsolete and unwanted pesticides.~~ Of the registration fees collected under this

subsection, \$15.00 of the amount collected shall be deposited in the Agricultural Water Quality Special Fund under section 4803 of this title. Of the registration fees collected under this subsection, \$25.00 of the amount collected shall be used to offset the additional costs of inspection of economic poison products and to provide educational services, training, and technical assistance to pesticide applicators, beekeepers, and the general public regarding the effects of pesticides on pollinators and the methods or best management practices to reduce the impacts of pesticides on pollinators. The annual registration year shall be from December 1 to November 30 of the following year.

* * *

(f) The Secretary shall register as a restricted use pesticide any neonicotinoid pesticide labeled as approved for outdoor use that is distributed, sold, sold into, or offered for sale within the State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, provided that the Secretary shall not register the following products as restricted use pesticides, unless classified under federal law as restricted use products:

(1) pet care products used for preventing, destroying, repelling, or mitigating fleas, mites, ticks, heartworms, or other insects or organisms;

(2) personal care products used for preventing, destroying, repelling, or mitigating lice or bedbugs;

(3) indoor pest control products used for preventing, destroying, repelling, or mitigating insects indoors; and

(4) treated article seed.

Sec. 3. 6 V.S.A. § 3023 is amended to read:

§ 3023. DUTIES TO REGISTRATION; REPORT

(a) It shall be the duty of any Registration. A person who is the owner of any bees, apiary, colony, or hive to report to in the State shall register with the Secretary in writing on a form provided by the Secretary.

(b) Report. Annually the owner of any bees, apiary, colony, or hive registered under subsection (a) of this section shall submit a report to the Secretary that includes all of the following information:

(1) the The location of all such apiaries and number of colonies that the person owns. The location of an apiary shall become its registered location;

~~(2) the change of~~ Whether the location of any apiary will change within two weeks of the date that the report is submitted unless the change of location is to provide pollination services and the colonies will be returned to a registered apiary. Hives from a registered apiary may be moved to another registered apiary without reregistering;

~~(3) the discovery of~~ Whether a serious disease was discovered within any of his or her colonies; hive or colony in a registered apiary.

~~(4) the transportation~~ Whether the owner transported into this the State of any colonies or used equipment, except as ~~noted in~~ authorized under subsection 3032(c) of this title; and.

~~(5) the fact that he or she~~ Whether the owner is engaged in the rearing of queen bees or any other bees for sale, if applicable.

(6) A current varroa mite and pest mitigation plan for each registered apiary.

Sec. 4. 6 V.S.A. § 3023a is added to read:

§ 3023a. VERMONT BEEKEEPER EDUCATIONAL PROGRAM

(a) The Secretary, in cooperation with the Vermont Beekeepers Association, shall establish a voluntary educational program to train a person who owns bees, apiaries, colonies, or hives in the State. The educational program shall address:

- (1) bee health;
- (2) varroa mite identification and control;
- (3) identification of common diseases or pests;
- (4) proper maintenance of hives;
- (5) State laws regarding beekeeping and pesticide application; and
- (6) continued education opportunities.

(b) The Secretary shall award a certificate to a person who completes the Vermont beekeeper training program under subsection (a) of this section.

Sec. 5. 6 V.S.A. § 3032 is amended to read:

§ 3032. TRANSPORTATION OF BEES OR USED EQUIPMENT INTO THE STATE

(a) No Except as provided under subsections (c) and (d) of this section, bees, used equipment, or colonies shall not be brought into the State of Vermont unless approved by the Secretary by permit. The Secretary shall not

approve the import of bees, used equipment, or colonies from out of state unless accompanied by a valid certificate of inspection within the previous ten months 60 days from the state or country of origin stating that the bees, used equipment, or bee colonies are free from bee disease.

(b) Any person, other than a common carrier, who knowingly transports or causes to be transported used equipment or colonies to a point within this State shall provide the ~~secretary~~ Secretary with a copy of the certificate of inspection not more than 72 hours after entry into this State.

(c) This section shall not apply to a shipment of bees, equipment, or colonies which originated outside the ~~state~~ State and is destined for another point that is also located outside this State.

(d) The Secretary shall not require an import permit or a valid certificate of inspection under subsection (a) for bees, used equipment, or colonies that:

(1) are registered in Vermont;

(2) were transported no more than 75 miles from the registered location of the owner of the bees or colonies; and

(3) are imported back into the State within 90 days of the date of original transport.

Sec. 6. 6 V.S.A. § 3030 is amended to read:

§ 3030. RULES

The Secretary may adopt and enforce ~~such rules which may provide for to~~ implement the requirements of this chapter, including rules regarding:

(1) inspection, disinfection, seizure, destruction, or other disposition of bees, equipment, or bee products capable of carrying or transmitting any disease;

(2) importation of bees, equipment, or bee products capable of carrying or transmitting any disease; or

(3) registration and reporting by persons owning bees, an apiary, a colony, or a hive.

Sec. 7. 6 V.S.A. § 3022 is amended to read:

§ 3022. ENFORCEMENT; INSPECTION

(a) The Secretary shall enforce the provisions of this chapter.

(b) Any person who is the owner of any bees, apiary, colony, or hive shall pay a \$10.00 annual registration fee for each ~~location of hives~~ apiary. The fee revenue shall be collected by the Secretary and credited to the ~~Weights and~~

Measures Testing Fund Pesticide Monitoring Revolving Fund under section 929 of this title to be used to offset the costs of inspection services and to provide educational services and technical assistance to beekeepers in the State.

Sec. 8. POSITIONS; POLLINATOR SPECIALIST; PESTICIDE ENFORCEMENT

The establishment of the following new classified, full-time positions funded from fees collected under 6 V.S.A. § 918 is authorized in fiscal year 2020:

(1) In the Agency of Agriculture, Food and Markets – pollinator specialist.

(2) In the Agency of Agriculture, Food and Markets – enforcement specialist.

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(For text see House Journal March 21, 2019)

H. 518

An act relating to fair and impartial policing

The Senate proposes to the House to amend the bill as follows:

By striking out Sec. 2 in its entirety and inserting in lieu thereof the following:

Sec. 2. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE;
CIVIL RIGHTS WORKING GROUP; REPORT

(a) During the 2019 legislative interim, the Office of the Attorney General shall convene and facilitate a working group of representatives from the Human Rights Commission, the Vermont chapter of the American Civil Liberties Union, the Criminal Justice Training Council, Migrant Justice, the Vermont Police Association, the Vermont Sheriffs' Association, the Vermont Association of Chiefs of Police, and the Vermont State Police. The working group shall collaboratively establish an outreach and education strategy to inform Vermonters of the resources available to protect civil rights pursuant to State laws that prohibit discrimination, including the right to file a complaint with the Human Rights Commission, the Civil Rights Unit of the Office of the Attorney General, law enforcement agencies, and the Criminal Justice Training Council.

(b) On or before November 1, 2019, the working group established pursuant to this section shall report to the Joint Legislative Justice Oversight Committee and the House and Senate Committees on Judiciary and on Government Operations on their work pursuant to subsection (a) of this section and recommendations for legislative action to protect marginalized populations in Vermont.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(For text see House Journal March 15, 2019)

Amendment to be offered by Rep. Hashim of Dummerston to H. 518

That the House concur in the Senate Proposal of Amendment with further amendment thereto by striking out Sec. 2 in its entirety and by renumbering the remaining sections to be numerically correct.

NOTICE CALENDAR

Favorable with Amendment

S. 41

An act relating to regulating entities that administer health reimbursement arrangements

Rep. Durfee of Shaftsbury, for the Committee on Health Care, 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. 18 V.S.A. § 9417 is added to read:

§ 9417. TAX-ADVANTAGED ACCOUNTS FOR HEALTH-RELATED EXPENSES; ADMINISTRATION; RULEMAKING

(a) As used in this section:

(1) “Flexible spending account” or “FSA” has the same meaning as in 26 U.S.C. § 106(c)(2).

(2) “Health reimbursement arrangement” or “HRA” means any account-based reimbursement arrangement funded solely by employer contributions that reimburses an employee, spouse, or dependents, or a combination thereof, for medical care expenses incurred by the employee, spouse, dependents, or a combination thereof, up to a maximum coverage amount set by the employer for a given coverage period, and that is established pursuant to 26 U.S.C. §§ 105–106 and applicable guidance from the Internal Revenue Service.

(3) “Health savings account” or “HSA” has the same meaning as in 26 U.S.C. § 223(d)(1).

(b) Any entity administering one or more HRAs, HSAs, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these, in this State is subject to the jurisdiction of the Commissioner of Financial Regulation pursuant to 8 V.S.A. § 10 and all other applicable provisions.

(c) The Commissioner of Financial Regulation shall adopt rules pursuant to 3 V.S.A. chapter 25 to license and regulate, to the extent permitted under federal law, entities administering or proposing to administer one or more HRAs, HSAs, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these, in this State. The rules shall include:

(1) annual licensure or registration filing requirements; and

(2) such requirements and qualifications for such entities as the Commissioner determines necessary to protect Vermont consumers and employers and to help ensure that funds are disbursed appropriately.

(d) Following the adoption of rules pursuant to subsection (c) of this section, an entity making an initial application for a license or registration to administer HRAs, HSAs, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these, in this State shall pay to the Commissioner a nonrefundable fee of \$600.00 for examining, investigating, and processing the application. Each such entity shall also pay a renewal fee of \$600.00 on or before December 31 every three years following initial licensure.

(e) This section shall not apply to an employer that self-administers one or more tax-advantaged accounts on behalf of its own employees.

Sec. 2. RULEMAKING; REPORT

On or before February 15, 2020, the Commissioner of Financial Regulation shall provide an update to the Senate Committee on Finance and the House Committees on Health Care and on Commerce and Economic Development on the progress of the rulemaking required by Sec. 1 of this act, including any findings related to the permissible scope of the rule.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage, provided that the Department of Financial Regulation shall adopt its final rule on or before September 1, 2020 regulating entities that administer HRAs, HSAs, FSAs, or similar tax-advantaged accounts for health-related expenses, or a combination of these.

and that after passage the title of the bill be amended to read: “An act relating to regulating entities that administer tax-advantaged accounts for health-related expenses”

(Committee vote: 8-2-1)

(For text see Senate Journal March 13, 2019)

Rep. Till of Jericho, for the Committee on Ways and Means, recommends the bill ought to pass in concurrence with proposal of amendments recommended by the Committee on Health Care.

(Committee Vote: 9-1-1)

S. 108

An act relating to employee misclassification

Rep. Kornheiser of Brattleboro, for the Committee on Commerce and Economic Development, 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:

* * * Employee Misclassification * * *

Sec. 1. 21 V.S.A. § 712 is added to read:

§ 712. ENFORCEMENT BY ATTORNEY GENERAL

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employer has committed a willful, substantial, or systemic violation of section 687 or 708 of this chapter by claiming that it is not an employer as defined pursuant to subdivision 601(3) of this chapter or that an individual is not a worker or employee as defined pursuant to subdivision 601(14) of this chapter and may enforce those provisions by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though an employer that violates section 687 or 708 of this chapter by claiming that it is not an employer as defined pursuant to subdivision 601(3) of this chapter or that an individual is not a worker or employee as defined pursuant to subdivision 601(14) of this chapter is committing an unfair act in commerce. Any employer, employment agency, or labor organization complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for a violation of section 687 or 708 of this chapter and any related violations of the

provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employer committed a violation of section 687 or 708 of this chapter by claiming that it was not an employer as defined pursuant to subdivision 601(3) of this chapter or that an individual was not a worker or employee as defined pursuant to subdivision 601(14) of this chapter, the Commissioners of Financial Regulation and of Taxes shall review whether the employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 2. 21 V.S.A. § 1379 is added to read:

§ 1379. COMPLAINT OF MISCLASSIFICATION; ENFORCEMENT BY
ATTORNEY GENERAL

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employing unit or employer has committed a willful, substantial, or systemic violation of section 1314a of this chapter by failing to properly classify one or more employees and may enforce the provisions of this chapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though the misclassification of an employee is an unfair act in commerce. Any employing unit or employer complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for the misclassification of an employee and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employing unit or employer has committed a violation of section 1314a of this chapter by failing to properly classify one or more employees, the Commissioners of Financial Regulation and of Taxes shall review whether the employing unit or employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 3. 21 V.S.A. § 1314 is amended to read:

§ 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

* * *

(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.

* * *

(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 105, subchapter 2; 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.

* * *

(8) The Department of Labor shall disclose, upon request, to the Attorney General and employees of the Office of the Attorney General information necessary for the Attorney General to investigate a complaint and enforce the provisions of this chapter as provided pursuant to section 1379 of this chapter.

* * *

Sec. 4. 21 V.S.A. § 346 is added to read:

§ 346. ENFORCEMENT BY ATTORNEY GENERAL; EMPLOYEE

MISCLASSIFICATION

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employer has committed a willful, substantial, or systemic violation of section 342, 343, 348, 482, or 483 of this chapter by misclassifying an employee as an independent contractor and may enforce those provisions by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though the misclassification of an employee is an unfair act in commerce. Any employer complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for the misclassification of an employee and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employing unit has committed a violation of section 342, 343, 348, 482, or 483 of this chapter by misclassifying an employee as an independent contractor, the Commissioners of Financial Regulation and of Taxes shall review whether the employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 5. 21 V.S.A. § 342a is amended to read:

§ 342a. INVESTIGATION OF COMPLAINTS OF UNPAID WAGES

* * *

(h) Information obtained from any employer, employee, or witness in the course of investigating a complaint of unpaid wages shall be confidential and shall not be disclosed or open to public inspection in any manner that reveals the employee's or employer's identity or be admissible in evidence in any action or proceeding other than one arising under this subchapter. However, such information may be released to any public official for the purposes provided in subdivision 1314(e)(1) of this title or to the Attorney General in relation to investigations conducted pursuant to section 346 of this subchapter as provided pursuant to the terms of the memorandum of understanding between the Attorney General and the Commissioner of Labor executed pursuant to section 3 of this title.

Sec. 6. 21 V.S.A. § 387 is added to read:

§ 387. ENFORCEMENT BY ATTORNEY GENERAL; EMPLOYEE

MISCLASSIFICATION

(a) Following the referral of a complaint by the Commissioner of Labor pursuant to the provisions of section 3 of this title, the Attorney General may investigate a complaint that an employer has committed a willful, substantial, or systemic violation of this subchapter by misclassifying an employee as an independent contractor and may enforce the provisions of this subchapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though the misclassification of an employee is an unfair act in commerce. Any employer complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for the misclassification of an employee and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an

unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(b)(1) The Attorney General shall share information and coordinate investigatory and enforcement resources with the Departments of Financial Regulation, of Labor, and of Taxes pursuant to the provisions of section 3 of this title.

(2) Upon receiving notice that the Attorney General has determined that an employing unit has committed a violation of this subchapter by misclassifying an employee as an independent contractor, the Commissioners of Financial Regulation and of Taxes shall review whether the employer is in compliance with the insurance or tax laws that are under their jurisdiction.

Sec. 7. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(5) to the Attorney General, if such return or return information relates to chapter 205 of this title or 33 V.S.A. chapter 19, subchapters 1A and 1B, for purposes of investigating potential violations of and enforcing 7 V.S.A. chapter 40, 20 V.S.A. chapter 173, subchapter 2A, and 33 V.S.A. chapter 19, subchapters 1A and 1B, and 21 V.S.A. §§ 346, 387, 712, and 1379;

* * *

Sec. 8. 21 V.S.A. § 3 is added to read:

§ 3. COOPERATION WITH ATTORNEY GENERAL; MEMORANDUM OF UNDERSTANDING

(a) The Attorney General and the Commissioner of Labor shall enter into a memorandum of understanding to establish a process for the referral of complaints received by the Commissioner of Labor to the Attorney General, the sharing of information, and the coordination of investigatory and enforcement resources in relation to the provisions of sections 346, 387, 712, and 1379 of this title. Notwithstanding any provision of 9 V.S.A. § 2460(a) to the contrary, the memorandum shall, at a minimum, provide for:

(1) notice from the Attorney General to the Commissioner of Labor regarding complaints received by the Attorney General that relate to a possible violation of the laws under the jurisdiction of the Commissioner;

(2) a procedure for the Commissioner of Labor to refer a complaint to the Attorney General if the employer complained of appears to be engaging in willful, substantial, or systemic violations of the provisions of chapter 5, subchapter 2 or 3 of this title, or chapter 9 or 17 of this title through the misclassification of employees.

(3) a requirement that the Commissioner of Labor shall, upon receiving a complaint against an employer that has been determined to have engaged in employee misclassification on three separate occasions during the past 10 years or is alleged to have misclassified 10 or more employees, refer the complaint to the Attorney General and coordinate with the Attorney General to investigate the complaint and, depending on the outcome of the investigation, seek any appropriate penalties pursuant to the provisions of this title and 9 V.S.A. §§ 2458–2461;

(4) the exchange of information and coordination of investigatory and enforcement resources between the Commissioner of Labor and the Attorney General.

(b) Nothing in this section shall be construed to prevent the Commissioner of Labor from investigating complaints of violations of the laws under his or her jurisdiction or enforcing those laws pursuant to the applicable provisions of this title.

(c) The Attorney General shall enter into separate memoranda of understanding with the Commissioner of Financial Regulation and the Commissioner of Taxes to establish a process for sharing information related to an investigation by the Attorney General pursuant to sections 346, 387, 712, and 1379 of this title. Notwithstanding any provision of 9 V.S.A. § 2460(a) to the contrary, each memorandum shall, at a minimum, provide for the disclosure by the Attorney General of any instance in which he or she has determined that an employer has, through the misclassification of an employee, violated the provisions of chapter 5, subchapter 2 or 3 of this title or chapter 9 or 17 of this title and the basis for that determination.

(d) Information shared pursuant to this section shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this section shall continue in effect and shall not be repealed through the operation of 1 V.S.A. § 317(e).

Sec. 9. EMPLOYEE MISCLASSIFICATION; ENFORCEMENT BY
ATTORNEY GENERAL; REPORTS

(a)(1) On or before January 15, 2021, the Attorney General and the Commissioner of Labor shall submit a written report to the House Committees on Commerce and Economic Development and on General, Housing, and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs and on Finance regarding the enforcement of employment laws related to employee misclassification pursuant to 21 V.S.A. §§ 346, 387, 712, and 1379 and by the Commissioner of Labor pursuant to 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17.

(2)(A) The report shall include for both the Office of the Attorney General and the Department of Labor in each calendar year:

(i) the number of complaints received in relation to violations of 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17 that involved employee misclassification;

(ii) the number and percentage of complaints received that were referred to the other entity;

(iii) the number of investigations initiated;

(iv) the average number of days between the receipt of a complaint, the start of an investigation, and the completion of an investigation;

(v) the number and percentage of investigations that resulted in, for the Office of the Attorney General, the imposition of a civil penalty, an assurance of discontinuance, or the imposition of injunctive relief, and, for the Department of Labor, the imposition of a penalty;

(vi) the number and percentage of investigations that resulted in a determination that the employer had engaged in employee misclassification;

(vii) the number and percentage of investigations that resulted in the imposition of debarment pursuant to 21 V.S.A. §§ 692, 708, or 1314a; and

(viii) the number of investigations related to employers who had previously violated the provisions of 21 V.S.A. chapter 5, subchapter 2 or 3, or 21 V.S.A. chapter 9 or 17; and

(B) any recommendations for legislative action to improve the effectiveness of the provisions of 21 V.S.A. §§ 346, 387, 712, and 1379.

(b)(1) On or before January 15, 2023, the Attorney General, in consultation with the Commissioners of Financial Regulation, of Labor, and of Taxes, shall submit a written report to the House Committees on Commerce and Economic

Development and on General, Housing, and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs and on Finance regarding the enforcement of employment laws related to employee misclassification by the Attorney General pursuant to 21 V.S.A. §§ 346, 387, 712, and 1379 and by the Commissioner of Labor pursuant to 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17.

(A) The report shall include for both the Office of the Attorney General and the Department of Labor in each calendar year:

(i) the number of complaints received in relation to violations of 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17 that involved employee misclassification;

(ii) the number and percentage of complaints received that were referred to the other entity;

(iii) the number of investigations initiated;

(iv) the average number of days between the receipt of a complaint, the start of an investigation, and the completion of an investigation;

(v) the number and percentage of investigations that resulted in, for the Office of the Attorney General, the imposition of a civil penalty, an assurance of discontinuance, or the imposition of injunctive relief, and, for the Department of Labor, the imposition of a penalty;

(vi) the number and percentage of investigations that resulted in a determination that the employer had engaged in employee misclassification;

(vii) the number and percentage of investigations that resulted in the imposition of debarment pursuant to 21 V.S.A. § 692, 708, or 1314a; and

(viii) the number of investigations related to employers who had previously violated the provisions of 21 V.S.A. chapter 5, subchapter 2 or 3, or 21 V.S.A. chapter 9 or 17; and

(B) a recommendation regarding whether to delay or eliminate the repeal of 21 V.S.A. §§ 346, 387, 712, and 1379, and if a delay or elimination of the repeal is proposed, any recommendations for legislative action related to those sections.

(c) As used in this section, “employee misclassification” means:

(1) the misclassification of an employee as an independent contractor;

or

(2) a violation of 21 V.S.A. § 687 or 708 that results from an employer claiming that it is not an employer as defined pursuant to 21 V.S.A. § 601(3)

or that an individual is not a worker or employee as defined pursuant to 21 V.S.A. § 601(14).

Sec. 10. REPEAL

21 V.S.A. §§ 346, 387, 712, and 1379 are repealed.

Sec. 11. 21 V.S.A. § 1314 is amended to read:

§ 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

* * *

(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 105, subchapter 2; 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.

* * *

~~(8) The Department of Labor shall disclose, upon request, to the Attorney General and employees of the Office of the Attorney General information necessary for the Attorney General to investigate a complaint and enforce the provisions of this chapter as provided pursuant to section 1379 of this chapter. [Repealed.]~~

* * *

Sec. 12. 21 V.S.A. § 342a is amended to read:

§ 342a. INVESTIGATION OF COMPLAINTS OF UNPAID WAGES

* * *

(h) Information obtained from any employer, employee, or witness in the course of investigating a complaint of unpaid wages shall be confidential and shall not be disclosed or open to public inspection in any manner that reveals the employee's or employer's identity or be admissible in evidence in any action or proceeding other than one arising under this subchapter. However, such information may be released to any public official for the purposes provided in subdivision 1314(e)(1) of this title ~~or to the Attorney General pursuant to the terms of a memorandum of understanding between the Commissioner and the Attorney General that was agreed to in relation to investigations conducted pursuant to section 346 of this subchapter.~~

Sec. 13. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(5) ~~to the Attorney General, if such return or return information relates to chapter 205 of this title or 33 V.S.A. chapter 19, subchapters 1A and 1B, for purposes of investigating potential violations of and enforcing 7 V.S.A. chapter 40, 20 V.S.A. chapter 173, subchapter 2A, and 33 V.S.A. chapter 19, subchapters 1A and 1B, and 21 V.S.A. §§ 346, 387, 712, and 1379;~~

* * *

Sec. 14. EDUCATION AND OUTREACH

(a) On or before September 15, 2019, the Commissioner of Labor and the Attorney General shall develop and disseminate informational materials for employers and employees that informs them:

(1) that the Attorney General has been granted investigation and enforcement authority in relation to complaints of employee misclassification pursuant to the provisions of 21 V.S.A. §§ 346, 387, 712, and 1379;

(2) of the requirements related to proper employee classification; and

(3) about how to file a complaint regarding employee misclassification.

(b) The methods of disseminating the informational materials shall include:

(1) posting the information on the Attorney General's and the Department of Labor's websites; and

(2) e-mailing or otherwise providing written notice to employer and employee organizations.

* * * Workers' Compensation * * *

Sec. 15. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

(a) The Workers' Compensation Administration Fund is created pursuant to 32 V.S.A. chapter 7, subchapter 5 to be expended by the Commissioner for the administration of the workers' compensation and for costs of the occupational disease safety and health programs that are not funded by federal OSHA grants and matching State General Fund appropriations. The Fund shall consist of contributions from employers made at a rate of 1.4 percent of the direct calendar year premium for workers' compensation insurance, one percent of self-insured workers' compensation losses, and one percent of workers' compensation losses of corporations approved under this chapter. Disbursements from the Fund shall be on warrants drawn by the Commissioner of Finance and Management in anticipation of receipts authorized by this section.

* * *

Sec. 16. WORKERS' COMPENSATION EXEMPTION FOR EQUINE

CARE AND MANAGEMENT; REPORT

(a) On or before January 15, 2020, the Commissioners of Agriculture and of Labor shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding whether certain activities related to equine care and management should be excluded from the definition of "worker" and "employee" pursuant to 21 V.S.A. § 601(14).

(b) The report shall specifically address the following:

(1) an appropriate definition for the terms "agriculture" and "farm employment" as those terms are used in 21 V.S.A. § 601(14)(C);

(2) whether any activities related to equine care and management would fall within the definitions of "agriculture" and "farm employment" determined pursuant to subdivision (1) of this subsection;

(3) what activities related to equine care and management, if any, should be included in the exemptions from the definition of “worker” and “employee”; and

(4) what the potential impact of excluding the activities identified pursuant to subdivision (3) of this subsection from the definition of “worker” and “employee” would be with respect to workers’ compensation premiums, worker safety, and potential liability for employers that have equine care and management operations.

(c) The report may include a recommendation for legislative action.

Sec. 17. STATE EMPLOYEES; WORKERS’ COMPENSATION; POST-
TRAUMATIC STRESS DISORDER; MENTAL DISORDERS;
STUDY; REPORT

On or before January 15, 2020, the Agency of Administration, Office of Risk Management, in consultation with the Agency of Human Services, the Department for Children and Families, and the Departments of Human Resources and of Labor, shall submit a written report on the workers’ compensation claims submitted by State employees in relation to post-traumatic stress disorder and other mental conditions to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. The report shall:

(1) examine the occurrence and frequency of workers’ compensation claims submitted by State employees in relation to post-traumatic stress disorder and other mental conditions that are caused or aggravated by workplace stressors or workplace violence;

(2) identify professions and occupations in State government that have a heightened risk of exposure to traumatic situations or stress that could cause post-traumatic stress disorder or other mental conditions;

(3) include an inventory of currently existing prevention and education plans related to the occurrence of post-traumatic stress disorder and other mental conditions among State employees;

(4) identify various approaches for preventing the occurrence of post-traumatic stress disorder and other mental conditions among State employees, including specific actions and methods to reduce the likelihood of job-related stressors or workplace violence; and

(5) identify specific training and educational activities and materials that can be implemented to:

(A) enable State employees to better recognize situations, incidents, and other occurrences that may result in a stressful situation or violent interaction;

(B) enable State employees to better recognize the symptoms of post-traumatic stress disorder and other common mental conditions in themselves and their coworkers;

(C) identify the resources available to employees following a stressful or traumatic incident, including the Employee Assistance Program and counseling; and

(D) educate State employees regarding how to file and pursue a workers' compensation claim for work-related post-traumatic stress disorder or another work-related mental condition that requires treatment or has become disabling.

Sec. 18. WORKERS' COMPENSATION; COMPENSATION FOR
PRESCRIBED OVER-THE-COUNTER MEDICATIONS;
OUTREACH

On or before October 15, 2019, the Commissioner of Labor shall develop and disseminate informational materials to educate workers and employers regarding the ability of a worker to receive compensation for the cost of prescribed over-the-counter medications. The methods of disseminating the materials shall include:

(1) posting the information on the Department's website;

(2) e-mailing or otherwise providing written notice to insurance carriers that offer workers' compensation insurance in Vermont; and

(3) ensuring, in coordination with the Department of Health and the appropriate professional licensing boards and professional membership associations, that the information is made available to all licensed health care professionals who are authorized to prescribe medications and to all licensed pharmacists in Vermont.

Sec. 19. 21 V.S.A. § 650 is amended to read:

§ 650. PAYMENT; AVERAGE WAGE; COMPUTATION

* * *

(f) When benefits have been awarded or are not in dispute as provided in subsection (e) of this section, the employer shall establish a weekday on which payment shall be mailed or deposited and notify the claimant and the

Department of that day. The employer shall ensure that each weekly payment is mailed or deposited on or before the day established. Payment shall be made by direct deposit to a claimant who elects that payment method. The employer shall notify the claimant of his or her right to payment by direct deposit. If the benefit payment is not mailed or deposited on the day established, the employer shall pay to the claimant a late fee of \$10.00 or five percent of the benefit amount, whichever is greater, for each weekly payment that is made after the established day. ~~For the purposes of~~ As used in this subsection, “paid” means the payment is mailed to the claimant’s mailing address or, in the case of direct deposit, transferred into the designated account. In the event of a dispute, proof of payment shall be established by affidavit.

* * * Required Notice for Unemployment Insurance * * *

Sec. 20. 21 V.S.A. § 1346 is amended to read:

§ 1346. CLAIMS FOR BENEFITS; ~~REGULATIONS~~ RULES; NOTICE

(a) Claims for benefits shall be made in accordance with ~~such regulations as rules adopted by the Board may prescribe.~~ Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his or her service and shall make available to each such individual, at the time he or she becomes unemployed, a printed statement of such regulations. ~~Such printed statements shall be supplied by the Commissioner to each employer without cost to him or her.~~

(b) Every person making a claim shall certify that he or she has not, during the week with respect to which waiting period credit or benefits are claimed, earned or received wages or other remuneration for any employment, whether subject to this chapter or not, otherwise than as specified in his or her claim. All benefits shall be paid in accordance with ~~such regulations as the rules adopted by the Board may prescribe.~~

(c) An employer shall post notice of how an unemployed individual can seek unemployment benefits in a form provided by the Commissioner in a place conspicuous to individuals performing services for the employer. The notice shall also advise individuals of their rights under the Domestic and Sexual Violence Survivor’s Transitional Employment Program, pursuant to chapter 16A of this title. The Commissioner shall provide a copy of the notice to an employer upon request without cost to the employer.

* * * Short-Time Compensation Program * * *

Sec. 21. FINDINGS

The General Assembly finds:

(1) The Short-Time Compensation Program was enacted in 1986 to assist employers in avoiding layoffs by temporarily reducing the hours worked by some of their employees.

(2) The Program provides partial unemployment insurance benefits to the employees who are working reduced hours.

(3) In 2014, the General Assembly amended 21 V.S.A. § 1338a to change the formula by which partially unemployed individuals who are not covered by a short-time compensation plan are paid partial unemployment benefits. By changing a claimant's so-called "disregarded earnings" from 30 percent to 50 percent of the claimant's weekly wage, the amount of unemployment benefits available to a partially employed individual increased significantly.

(4) Because of the change in disregarded earnings, employers and employees both have less to gain from short-time compensation plans.

(5) The application and approval process for short-time compensation plans is an administrative burden for employers.

(6) Since 2014, only one employer in Vermont has established a Short-Time Compensation Program.

(7) Therefore, the General Assembly finds that 21 V.S.A. chapter 17, subchapter 3, which establishes the Short-Time Compensation Program, should be repealed.

Sec. 22. REPEAL

21 V.S.A. chapter 17, subchapter 3 is repealed.

* * * Self-Employment Assistance Program * * *

Sec. 23. 21 V.S.A. § 1340a is added to read:

§ 1340a. SELF-EMPLOYMENT ASSISTANCE PROGRAM

(a) As used in this section:

(1) "Full-time basis" means that the individual is devoting the necessary time as determined by the Commissioner to establish a business that will serve as a full-time occupation for that individual.

(2) "Regular benefits" shall have the same meaning as in subdivision 1421(5) of this title.

(3) "Self-employment assistance activities" means activities approved by the Commissioner in which an individual participates for the purpose of

establishing a business and becoming self-employed, including entrepreneurial training, business counseling, and technical assistance.

(4) “Self-employment assistance allowance” means an allowance payable in lieu of regular benefits from the Unemployment Compensation Trust Fund to an individual who meets the requirements of this section.

(5) “Self-Employment Assistance Program” means the program under which an individual who meets the requirements of subsection (d) of this section is eligible to receive an allowance in lieu of regular benefits for the purpose of assisting that individual in establishing a business and becoming self-employed.

(b) The weekly amount of the self-employment assistance allowance payable to an individual shall be equal to the weekly benefit amount for regular benefits otherwise payable pursuant to this title.

(c) The maximum amount of the self-employment assistance allowance paid pursuant to this section shall not exceed the maximum amount of benefits established pursuant to section 1340 of this title with respect to any benefit year.

(d)(1) An individual may receive a self-employment assistance allowance if that individual:

(A) is eligible to receive regular benefits or would be eligible to receive regular benefits except for the requirements described in subdivisions (2)(A) and (B) of this subsection (d);

(B) is identified by a worker profiling system as an individual likely to exhaust regular benefits;

(C) has received the approval of the Commissioner to participate in a program providing self-employment assistance activities;

(D) is engaged actively on a full-time basis in activities that may include training related to establishing a business and becoming self-employed; and

(E) has filed a weekly claim for the self-employment assistance allowance and provided the information the Commissioner requires.

(2) A self-employment allowance shall be payable to an individual at the same interval, on the same terms, and subject to the same conditions as regular benefits pursuant to this chapter, except:

(A) the requirements of section 1343 of this title, relating to availability for work, efforts to secure work, and refusal to accept work, are not applicable to the individual; and

(B)(i) the individual is not considered to be self-employed pursuant to subdivision 1301(24) of this title;

(ii) an individual who meets the requirements of this section shall be considered to be unemployed pursuant to section 1338 of this title; and

(iii) an individual who fails to participate in self-employment assistance activities or who fails to engage actively on a full-time basis in activities, including training, relating to the establishment of a business and becoming self-employed shall be disqualified from receiving an allowance for the week in which the failure occurs.

(e) The self-employment assistance allowance may be paid to up to 35 qualified individuals at any time.

(f)(1) The self-employment assistance allowance shall be charged to the Unemployment Compensation Trust Fund.

(2) In the event that the self-employment assistance allowance cannot be charged to the Unemployment Compensation Trust Fund pursuant to subdivision (1) of this subsection, the allowance shall be charged in accordance with section 1325 of this title.

(g) The Commissioner may approve a program upon determining that it will provide self-employment assistance activities to qualified individuals.

(h)(1) The Commissioner shall adopt rules to implement this section.

(2) The rules adopted pursuant to this subsection shall include a detailed explanation of how an individual may apply for and establish eligibility for the Self-Employment Assistance Program and any criteria that the Commissioner will consider in determining whether to approve a program.

(i) The Commissioner may suspend the Self-Employment Assistance Program with approval of the Secretary of Administration and notice to the House Committee on Commerce and Economic Development and the Senate Committee on Finance in the event that the Program presents unintended adverse consequences to the Unemployment Compensation Trust Fund.

Sec. 24. USE OF SELF EMPLOYMENT ASSISTANCE PROGRAM;

REPORT

On or before January 15, 2021, the Commissioner of Labor shall submit a written report to the House Committee on Commerce and the Senate

Committee on Economic Development, Housing and General Affairs regarding the utilization of the Self Employment Assistance Program during the previous 18 months, including the number of applications received, programs approved, and programs completed, and any recommendations for legislative action to improve the utilization of the Self Employment Assistance Program. The Commissioner shall also present the report in person to both Committees.

* * * Unemployment Insurance Experience Ratings * * *

Sec. 25. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;

DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

* * *

(E) The individual was paid wages of \$1,000.00 or less by the employer during the individual's base period.

* * *

Sec. 26. MITIGATING IMPACT OF EXPERIENCE RATING SYSTEM ON SMALL BUSINESSES; REPORT

On or before January 15, 2020, the Commissioner of Labor shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding potential approaches to mitigate the impact of a single separation from employment on a small employer's unemployment insurance experience rating and contribution rate. The report shall specifically identify and describe provisions in other states' laws that reduce the impact of a single separation from employment on small employers' unemployment insurance experience ratings and contribution rates, and any resulting effect on the state's unemployment insurance trust fund. The report shall also identify any amendments to the Vermont Statutes Annotated that could reduce the

impact of a single separation from employment on a small employer's unemployment insurance experience rating and contribution rate and, if possible, make a recommendation for legislative action to accomplish that goal.

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

(a) Sec. 8 of this act shall take effect on July 1, 2019, and the memoranda of understanding required pursuant to that section shall be executed on or before September 1, 2019.

(b) Secs. 10, 11, 12, and 13 of this act shall take effect on July 1, 2023.

(c) Sec. 19 of this act shall take effect on January 1, 2020, and shall apply to injuries incurred on or after that date.

(d) The remaining sections of this act shall take effect on July 1, 2019.

and that after passage the title of the bill be amended to read: "An act relating to workers' compensation, unemployment insurance, and employee misclassification"

(Committee vote: 10-0-1)

(For text see Senate Journal March 19, 2019)

S. 110

An act relating to data privacy and consumer protection

Rep. Ralph of Hartland, for the Committee on Commerce and Economic Development, 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:

* * * Data Privacy; State Government * * *

Sec. 1. DATA PRIVACY INVENTORY

(a) On or before January 15, 2020, the following persons shall conduct a data privacy inventory and submit a report for their respective branches of State government to the House Committees on Commerce and Economic Development and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations:

(1) the State Court Administrator for the Judicial Branch;

(2) the Deputy Director for Information Technology within the Office of Legislative Council for the Legislative Branch; and

(3) the Chief Data Officer within the Agency of Digital Services and the Chief Records Officer within the Office of the Secretary of State for the Executive Branch.

(b) The inventory and report for each branch shall address the collection and management of personally identifiable information, as defined in 9 V.S.A. § 2430, and of street addresses, e-mail addresses, telephone numbers, and demographic information, specifically:

(1) federal and State laws, rules, and regulations that:

(A) exempt personally identifiable information from public inspection and copying pursuant to 1 V.S.A. § 317;

(B) require personally identifiable information to be produced or acquired in the course of State government business;

(C) specify fees for obtaining personally identifiable information produced or acquired in the course of State government business; and

(D) require personally identifiable information to be shared between branches of State government or between branches and nonstate entities, including municipalities;

(2) arrangements or agreements, whether verbal or written, between branches of State government or between branches and nonstate entities, including municipalities, to share personally identifiable information, street addresses, e-mail addresses, telephone numbers, and demographic information; and

(3) recommendations for proposed legislation concerning the collection and management of personally identifiable information, street addresses, e-mail addresses, telephone numbers, and demographic information.

* * * Security Breach Notice Act * * *

Sec. 2. 9 V.S.A. § 2430 is amended to read:

§ 2430. DEFINITIONS

As used in this chapter:

* * *

(6) “Data collector” means a person who, for any purpose, whether by automated collection or otherwise, handles, collects, disseminates, or otherwise deals with personally identifiable information, and includes the

State, State agencies, political subdivisions of the State, public and private universities, privately and publicly held corporations, limited liability companies, financial institutions, and retail operators.

(7) “Encryption” means use of an algorithmic process to transform data into a form in which the data is rendered unreadable or unusable without use of a confidential process or key.

(8) “License” means a grant of access to, or distribution of, data by one person to another in exchange for consideration. A use of data for the sole benefit of the data provider, where the data provider maintains control over the use of the data, is not a license.

(9) “Login credentials” means a consumer’s user name or e-mail address, in combination with a password or an answer to a security question, that together permit access to an online account.

~~(9)~~(10)(A) “Personally identifiable information” means a consumer’s first name or first initial and last name in combination with ~~any~~ one or more of the following digital data elements, when the data elements are not encrypted, ~~or~~ redacted, or protected by another method that renders them unreadable or unusable by unauthorized persons:

(i) a Social Security number;

(ii) ~~motor vehicle operator’s license number or nondriver identification card number~~ a driver license or nondriver State identification card number, individual taxpayer identification number, passport number, military identification card number, or other identification number that originates from a government identification document that is commonly used to verify identity for a commercial transaction;

(iii) a financial account number or credit or debit card number, if circumstances exist in which the number could be used without additional identifying information, access codes, or passwords;

(iv) ~~account passwords~~ a password, or personal identification numbers number, or other access codes code for a financial account;

(v) unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;

(vi) genetic information; and

(vii)(I) health records or records of a wellness program or similar program of health promotion or disease prevention;

(II) a health care professional's medical diagnosis or treatment of the consumer; or

(III) a health insurance policy number.

(B) "Personally identifiable information" does not mean publicly available information that is lawfully made available to the general public from federal, State, or local government records.

~~(10)~~(11) "Record" means any material on which written, drawn, spoken, visual, or electromagnetic information is recorded or preserved, regardless of physical form or characteristics.

~~(11)~~(12) "Redaction" means the rendering of data so that the data are unreadable or are truncated so that no more than the last four digits of the identification number are accessible as part of the data.

~~(12)~~(13)(A) "Security breach" means unauthorized acquisition of, electronic data or a reasonable belief of an unauthorized acquisition of, electronic data that compromises the security, confidentiality, or integrity of a consumer's personally identifiable information or login credentials maintained by a data collector.

(B) "Security breach" does not include good faith but unauthorized acquisition of personally identifiable information or login credentials by an employee or agent of the data collector for a legitimate purpose of the data collector, provided that the personally identifiable information is or login credentials are not used for a purpose unrelated to the data collector's business or subject to further unauthorized disclosure.

(C) In determining whether personally identifiable information ~~has~~ or login credentials have been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data collector may consider the following factors, among others:

(i) indications that the information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing information;

(ii) indications that the information has been downloaded or copied;

(iii) indications that the information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the information has been made public.

Sec. 3. 9 V.S.A. § 2435 is amended to read:

§ 2435. NOTICE OF SECURITY BREACHES

(a) This section shall be known as the Security Breach Notice Act.

(b) Notice of breach.

(1) Except as ~~set forth~~ otherwise provided in subsection (d) of this section, any data collector that owns or licenses computerized personally identifiable information or login credentials ~~that includes personal information concerning a consumer~~ shall notify the consumer that there has been a security breach following discovery or notification to the data collector of the breach. Notice of the security breach shall be made in the most expedient time possible and without unreasonable delay, but not later than 45 days after the discovery or notification, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection (b), or with any measures necessary to determine the scope of the security breach and restore the reasonable integrity, security, and confidentiality of the data system.

(2) Any data collector that maintains or possesses computerized data containing personally identifiable information ~~of a consumer~~ or login credentials that the data collector does not own or license or any data collector that acts or conducts business in Vermont that maintains or possesses records or data containing personally identifiable information or login credentials that the data collector does not own or license shall notify the owner or licensee of the information of any security breach immediately following discovery of the breach, consistent with the legitimate needs of law enforcement as provided in subdivisions (3) and (4) of this subsection (b).

(3) A data collector or other entity subject to this subchapter shall provide notice of a breach to the Attorney General or to the Department of Financial Regulation, as applicable, as follows:

(A) A data collector or other entity regulated by the Department of Financial Regulation under Title 8 or this title shall provide notice of a breach to the Department. All other data collectors or other entities subject to this subchapter shall provide notice of a breach to the Attorney General.

(B)(i) The data collector shall notify the Attorney General or the Department, as applicable, of the date of the security breach and the date of discovery of the breach and shall provide a preliminary description of the breach within 14 business days, consistent with the legitimate needs of the law enforcement agency as provided in this subdivision (3) and subdivision (4) of this subsection (b), of the data collector's discovery of the security breach or

when the data collector provides notice to consumers pursuant to this section, whichever is sooner.

(ii) Notwithstanding subdivision (B)(i) of this subdivision (b)(3), a data collector who, prior to the date of the breach, on a form and in a manner prescribed by the Attorney General, had sworn in writing to the Attorney General that it maintains written policies and procedures to maintain the security of personally identifiable information or login credentials and respond to a breach in a manner consistent with Vermont law shall notify the Attorney General of the date of the security breach and the date of discovery of the breach and shall provide a description of the breach prior to providing notice of the breach to consumers pursuant to subdivision (1) of this subsection (b).

(iii) If the date of the breach is unknown at the time notice is sent to the Attorney General or to the Department, the data collector shall send the Attorney General or the Department the date of the breach as soon as it is known.

(iv) Unless otherwise ordered by a court of this State for good cause shown, a notice provided under this subdivision (3)(B) shall not be disclosed to any person other than the Department, the authorized agent or representative of the Attorney General, a State's Attorney, or another law enforcement officer engaged in legitimate law enforcement activities without the consent of the data collector.

(C)(i) When the data collector provides notice of the breach pursuant to subdivision (1) of this subsection (b), the data collector shall notify the Attorney General or the Department, as applicable, of the number of Vermont consumers affected, if known to the data collector, and shall provide a copy of the notice provided to consumers under subdivision (1) of this subsection (b).

(ii) The data collector may send to the Attorney General or the Department, as applicable, a second copy of the consumer notice, from which is redacted the type of personally identifiable information or login credentials that was subject to the breach, and which the Attorney General or the Department shall use for any public disclosure of the breach.

(D) If a security breach is limited to an unauthorized acquisition of login credentials, a data collector is only required to provide notice of the security breach to the Attorney General or Department of Financial Regulation, as applicable, if the login credentials were acquired directly from the data collector or its agent.

(4)(A) The notice to a consumer required by this subsection shall be delayed upon request of a law enforcement agency. A law enforcement

agency may request the delay if it believes that notification may impede a law enforcement investigation, or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. In the event law enforcement makes the request for a delay in a manner other than in writing, the data collector shall document such request contemporaneously in writing, including the name of the law enforcement officer making the request and the officer's law enforcement agency engaged in the investigation. A law enforcement agency shall promptly notify the data collector in writing when the law enforcement agency no longer believes that notification may impede a law enforcement investigation, or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. The data collector shall provide notice required by this section without unreasonable delay upon receipt of a written communication, which includes facsimile or electronic communication, from the law enforcement agency withdrawing its request for delay.

(B) A Vermont law enforcement agency with a reasonable belief that a security breach has or may have occurred at a specific business shall notify the business in writing of its belief. The agency shall also notify the business that additional information on the security breach may need to be furnished to the Office of the Attorney General or the Department of Financial Regulation and shall include the website and telephone number for the Office and the Department in the notice required by this subdivision. Nothing in this subdivision shall alter the responsibilities of a data collector under this section or provide a cause of action against a law enforcement agency that fails, without bad faith, to provide the notice required by this subdivision.

(5) The notice to a consumer required in subdivision (1) of this subsection (b) shall be clear and conspicuous. The A notice to a consumer of a security breach involving personally identifiable information shall include a description of each of the following, if known to the data collector:

(A) the incident in general terms;

(B) the type of personally identifiable information that was subject to the security breach;

(C) the general acts of the data collector to protect the personally identifiable information from further security breach;

(D) a telephone number, toll-free if available, that the consumer may call for further information and assistance;

(E) advice that directs the consumer to remain vigilant by reviewing account statements and monitoring free credit reports; and

(F) the approximate date of the security breach.

(6) A data collector may provide notice of a security breach involving personally identifiable information to a consumer by one or more of the following methods:

(A) Direct notice, which may be by one of the following methods:

(i) written notice mailed to the consumer's residence;

(ii) electronic notice, for those consumers for whom the data collector has a valid e-mail address if:

(I) the data collector's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or

(II) the notice is consistent with the provisions regarding electronic records and signatures for notices in 15 U.S.C. § 7001; or

(iii) telephonic notice, provided that telephonic contact is made directly with each affected consumer and not through a prerecorded message.

(B)(i) Substitute notice, if:

(I) the data collector demonstrates that the lowest cost of providing notice to affected consumers pursuant to subdivision (6)(A) of this subsection among written, e-mail, or telephonic notice to affected consumers would exceed ~~\$5,000.00~~ \$10,000.00; or

~~(II) the class of affected consumers to be provided written or telephonic notice exceeds 5,000; or~~

~~(III) the data collector does not have sufficient contact information.~~

(ii) A data collector shall provide substitute notice by:

(I) conspicuously posting the notice on the data collector's website if the data collector maintains one; and

(II) notifying major statewide and regional media.

(c) In the event a data collector provides notice to more than 1,000 consumers at one time pursuant to this section, the data collector shall notify, without unreasonable delay, all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis, as defined in 15 U.S.C.

§ 1681a(p), of the timing, distribution, and content of the notice. This subsection shall not apply to a person who is licensed or registered under Title 8 by the Department of Financial Regulation.

(d)(1) Notice of a security breach pursuant to subsection (b) of this section is not required if the data collector establishes that misuse of ~~personal information~~ personally identifiable information or login credentials is not reasonably possible and the data collector provides notice of the determination that the misuse of the ~~personal information~~ personally identifiable information or login credentials is not reasonably possible pursuant to the requirements of this subsection (d). If the data collector establishes that misuse of the ~~personal information~~ personally identifiable information or login credentials is not reasonably possible, the data collector shall provide notice of its determination that misuse of the ~~personal information~~ personally identifiable information or login credentials is not reasonably possible and a detailed explanation for said determination to the Vermont Attorney General or to the Department of Financial Regulation in the event that the data collector is a person or entity licensed or registered with the Department under Title 8 or this title. The data collector may designate its notice and detailed explanation to the Vermont Attorney General or the Department of Financial Regulation as “trade secret” if the notice and detailed explanation meet the definition of trade secret contained in 1 V.S.A. § 317(c)(9).

(2) If a data collector established that misuse of ~~personal information~~ personally identifiable information or login credentials was not reasonably possible under subdivision (1) of this subsection (d), and subsequently obtains facts indicating that misuse of the ~~personal information~~ personally identifiable information or login credentials has occurred or is occurring, the data collector shall provide notice of the security breach pursuant to subsection (b) of this section.

(3) If a security breach is limited to an unauthorized acquisition of login credentials for an online account other than an e-mail account the data collector shall provide notice of the security breach to the consumer electronically or through one or more of the methods specified in subdivision (b)(6) of this section and shall advise the consumer to take steps necessary to protect the online account, including to change his or her login credentials for the account and for any other account for which the consumer uses the same login credentials.

(4) If a security breach is limited to an unauthorized acquisition of login credentials for an email account:

(A) the data collector shall not provide notice of the security breach through the email account; and

(B) the data collector shall provide notice of the security breach through one or more of the methods specified in subdivision (b)(6) of this section or by clear and conspicuous notice delivered to the consumer online when the consumer is connected to the online account from an Internet protocol address or online location from which the data collector knows the consumer customarily accesses the account.

(e) A data collector that is subject to the privacy, security, and breach notification rules adopted in 45 C.F.R. Part 164 pursuant to the federal Health Insurance Portability and Accountability Act, P.L. 104-191 (1996) is deemed to be in compliance with this subchapter if:

(1) the data collector experiences a security breach that is limited to personally identifiable information specified in 2430(10)(A)(vii); and

(2) the data collector provides notice to affected consumers pursuant to the requirements of the breach notification rule in 45 C.F.R. Part 164, Subpart D.

(f) Any waiver of the provisions of this subchapter is contrary to public policy and is void and unenforceable.

(~~f~~)(g) Except as provided in subdivision (3) of this subsection (g), a financial institution that is subject to the following guidances, and any revisions, additions, or substitutions relating to an interagency guidance shall be exempt from this section:

(1) The Federal Interagency Guidance Response Programs for Unauthorized Access to Consumer Information and Customer Notice, issued on March 7, 2005, by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision.

(2) Final Guidance on Response Programs for Unauthorized Access to Member Information and Member Notice, issued on April 14, 2005, by the National Credit Union Administration.

(3) A financial institution regulated by the Department of Financial Regulation that is subject to subdivision (1) or (2) of this subsection (~~f~~)(g) shall notify the Department as soon as possible after it becomes aware of an

incident involving unauthorized access to or use of personally identifiable information.

~~(g)~~(h) Enforcement.

(1) With respect to all data collectors and other entities subject to this subchapter, other than a person or entity licensed or registered with the Department of Financial Regulation under Title 8 or this title, the Attorney General and State's Attorney shall have sole and full authority to investigate potential violations of this subchapter and to enforce, prosecute, obtain, and impose remedies for a violation of this subchapter or any rules or regulations made pursuant to this chapter as the Attorney General and State's Attorney have under chapter 63 of this title. The Attorney General may refer the matter to the State's Attorney in an appropriate case. The Superior Courts shall have jurisdiction over any enforcement matter brought by the Attorney General or a State's Attorney under this subsection.

(2) With respect to a data collector that is a person or entity licensed or registered with the Department of Financial Regulation under Title 8 or this title, the Department of Financial Regulation shall have the full authority to investigate potential violations of this subchapter and to prosecute, obtain, and impose remedies for a violation of this subchapter or any rules or regulations adopted pursuant to this subchapter, as the Department has under Title 8 or this title or any other applicable law or regulation.

* * * Student Data Privacy * * *

Sec. 4. 9 V.S.A. chapter 62, subchapter 3A is added to read:

Subchapter 3A: Student Privacy

§ 2443. DEFINITIONS

As used in this subchapter:

(1) "Covered information" means personal information or material, or information that is linked to personal information or material, in any media or format that is:

(A)(i) not publicly available; or

(ii) made publicly available pursuant to the federal Family Educational and Rights and Privacy Act; and

(B)(i) created by or provided to an operator by a student or the student's parent or legal guardian in the course of the student's, parent's, or legal guardian's use of the operator's site, service, or application for PreK-12 school purposes;

(ii) created by or provided to an operator by an employee or agent of a school or school district for PreK–12 school purposes; or

(iii) gathered by an operator through the operation of its site, service, or application for PreK–12 school purposes and personally identifies a student, including information in the student’s education record or electronic mail; first and last name; home address; telephone number; electronic mail address or other information that allows physical or online contact; discipline records; test results; special education data; juvenile dependency records; grades; evaluations; criminal records; medical records; health records; social security number; biometric information; disability status; socioeconomic information; food purchases; political affiliations; religious information; text messages; documents; student identifiers; search activity; photos; voice recordings; or geolocation information.

(2) “Operator” means, to the extent that an entity is operating in this capacity, the operator of an Internet website, online service, online application, or mobile application with actual knowledge that the site, service, or application is used primarily for PreK–12 school purposes and was designed and marketed for PreK–12 school purposes.

(3) “PreK–12 school purposes” means purposes that are directed by or that customarily take place at the direction of a school, teacher, or school district; aid in the administration of school activities, including instruction in the classroom or at home, administrative activities, and collaboration between students, school personnel, or parents; or are otherwise for the use and benefit of the school.

(4) “School” means:

(A) a public or private preschool, kindergarten, elementary or secondary educational institution, vocational school, special educational agency or institution; and

(B) a person, agency, or institution that maintains school student records from more than one of the entities described in subdivision (6)(A) of this section.

(5) “Targeted advertising” means presenting advertisements to a student where the advertisement is selected based on information obtained or inferred over time from that student’s online behavior, usage of applications, or covered information. The term does not include advertising to a student at an online location based upon that student’s current visit to that location or in response to that student’s request for information or feedback, without the

retention of that student's online activities or requests over time for the purpose in whole or in part of targeting subsequent ads.

§ 2443a. OPERATOR PROHIBITIONS

(a) An operator shall not knowingly do any of the following with respect to its site, service, or application:

(1) Engage in targeted advertising on the operator's site, service, or application or target advertising on any other site, service, or application if the targeting of the advertising is based on any information, including covered information and persistent unique identifiers, that the operator has acquired because of the use of that operator's site, service, or application for PreK–12 school purposes.

(2) Use information, including a persistent unique identifier, that is created or gathered by the operator's site, service, or application to amass a profile about a student, except in furtherance of PreK–12 school purposes. "Amass a profile" does not include the collection and retention of account information that remains under the control of the student, the student's parent or legal guardian, or the school.

(3) Sell, barter, or rent a student's information, including covered information. This subdivision (3) does not apply to the purchase, merger, or other type of acquisition of an operator by another entity if the operator or successor entity complies with this subchapter regarding previously acquired student information.

(4) Except as otherwise provided in section 2443c of this title, disclose covered information, unless the disclosure is made for one or more of the following purposes and is proportionate to the identifiable information necessary to accomplish the purpose:

(A) to further the PreK–12 school purposes of the site, service, or application, provided:

(i) the recipient of the covered information does not further disclose the information except to allow or improve operability and functionality of the operator's site, service, or application; and

(ii) the covered information is not used for a purpose inconsistent with this subchapter;

(B) to ensure legal and regulatory compliance or take precautions against liability;

(C) to respond to judicial process;

(D) to protect the safety or integrity of users of the site or others or the security of the site, service, or application;

(E) for a school, educational, or employment purpose requested by the student or the student's parent or legal guardian, provided that the information is not used or further disclosed for any other purpose; or

(F) to a third party if the operator contractually prohibits the third party from using any covered information for any purpose other than providing the contracted service to or on behalf of the operator, prohibits the third party from disclosing any covered information provided by the operator to subsequent third parties, and requires the third party to implement and maintain reasonable security procedures and practices.

(b) This section does not prohibit an operator's use of information for maintaining, developing, supporting, improving, or diagnosing the operator's site, service, or application.

§ 2443b. OPERATOR DUTIES

An operator shall:

(1) implement and maintain reasonable security procedures and practices appropriate to the nature of the covered information and designed to protect that covered information from unauthorized access, destruction, use, modification, or disclosure;

(2) delete, within a reasonable time period and to the extent practicable, a student's covered information if the school or school district requests deletion of covered information under the control of the school or school district, unless a student or his or her parent or legal guardian consents to the maintenance of the covered information; and

(3) publicly disclose and provide the school with material information about its collection, use, and disclosure of covered information, including publishing a term of service agreement, privacy policy, or similar document.

§ 2443c. PERMISSIVE USE OR DISCLOSURE

An operator may use or disclose covered information of a student under the following circumstances:

(1) if other provisions of federal or State law require the operator to disclose the information and the operator complies with the requirements of federal and State law in protecting and disclosing that information;

(2) for legitimate research purposes as required by State or federal law and subject to the restrictions under applicable State and federal law or as

allowed by State or federal law and under the direction of a school, school district, or the State Board of Education if the covered information is not used for advertising or to amass a profile on the student for purposes other than for PreK–12 school purposes; and

(3) disclosure to a State or local educational agency, including schools and school districts, for PreK–12 school purposes as permitted by State or federal law.

§ 2443d. OPERATOR ACTIONS THAT ARE NOT PROHIBITED

This subchapter does not prohibit an operator from doing any of the following:

(1) using covered information to improve educational products if that information is not associated with an identified student within the operator’s site, service, or application or other sites, services, or applications owned by the operator;

(2) using covered information that is not associated with an identified student to demonstrate the effectiveness of the operator’s products or services, including in their marketing;

(3) sharing covered information that is not associated with an identified student for the development and improvement of educational sites, services, or applications;

(4) using recommendation engines to recommend to a student either of the following:

(A) additional content relating to an educational, other learning, or employment opportunity purpose within an online site, service, or application if the recommendation is not determined in whole or in part by payment or other consideration from a third party; or

(B) additional services relating to an educational, other learning, or employment opportunity purpose within an online site, service, or application if the recommendation is not determined in whole or in part by payment or other consideration from a third party; and

(5) responding to a student’s request for information or for feedback without the information or response being determined in whole or in part by payment or other consideration from a third party.

§ 2443e. APPLICABILITY

This subchapter does not:

(1) limit the authority of a law enforcement agency to obtain any content or information from an operator as authorized by law or under a court order;

(2) limit the ability of an operator to use student data, including covered information, for adaptive learning or customized student learning purposes;

(3) apply to general audience Internet websites, general audience online services, general audience online applications, or general audience mobile applications, even if login credentials created for an operator's site, service, or application may be used to access those general audience sites, services, or applications;

(4) limit service providers from providing Internet connectivity to schools or students and their families;

(5) prohibit an operator of an Internet website, online service, online application, or mobile application from marketing educational products directly to parents if the marketing did not result from the use of covered information obtained by the operator through the provision of services covered under this subchapter;

(6) impose a duty upon a provider of an electronic store, gateway, marketplace, or other means of purchasing or downloading software or applications to review or enforce compliance with this subchapter on those applications or software;

(7) impose a duty upon a provider of an interactive computer service, as defined in 47 U.S.C. § 230, to review or enforce compliance with this subchapter by third-party content providers;

(8) prohibit students from downloading, exporting, transferring, saving, or maintaining their own student-created data or documents; or

(9) supersede the federal Family Educational Rights and Privacy Act or rules adopted pursuant to that Act.

§ 2443f. ENFORCEMENT

A person who violates a provision of this subchapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

Sec. 5. STUDENT PRIVACY; REVIEW; RECOMMENDATIONS

The Attorney General, in consultation with the Agency of Education, shall examine the issue of student data privacy as it relates to the federal Family Educational Rights and Privacy Act and access to student data by data brokers

or other entities, and shall confer with parties of interest to determine any necessary recommendations.

* * * Automatic Renewal Provisions * * *

Sec. 6. 9 V.S.A. § 2454a is amended to read:

§ 2454a. CONSUMER CONTRACTS; AUTOMATIC RENEWAL

(a) A contract between a consumer and a seller or a lessor with an initial term of one year or longer that renews for a subsequent term that is longer than one month shall not renew automatically unless:

(1) the contract states clearly and conspicuously the terms of the automatic renewal provision in plain, unambiguous language in bold-face type; and

~~(2) in addition to accepting the contract, the consumer takes an affirmative action to opt in to the automatic renewal provision; and~~

~~(3) if the consumer opts in to the automatic renewal provision, the seller or lessor provides a written or electronic notice to the consumer:~~

~~(A) not less than 30 days and not more than 60 days before the earliest of:~~

~~(i) the automatic renewal date;~~

~~(ii) the termination date; or~~

~~(iii) the date by which the consumer must provide notice to cancel the contract; and~~

~~(B) that includes:~~

~~(i) the date the contract will terminate and a clear statement that the contract will renew automatically unless the consumer cancels the contract on or before the termination date; and~~

~~(ii) the length and any additional terms of the renewal period;~~

~~(iii) one or more methods by which the consumer can cancel the contract; and~~

~~(iv) contact information for the seller or lessor.~~

(b) A seller or lessor under a contract subject to subsection (a) of this section shall:

(1) provide to the consumer a toll-free telephone number, electronic-mail address, a postal address if the seller or lessor directly bills the consumer,

or another cost-effective, timely, and easy-to-use mechanism for canceling the contract; and

(2) if the consumer accepted the contract online, permit the consumer to terminate the contract exclusively online, which may include a termination e-mail formatted and provided by the seller or lessor that the consumer can send without additional information.

~~(c)~~ A person who violates a provision of ~~subsection (a)~~ of this section commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

~~(e)~~(d) The provisions of this section do not apply to:

(1) a contract between a consumer and a financial institution, as defined in 8 V.S.A. § 11101, or between a consumer and a credit union, as defined in 8 V.S.A. § 30101; or

(2) a contract for insurance, as defined in 8 V.S.A. § 3301a.

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

(a) This section and Secs. 1–5 of this act shall take effect on July 1, 2019.

(b) Sec. 6 of this act shall take effect on July 1, 2019 and supersedes contrary provisions of 2018 Acts and Resolves No. 179, Sec. 1.

(Committee vote: 9-0-2)

(For text see Senate Journal March 20, 21, 2019)

S. 134

An act relating to background investigations for State employees with access to federal tax information

Rep. Gardner of Richmond, for the Committee on Government Operations, 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:

* * * Background Investigations * * *

Sec. 1. 3 V.S.A. § 241 is amended to read:

§ 241. BACKGROUND INVESTIGATIONS

* * *

(b) As used in this chapter, “Recipient” means the following authorities of the Executive Branch of State government that receive FTI:

(1) Agency of Human Services, including the:

- (A) Department for Children and Families;
- (B) Department of Health;
- (C) Department of Mental Health; and
- (D) Department of Vermont Health Access.

(2) Department of Labor.

(3) Department of Motor Vehicles.

(4) Department of Taxes.

(5) Agency of Digital Services.

(6) Department of Buildings and General Services.

(c)(1) The Recipient shall conduct an initial background investigation of any individual, including a current or prospective employee, volunteer, contractor, or subcontractor, to whom the Recipient will permit access to FTI for the purpose of assessing the individual’s fitness to be permitted access to FTI.

(2) The Recipient shall, at least every 10 years, conduct a periodic background reinvestigation of any employee, volunteer, contractor, or subcontractor to whom the Recipient permits access to FTI.

(3) The impact of the results of a background investigation performed pursuant to subdivision (1) of this subsection shall be the subject of impact bargaining between the State and the collective bargaining representative for the employee’s bargaining unit to the extent required by any collective bargaining agreements between the parties.

* * *

* * * State Temporary and Seasonal Employees * * *

Sec. 2. 3 V.S.A. § 323 is amended to read:

§ 323. DEFINITIONS

As used in this chapter, unless the context clearly requires otherwise:

* * *

(2) “Bona fide emergency” means an unanticipated need for short-term staffing:

(A) to prevent significant disruption to the continued operation of State government;

(B) to avoid serious or imminent harm to the public, critical services, or other staff; or

(C) to avoid jeopardizing public safety.

(3) “Class” means one or more positions sufficiently similar in nature, scope, and accountability that the same title, test of fitness, and schedule of compensation may be applied to each position.

(3)(4) “Job evaluation” means the systematic method used to determine the value of each job in relation to other jobs within the State service.

(5) “Seasonal employment” means employment in a temporary position with a specific start date and anticipated end date for a period of not more than seven months in any 12-month period or employment in a temporary position with a specific start date and anticipated end date for a period of more than seven months that has been approved by the Commissioner of Human Resources pursuant to subdivision 331(c)(3) of this chapter. Seasonal employment includes employment in temporary positions that are available on a reoccurring basis from year to year.

Sec. 3. 3 V.S.A. § 331 is amended as follows:

§ 331. TEMPORARY EMPLOYEES

(a) The State shall not employ any person in a temporary capacity except in accordance with the provisions of this section.

(b)(1) On request of the appointing authority, the Commissioner of Human Resources may approve, in writing, the creation of a temporary position and the hiring of a person to fill such temporary position only if the position and person are needed:

(A) to meet a seasonal employment need of State government;

(B) to respond to a bona fide emergency;

(C) to fill in for the temporary absence of an existing employee, or a vacancy in an existing position; or

(D) to perform a governmental function that requires only intermittent, sporadic, or ongoing employment ~~that averages less than 20 hours per week during any one calendar year~~, provided that such employment does not exceed 1,280 work hours in any one calendar year.

* * *

(c)(1) The Commissioner may authorize the continued employment of a person in a temporary capacity for more than 1,280 work hours in any one calendar year if the Commissioner determines, in writing, that a bona fide emergency exists for the appointing authority that requires such continued employment. Authorization of temporary employment for more than 1,280 work hours in a calendar year shall not be required for seasonal employment, as that term is defined pursuant to section 323 of this chapter. Annually, on or before January 15, the Commissioner shall submit a report to the House Committee on General, Housing, and Military Affairs and the House and Senate Committees on Government Operations:

* * *

(2) It shall be the responsibility of the head of each department to provide to the Department of Human Resources a detailed justification for each waiver to exceed the 1,280-work-hour limit within his or her department and such other information as may be required in order to enable that department to carry out its responsibility under this section.

(3) The Commissioner may authorize seasonal employment in a specific position for a period of between seven and 12 months if the Commissioner determines, in writing, that the nature and duties of the position require the employment of a person for a period of more than seven months in a 12-month period. The Commissioner shall not authorize seasonal employment for a period of more than seven months in a 12-month period if the authorization is intended to circumvent, or has the effect of circumventing, the policies and purposes of the classified service under this chapter. Annually, on or before January 15, the Commissioner shall submit a report to the House and Senate Committees on Government Operations regarding:

(A) the total number of positions in seasonal employment that have been authorized for a period of between seven and 12 months during the prior calendar year;

(B) the agency or department that each position identified in subdivision (A) of this subdivision (c)(3) is assigned to; and

(C) the period of time that each identified position is authorized for.

(d) The Commissioner may transfer and convert existing, vacant positions in the Executive Branch of State government to replace the temporary positions of long-term temporary employees who are performing ongoing and continuing functions of State government ~~for more than an average of 20 hours per week during any one calendar year or~~ for more than 1,280 work hours in any one calendar year.

* * *

(f) An individual employed in a temporary or seasonal capacity shall be entitled to the whistleblower protections, rights, and remedies provided to State employees pursuant to sections 971–978 of this title.

Sec. 4. STATE TEMPORARY AND SEASONAL EMPLOYEES; REPORT

On or before January 15, 2020, the Secretary of Administration shall submit a written report to the House and Senate Committees on Appropriations and on Government Operations regarding:

(1) the number of temporary employees, not including individuals working in seasonal employment as defined pursuant to 3 V.S.A. § 323(5), who, during the prior calendar year, were employed by each agency and department in a temporary capacity pursuant to 3 V.S.A. § 331;

(2) the number of temporary positions in each agency or department identified pursuant to subdivision (1) of this section that are performing ongoing and continuing functions of State government for which a permanent classified position would better meet the needs of the State;

(3) the number of temporary positions during the prior calendar year, organized by agency and department, not including individuals working in seasonal employment as defined pursuant to 3 V.S.A. § 323(5), in which one or more individuals have been employed for a combined total of more than 1,280 hours per year for a period of two years;

(4) the projected cost and the potential impact of replacing the temporary positions identified in subdivision (3) of this section with permanent, classified positions on the relevant department or agency's efficiency and ability to fulfill its mission and duties; and

(5) the number of individuals working in seasonal employment as defined pursuant to 3 V.S.A. § 323(5) during the prior calendar year organized by agency and department, including the start and end date for each position and the total number of hours worked by the individual employed in each position.

Sec. 5. CREATION OF NEW CORRECTIONAL OFFICER POSITIONS

On or before June 30, 2020, the Secretary of Administration shall create 30 new Correctional Officer I positions in the Department of Corrections, which shall be funded within existing departmental appropriations.

Sec. 6. 4 V.S.A. § 40 is added to read:

§ 40. REPORT ON TEMPORARY EMPLOYEES

Annually, on or before January 15, the State Court Administrator shall submit a report to the House Committee on General, Housing, and Military Affairs and the House and Senate Committees on Government Operations identifying for each of the two prior calendar years:

(1) the total number of individuals employed by the Judiciary Department on a temporary basis who have worked in excess of 1,280 hours in the prior calendar year, excluding employees identified in 3 V.S.A. § 1011(7), (8)(A)–(D), (8)(F)–(G), and (8)(I)–(K);

(2) the total number of temporary positions in which one or more individuals have been employed for a combined total of more than 1,280 hours, excluding positions filled by employees identified in 3 V.S.A. § 1011(7), (8)(A)–(D), (8)(F)–(G), and (8)(I)–(K);

(3) the total number of hours worked by each temporary employee identified pursuant to subdivision (1) of this subsection; and

(4) the total number of years during which each temporary employee identified pursuant to subdivision (1) of this subsection has worked for the Judiciary Department.

* * * Expansion and Codification of Position Pilot Program * * *

Sec. 7. 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No.172, Sec. E.100.2, 2017 Acts and Resolves No. 85, Sec. E.100.1, and by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1 is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

* * *

(7) This Pilot shall sunset on ~~July 1, 2020, unless extended or modified by the General Assembly July 2, 2019.~~

* * *

Sec. 8. 3 V.S.A. § 328 is added to read:

§ 328. CREATION OF NEW POSITIONS

(a) Intent. It is the intent of the General Assembly to maximize the resources of the State to the greatest benefit of Vermont taxpayers by eliminating the cap on the total number of authorized State positions in the

Department of State's Attorneys and Sheriffs, the Vermont Veterans Home, and the State agencies and departments under the Office of Governor to allow those agencies and departments to more effectively manage costs of overtime, compensatory time, temporary employees, and contractual work by permitting the creation of new positions pursuant to the provisions of subsection (b) of this section.

(b) Creation of positions.

(1) On request of an appointing authority, the Secretary of Administration may approve, in writing, the creation of a new permanent position in the Department of State's Attorneys and Sheriffs, the Vermont Veterans Home, and the State agencies and departments under the Office of Governor in order to address a specific need identified by the appointing authority.

(2) The Secretary of Administration may only approve the creation of a new position pursuant to subdivision (1) of this subsection if the creation of the requested permanent position is anticipated to be more cost-effective than meeting the identified need with existing departmental resources, including through the use of overtime or compensatory time for existing State employees.

(3) Any new position created pursuant to this subsection shall be funded within existing departmental appropriations and shall not be transferrable outside the agency or department in which it is created.

(c) Reporting requirements.

(1) No later than 15 days before a position created pursuant to subsection (b) of this section will be established, the Secretary of Administration, in consultation with the Commissioner of Human Resources and the appointing authority, shall submit to the Joint Fiscal Committee, the Government Accountability Committee, and the House and Senate Committees on Government Operations a written report identifying the position to be created, the reason for the creation of the position, the method used to evaluate the cost-effectiveness of creating the position, and the expected short- and long-term impact of creating the position on the agency or department's budget.

(2) Annually, as part of its budget presentation, an agency or department in which, during the prior fiscal year, one or more new positions was created pursuant to this section shall report on the number and type of positions created, the source of funds used to support each position created, the performance and cost outcomes associated with each position created, and

whether the projected budgetary outcomes identified pursuant to subdivision (1) of this subsection have been realized.

Sec. 9. AUTHORIZATION FOR CREATION OF NEW POSITIONS

Notwithstanding any provision of law enacted during the 2019 legislative session to the contrary, the Department of State's Attorneys and Sheriffs, the Vermont Veterans Home, and the State agencies and departments under the Office of Governor may create new positions in conformance with the provisions of 3 V.S.A. § 328.

* * * Repeal of Report on Temporary Employees * * *

Sec. 10. 3 V.S.A. § 331 is amended to read:

§ 331. TEMPORARY EMPLOYEES

* * *

(c)(1) The Commissioner may authorize the continued employment of a person in a temporary capacity for more than 1,280 hours in any one calendar year if the Commissioner determines, in writing, that a bona fide emergency exists for the appointing authority that requires such continued employment. ~~Annually, on or before January 15, the Commissioner shall submit a report to the House Committee on General, Housing, and Military Affairs and the House and Senate Committees on Government Operations:~~

~~(A) identifying the total number of temporary employees who have worked:~~

~~(i) 1,280 hours in the prior calendar year; or~~

~~(ii) in excess of 1,280 hours in the prior calendar year;~~

~~(B) identifying the agency or department that is assigned the temporary position;~~

~~(C) identifying the total number of hours worked by each temporary employee; and~~

~~(D) including a statement:~~

~~(i) recommending the conversion of the position to a permanent classified position; or~~

~~(ii) stating the reasons why the temporary position should be continued.~~

* * *

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

(a) Secs. 7, 8, and 9 shall take effect on July 2, 2019.

(b) Sec. 10 shall take effect on July 1, 2024.

(c) This section and the remaining sections of this act shall take effect on July 1, 2019.

(Committee vote: 11-0-0)

(For text see Senate Journal March 21, 2019)

S. 162

An act relating to promoting economic development

Rep. O'Sullivan of Burlington, for the Committee on Commerce and Economic Development, 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:

*** * * Eliminating Calendar Year Limits on the Remote Worker Program * * ***

Sec. 1. 2018 Acts and Resolves No. 197, Sec. 1(b)(3) is amended to read:

(3) The Agency shall award grants under the Program on a first-come, first-served basis, subject to available funding, ~~as follows:~~

~~(A) not more than \$125,000.00 in calendar year 2019;~~

~~(B) not more than \$250,000.00 in calendar year 2020;~~

~~(C) not more than \$125,000.00 in calendar year 2021; and~~

~~(D) not more than \$100,000.00 per year in each subsequent calendar year, to the extent funding remains available.~~

*** * * Vermont Employment Growth Incentive Program * * ***

Sec. 2. REPEAL

32 V.S.A. § 3336 (enhanced incentive for workforce training) is repealed.

Sec. 3. VERMONT EMPLOYMENT GROWTH INCENTIVE; PROGRESS REPORT

On or before December 15, 2019, the Vermont Economic Progress Council shall submit to the Senate Committee on Economic Development, Housing and General Affairs and to the House Committee on Commerce and Economic Development a progress report and any recommendations for legislative changes following an evaluation of the Vermont Employment Growth

Incentive Program by the Council, which may include assistance from an outside consultant, that shall address:

(1) the application process, compliance costs, and general accessibility of the Program to businesses of varying sizes and sectors;

(2) use and effectiveness of the “but for” test, the background growth rate, and enhanced incentives;

(3) the accuracy and effectiveness of the models the Council and the Department of Taxes use in administering the Program; and

(4) the sufficiency and accuracy of the data, information reporting mechanisms, and control mechanisms the Council and the Department use in forecasting, measuring, and confirming performance.

* * * Permitting and State-Owned Airports * * *

Sec. 4. FINDINGS

The General Assembly finds:

(1) On January 15, 2019, the Secretary of Commerce and Community Development and the Secretary of Transportation updated the State’s Economic Development and Economic Development Marketing Plans to incorporate the marketing of State-owned airports as an important tool for attracting and retaining businesses, enhancing workforce development, spearheading crucial technology advancements, and growing commerce essential to Vermont’s future.

(2) On January 15, 2019, the Secretary of Transportation submitted to the General Assembly its Feasibility Evaluation of Electric Vehicle Charging Stations, Electric Aircraft Charging Stations, and Renewable Energy Generating Plants at State-Owned Airports Pursuant to Act 108 of 2018. The Evaluation noted that State-owned airports are suitable sites for electric vehicle charging stations and electric aircraft charging stations, and that solar photovoltaic installations can be compatible with airport operations.

Sec. 5. DEFINITIONS

As used in this act:

(1) “State-owned airport master permit” means all permits necessary to construct infrastructure, buildings, runway access, and related assets in support of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. Permits included in the State-owned airport master permit include any

applicable Act 250 permit, any applicable permits issued by the Agencies of Natural Resources and of Transportation, the Division of Fire Safety, the Natural Resources Board, and the Public Utility Commission.

(2) “State-owned airport permit master plan” means a comprehensive plan to construct infrastructure, buildings, runway access, and related assets in support of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. State-owned airport permit master plans may be developed by the Agency of Transportation, in consultation with the Agency of Commerce and Community Development, for the review and approval by the Agency of Natural Resources, the Department of Public Safety, the Natural Resources Board, and the Public Utility Commission prior to the submission of applications for permits in the State-owned airport master permit.

(3) “Renewable energy” has the same meaning as in 30 V.S.A. § 8002.

(4) “Renewable energy generating plant” means real and personal property, including any equipment, structure, or facility used for or directly related to the generation of electricity from renewable energy.

Sec. 6. APPLICATIONS FOR MASTER PERMITS

(a) The Agency of Transportation, in consultation with the Agency of Commerce and Community Development, is encouraged to obtain, as swiftly as practicable, all permits in the State-owned master airport permit necessary for growth, development, and facility upgrades at each State-owned airport. State-owned airport permit master plans shall include charging stations for electrified aircraft and, when practical, renewable energy generating plants that advance the State’s preference to utilize all roof space for photovoltaic installations.

(b) In processing permits in the State-owned airport master permit sought by the Agency of Transportation, State agencies, departments, commissions, and boards may waive permit fees for all permits in the State-owned airport master permit provided that a State-owned airport permit master plan was reviewed and approved prior to the submission of any applications for permits in the State-owned master airport permit.

* * * Delivery of Vermont Technical College

Degree Programs at CTE Centers; Study; Pilot Programs * * *

Sec. 7. DELIVERY OF VERMONT TECHNICAL COLLEGE

DEGREE PROGRAMS AT CAREER TECHNICAL EDUCATION
CENTERS IN VERMONT; STUDY; PILOT PROGRAMS

(a) Study by Vermont Technical College. The Vermont Technical College (VTC) shall study how to best deliver all or a portion of fully accredited VTC associate degree programs at CTE centers in Vermont. The study shall explore the viability of a new program to provide a locally convenient and financially affordable option to high school students and adult learners who want, while still enrolled with their CTE centers, to also enroll in a high-demand, high-skill, industry-specific associate degree offering. VTC shall collaborate with the CTE centers and the Agency of Education in conducting the study. In structuring the study, VTC shall consider:

(1) alignment of degree programs with workforce priority needs and career pathways identified by the Agency of Education;

(2) prevailing industry wages and gender equity in each identified career pathway;

(3) coherence with existing, State-supported postsecondary programs for secondary students, such as dual enrollment and early college programs under the flexible pathways laws, including potential impacts to, and alignment with, those programs;

(4) sustainable funding models, including costs for students, institutions, and adults;

(5) the financial risks of programmatic and funding model changes, with the goals of not negatively impacting the accreditation status or the financial status of any institution; and

(6) management of class scheduling and CTE partnerships to ensure access and programmatic success.

(b) Reports.

(1) On or before December 15, 2019, VTC shall submit a written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the study required under subsection (a) of this section.

(2) If VTC recommends from its study that all or a portion of fully accredited VTC associate degree programs should be offered at CTE centers in Vermont, then VTC shall, in the fall 2020 semester, conduct up to two pilot programs that offer these degree programs in at least two CTE centers. If these pilot programs are conducted, on or before January 15, 2021, VTC shall submit a supplemental written report to the House and Senate Committees on

Education and the State Board of Education with its findings and recommendations from the pilot programs.

* * * Workforce Training;

Vermont Training Program; Weatherization * * *

Sec. 8. VERMONT TRAINING PROGRAM; WORKFORCE TRAINING
ALLOCATIONS

(a) In an effort to promote access to training opportunities for Vermont small businesses, and to increase the resources available for employees to obtain credentials of value or apprenticeships, of the amounts appropriated to the Agency of Commerce and Community Development for the Vermont Training Program in fiscal year 2020:

(1) the Agency, working in partnership with the Department of Labor to identify appropriate opportunities, shall employ its best efforts to allocate 25 percent of Program funding to provide training that results in a credential of value or apprenticeship; and

(2) the Agency shall employ its best efforts to allocate 25 percent of Program funding to provide training for businesses with 50 or fewer employees.

(b) In its annual report submitted pursuant to 10 V.S.A. § 531(k) the Agency shall specifically address:

(1) whether it was able to achieve the allocations specified in subsection (a) of this section, and if not, the reasons therefor;

(2) the distribution of training funds by the number of employees of each business that benefitted from training;

(3) the distribution of training funds that resulted in an employee obtaining a credential of value or apprenticeship; and

(4) the extent to which the Program benefitted businesses with 50 or fewer employees.

Sec. 9. 10 V.S.A. § 531 is amended to read:

§ 531. THE VERMONT TRAINING PROGRAM

* * *

(d) In order to avoid duplication of programs or services and to provide the greatest return on investment from training provided under this section, the Secretary of Commerce and Community Development shall:

(1) consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources;

(2) disburse grant funds only for training hours that have been successfully completed by employees; ~~provided that,~~ subject to the following:

(A) except for an award under an enhanced incentive for workforce training as provided in 32 V.S.A. § 3336, a grant for on-the-job training shall:

(i) for a business with 50 or fewer employees, either provide not more than 75 percent of wages for each employee in training or not more than 75 percent of trainer expense, but not both; and

(ii) for all other businesses, either provide not more than 50 percent of wages for each employee in training or not more than 50 percent of trainer expense, but not both, and further provided that; and

(B) training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

(3) use funds under this section only to supplement training efforts of employers and not to replace or supplant training efforts of employers.

* * *

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. In addition to the reporting requirements under section 540 of this title, the report shall identify:

(1) all active and completed contracts and grants;

(2) from among the following, the category the training addressed:

(A) preemployment training or other training for a new employee to begin a newly created position with the employer;

(B) preemployment training or other training for a new employee to begin in an existing position with the employer;

(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;

(D) training for an incumbent employee who, upon completion of training, assumes a different position with the employer;

(E) training for an incumbent employee to upgrade skills;

(3) for the training identified in subdivision (2) of this subsection whether the training is ~~onsite~~ on-site or classroom-based;

(4) the number of employees served;

(5) the average wage by employer;

(6) any waivers granted;

(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;

(8) the identity of each training provider;

(9) whether training results in a wage increase for a trainee, and the amount of increase; and

(10) the aggregated median wage of employees invoiced for training during the reporting period;

(11) the percentage growth in wages for all wage earners in the State during the reporting period; and

(12) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.

Sec. 10. WORKFORCE TRAINING; WEATHERIZATION

(a) In fiscal year 2020 the Office of Economic Opportunity within the Department for Children and Families shall provide grant funding to the five Home Weatherization Assistance Programs for the purpose of recruiting and training individuals in the home weatherization industry.

(b) Grantees may use the funding for:

(1) recruiting Vermonters who are eligible for funding under the federal Workforce Innovation Opportunity Act;

(2) operations for weatherization training programs, including training coordinators across the State; and

(3) stipends and wage subsidies for training participants.

(c) The Home Weatherization Assistance Programs are also encouraged to apply for the federal Workforce Innovation Opportunity Act grant funds through the Department of Labor to supplement and enhance the weatherization training programs.

(d) On or before January 15, 2020, the Departments of Labor and for Children and Families shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic

Development, Housing and General Affairs with recommendations on best practices for recruiting, training, and retaining the weatherization workforce in this State.

Sec. 11. 16 V.S.A. § 2846 is amended to read:

§ 2846. ~~NONDEGREE~~ ADVANCEMENT GRANTS

(a) The Corporation may establish ~~grant programs~~ an advancement grant program for residents pursuing nondegree education and training opportunities who do not meet the definition of student in subdivision 2822(3) of this title, and who may not meet the requirements of this subchapter.

(b) ~~Nondegree grants~~ Advancement grants may be used at institutions that are not approved postsecondary education institutions.

(c) The Corporation may adopt rules or establish policies, procedures, standards, and forms for ~~nondegree~~ advancement grants, including the requirements for applying for and using the grants and the eligibility requirements for the institutions where the grants may be used.

Sec. 12. 10 V.S.A. § 546 is added to read:

§ 546. STATE POSTSECONDARY ATTAINMENT GOAL

(a) It is the policy of the State of Vermont to:

(1) grow awareness of postsecondary pathways and the individual and public value of continued education after high school;

(2) expand postsecondary access so that students of all ages and backgrounds can pursue postsecondary education and training;

(3) increase postsecondary success by ensuring that Vermonters have the supports they need to complete a credential of value; and

(4) maximize partnerships across and within sectors to achieve State workforce development and education goals.

(b) In order to meet workforce and labor market demands, the State of Vermont shall take steps necessary to achieve a postsecondary attainment goal that not less than 70 percent of working-age Vermonters possess a degree or credential of value, as defined by the State Workforce Development Board, by the year 2025.

* * * Adult Career and Technical Education System * * *

Sec. 13. ADULT CTE SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

(A) Like many rural states, Vermont faces demographic realities that have resulted in an historically low unemployment rate and created obstacles for employers that seek to hire and retain enough fully trained employees.

(B) Notwithstanding this high employer demand, due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary to qualify for available jobs.

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of adult workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, business and industry, and private professionals.

(2) Purpose. Consistent with the goals and purposes of 2018 Acts and Resolves No. 189, pursuant to which the State Workforce Development Board and other stakeholders are currently engaged in planning the design and implementation of a fully integrated workforce development system, it is the purpose of the General Assembly to explore the creation of a fully integrated adult career and technical education system that:

(A) provides Vermonters throughout the State with high quality programs that are standardized, replicable, and offered with regularity and consistency;

(B) coordinates, or integrates where appropriate, the many programs and providers to maximize the efficient use of training resources; and

(C) features a governance structure that provides consistency across the system whenever appropriate, but also provides the flexibility necessary to respond to local and regional workforce demands.

(b) Adult CTE System.

(1) The Department of Labor, in collaboration with the Agency of Education, the Vermont State Colleges, and the Vermont Adult Technical Education Association, shall issue a request for proposals for consulting services, the purpose of which shall be to consider and report to the General Assembly on the design, implementation, and costs of an integrated adult career and technical education system that achieves the results specified in subdivision (a)(2) of this section.

(2) In performing his or her work, the consultant shall conduct a broad-based stakeholder engagement process to solicit input from interested parties and State agencies and departments shall provide the consultant with necessary information and assistance within their relative areas of expertise.

(c) Report. On or before January 15, 2020 the Department of Labor shall submit a report on the work of the consultant selected and any recommendations for legislative action to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

* * * Workforce Recruitment; Military Base Recruitment * * *

Sec. 14. RELOCATION SUPPORT SYSTEM

(a) The Department of Labor shall:

(1) collaborate with key employers and nongovernmental organizations to ensure that appropriate expertise is available to program staff and individuals looking to enter Vermont's job market, through referrals or other information sharing mechanisms;

(2)(A) coordinate available information for each region that includes labor market information, housing and education information, recreation information, and other relevant resources; and

(B) make the information easily accessible for interested individuals to assist in aspects of preliminary decision making; and

(3) convene regional, multidisciplinary teams that:

(A) comprise partners with expertise from relevant sectors, including housing, transportation, education, health, child care, recreation, and economic development; and

(B) provide community-level knowledge, support, and services to best meet the needs of prospective employees.

(b) State agencies and State-funded programs shall coordinate with the Department to ensure that services and information that could assist a person in relocating to Vermont are made available through an integrated, employee-centered system.

Sec. 15. ON-BASE RECRUITMENT PILOT PROGRAM

(a) The Department of Labor shall work with the Vermont National Guard and public and private employers in health care, construction, manufacturing, business services, transportation, and human services to pilot an on-base

recruitment effort that encourages service members separating from military service to relocate to Vermont.

(b) The Department shall coordinate with the Agency of Commerce and Community Development to direct available marketing and outreach funds to support targeted recruitment events held on military bases.

(c) The Department shall provide limited organizational support to employers interested in participating in private-pay travel to military bases in conjunction with other employers, representatives of the Vermont National Guard, and State officials for the purpose of promoting employment and relocation to Vermont.

(d) Not more than \$25,000.00 in General Funds may be allocated to the Department to support staff time, supplies, necessary travel, and other related costs.

(e) On or before January 15, 2020, the Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning implementation and outcomes of this pilot program.

* * * Workforce Training and Credentialing; Nurse Educators;
New Americans; Workers with Barriers to Employment * * *

Sec. 16. OFFICE OF PROFESSIONAL REGULATION; REPORT

(a) The Office of Professional Regulation, in consultation with the Vermont Board of Nursing, Vermont State Colleges, the University of Vermont, Norwich University, and other interested stakeholders, shall review statutory, regulatory, and accreditation standards for nursing programs within the State and nationally with the purpose of identifying barriers to recruitment and retention of nurse educators in nursing education programs.

(b) The Office of Professional Regulation shall evaluate the appropriateness of the level of credential and experience currently required for nurse educators in clinical settings.

(c) On or before December 15, 2019, the Office of Professional Regulation shall report its findings, including recommendations for any statutory or regulatory changes to facilitate recruitment and retention of nurse faculty, to the House Committees on Commerce and Economic Development and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations.

Sec. 17. STUDY; WORKFORCE DEVELOPMENT OPPORTUNITIES FOR REFUGEES, IMMIGRANTS, AND ASYLUM SEEKERS

(a) Creation. There is created a task force on workforce development opportunities for refugees, immigrants, and asylum seekers living in Vermont.

(b) Membership. The task force shall be composed of the following members:

(1) the State Refugee Coordinator;

(2) a member with expertise in new American workforce development issues appointed by the Agency of Human Services Secretary;

(3) the executive director of AALV or designee;

(4) the president of Vermont's U.S. Committee for Refugees and Immigrants or designee;

(5) the director of CVOEO's financial futures program or designee;

(6) a representative of Burlington's Community Economic Development Office's Sustainability, Housing, and Economic Development department;

(7) two Vermont employers, one of whom is engaged in business in the agricultural sector and one of whom is engaged in business in another sector, with experience hiring and cultivating new American workers appointed by the Chair of the State Workforce Development Board;

(8) two members of Vermont's refugee, immigrant, and immigrant communities, one appointed by each of AALV and Vermont's U.S. Committee for Refugees and Immigrants;

(9) an appointee of the University of Vermont with research expertise in refugee and New American migration in Vermont;

(10) a member appointed by the Vermont Migrant Education Project;

(11) a member appointed by the Community Asylum Seekers Project;
and

(12) a member appointed by Rutland Welcomes.

(c) Powers and duties. The task force shall study the following:

(1) recommendations identified in relevant studies and reports;

(2) cultural competency support needed in Vermont's employment settings;

(3) training, apprenticeship, and mentorship needs and opportunities;

(4) tools and supports needed for refugees to effectively apply preexisting educational and professional credentials in Vermont settings; and

(5) additional supports needed to ensure employment opportunities, including child care and transportation.

(d) Meetings.

(1) The State Refugee Coordinator shall call the first meeting of the task force to occur on or before September 1, 2019.

(2) The task force shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The task force shall meet not more than six times and shall cease to exist on January 15, 2020.

(e) Report. On or before December 1, 2019, the task force shall report to the House Committees on Commerce and Economic Development, on Government Operations, and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs, on Government Operations, and on Appropriations concerning its findings, recommendations for proposed legislation, and investments in order of priority.

Sec. 18. DEPARTMENT OF LABOR; FIDELITY BONDS

Of the amounts appropriated to the Department of Labor in fiscal year 2020 from the Workforce Education and Training Fund, the Department shall allocate not more than \$3,000.00 to purchase fidelity bonds through the Federal Bonding Program to provide insurance against theft or loss for insurers to hire workers with barriers to employment.

Sec. 19. REGISTRY OF EMPLOYERS

(a) The Department of Labor shall create and maintain on its website a registry of employers who accept applications and are willing to hire workers with barriers to employment, including workers in recovery from addiction and workers with past incarceration.

(b) On or before January 15, 2020, the Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning the creation of the registry and the extent the registry assisted employers and employees with barriers to employment.

Sec. 20. CORRECTIONS; WORKFORCE TRAINING

(a)(1) On or before October 10, 2019, the Department of Corrections and the Department of Labor shall execute a memorandum of understanding regarding a standardized program of education and training for all new and existing probation and parole officers that includes components related to:

(A) minimizing barriers for offenders to obtaining and maintaining employment; and

(B) minimizing the impact of program and supervision requirements on the offender's employment, including monitoring and facilitating compliance with Department of Corrections case plan goals based on best practices and consistent with public safety.

(2) The Departments shall provide written notice when the memorandum of understanding is executed to the chairs of the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions.

(3) The Departments shall ensure that all incumbent probation and parole officers receive the education and training under the program on or before July 1, 2020.

(b) The Department of Corrections shall collaborate with the Department of Motor Vehicles and other partners as necessary to ensure that a sentenced inmate is provided with at least one form of government-issued identification, not to include an inmate identification card, upon release from incarceration.

(c)(1) On or before August 15, 2019, the Departments of Corrections and Labor shall report to the Joint Legislative Justice Oversight Committee concerning the Departments' progress towards developing the memorandum of understanding as required by this section.

(2) On or before December 15, 2020, the Departments of Corrections and Labor shall report to the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions concerning the implementation of this section.

* * * Vermont Talent Pipeline Management Project * * *

Sec. 21. VERMONT TALENT PIPELINE MANAGEMENT PROJECT

(a) The Vermont Talent Pipeline Management Project brings value to Vermont's workforce and economic development initiatives by:

(1) convening employers by sector to create industry specific partnerships and employer informed initiatives aimed at addressing skill gaps;

(2) engaging education partners to develop and align programs that meet employer and incumbent needs; and

(3) highlighting policy, practice, and funding challenges that prevent access to training or that inhibit advancement of workers within high need areas of Vermont's economy.

(b) The Vermont Talent Pipeline Management Project is encouraged to collaborate in Vermont's workforce and economic development systems by:

(1) organizing, convening, and maintaining employer collaboratives in key sectors of the economy, identified by available labor market information;

(2) broadly sharing competency and credential requirements learned from employer collaboratives, and specifically engaging training and education partners in the development of new or modification of existing programs; and

(3) using a continuous improvement process to ensure employer needs are met.

* * * International Trade and Development * * *

Sec. 22. INTERNATIONAL TRADE, EDUCATION, AND CULTURAL EXCHANGE

On or before December 15, 2019, the Agency of Commerce and Community Development shall review and report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs on effective mechanisms to collaborate with regional partners and form formal partnerships that will promote international trade, as well as educational and cultural exchanges, between and among Vermont, the New England states, and foreign nations.

* * * Agency of Commerce and Community Development;
Structure and Organization * * *

Sec. 23. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; STRUCTURE AND ORGANIZATION; REPORT

On or before January 15, 2020, the Secretary of Commerce and Community Development shall review and report to the House Committees on Commerce

and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning one or more proposals to amend the structure and organization of the Agency in order to enhance its ability to achieve its purposes and perform its duties.

(Committee vote: 9-0-2)

(For text see Senate Journal April 12, 16, 2019)

S. 163

An act relating to housing safety and rehabilitation

Rep. Stevens of Waterbury, for the Committee on General; Housing; and Military Affairs, 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:

* * * Housing Health and Safety; Rental Housing

Health Code Enforcement * * *

Sec. 1. 18 V.S.A. § 5 is amended to read:

§ 5. DUTIES OF DEPARTMENT OF HEALTH

The Department of Health shall:

(1) Conduct studies, develop State plans, and administer programs and State plans for hospital survey and construction, hospital operation and maintenance, medical care, and treatment of substance abuse.

(2) Provide methods of administration and such other action as may be necessary to comply with the requirements of federal acts and regulations as relate to studies, development of plans and administration of programs in the fields of health, public health, health education, hospital construction and maintenance, and medical care.

(3) Appoint advisory councils, with the approval of the Governor.

(4) Cooperate with necessary federal agencies in securing federal funds ~~which~~ that become available to the State for all prevention, public health, wellness, and medical programs.

(5) Seek accreditation through the Public Health Accreditation Board.

(6) Create a State Health Improvement Plan and facilitate local health improvement plans in order to encourage the design of healthy communities and to promote policy initiatives that contribute to community, school, and workplace wellness, which may include providing assistance to employers for

wellness program grants, encouraging employers to promote employee engagement in healthy behaviors, and encouraging the appropriate use of the health care system.

(7) Serve as the leader on State rental housing health laws.

(8) Provide policy assistance and technical support to municipalities concerning the implementation and enforcement of State rental housing health and safety laws.

Sec. 2. 18 V.S.A. § 603 is amended to read:

§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS

(a)(1) When conducting an investigation of rental housing, a local health officer shall issue a written inspection report on the rental property using the protocols for implementing the Rental Housing Health Code of the Department or the municipality, in the case of a municipality that has established a code enforcement office.

(2) A written inspection report shall:

(A) contain findings of fact that serve as the basis of one or more violations;

(B) specify the requirements and timelines necessary to correct a violation;

(C) provide notice that the landlord is prohibited from renting the affected unit to a new tenant until the violation is corrected; and

(D) provide notice in plain language that the landlord and agents of the landlord must have access to the rental unit to make repairs as ordered by the health officer consistent with the access provisions in 9 V.S.A. § 4460.

(3) A local health officer shall:

(A) provide a copy of the inspection report to the landlord and any tenants affected by a violation by delivering the report electronically, in person, by first class mail, or by leaving a copy at each unit affected by the deficiency; and

(B)(i) if a municipality has established a code enforcement office, provide information on each inspection according to a schedule and in a format adopted by the Department in consultation with municipalities that have established code enforcement offices; or

(ii) if a municipality has not established a code enforcement office, provide information on each inspection to the Department within seven days of issuing the report using an electronic system designed for that purpose.

(4) If an entire property is affected by a violation, the local health officer shall post a copy of the inspection report in a common area of the property and include a prominent notice that the report shall not be removed until authorized by the local health officer.

(5) A municipality shall make an inspection report available as a public record.

(b)(1) A local health officer may impose a ~~fine~~ civil penalty of not more than ~~\$100.00~~ \$200.00 per day for each violation that is not corrected by the date provided in the written inspection report, or when a unit is re-rented to a new tenant prior to the correction of a violation.

(2)(A) If the cumulative amount of penalties imposed pursuant to this subsection is \$800.00 or less, the local health officer, Department of Health, or State's Attorney may bring a civil enforcement action in the Judicial Bureau pursuant to 4 V.S.A. chapter 29.

(B) The waiver penalty for a violation in an action brought pursuant to this subsection is 50 percent of the full penalty amount.

(3) If the cumulative amount of penalties imposed pursuant to this subsection is more than \$800.00, or if injunctive relief is sought, the local health officer, Department of Health, or State's Attorney may commence an action in the Civil Division of the Superior Court for the county in which a violation occurred.

(c) If a local health officer fails to conduct an investigation pursuant to section 602a of this title or fails to issue an inspection report pursuant to this section, a landlord or tenant may request that the Department, at its discretion, conduct an investigation or contact the local board of health to take action.

Sec. 3. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(21) Violations of State or municipal rental housing health and safety laws when the amount of the cumulative penalties imposed pursuant to 18 V.S.A. § 603 is \$800.00 or less.

* * *

(c) The Judicial Bureau shall not have jurisdiction over municipal parking violations.

(d) Three hearing officers appointed by the Court Administrator shall determine waiver penalties to be imposed for violations within the Judicial Bureau's jurisdiction, except:

~~(1) Municipalities~~ municipalities shall adopt full and waiver penalties for civil ordinance violations pursuant to 24 V.S.A. § 1979. For purposes of municipal violations, the issuing law enforcement officer shall indicate the appropriate full and waiver penalty on the complaint.

Sec. 4. DEPARTMENT OF HOUSING AND COMMUNITY

DEVELOPMENT; COLLECTION OF RENTAL HOUSING DATA

(a) On or before January 15, 2020, the Department of Housing and Community Development shall design a comprehensive rental housing data management system, through which the Department is able to collect, organize, and make available to the public information concerning rental housing in this State, including:

- (1) location of building;
- (2) age of building;
- (3) number of units;
- (4) type of units;
- (5) School Property Account Number;
- (6) owner name and contact information; and
- (7) manager name and contact information.

(b) In performing its duties pursuant to this section, the Department shall consult, and shall have the full cooperation and assistance of:

- (1) the Department of Taxes and other agencies and departments as necessary;
- (2) the Vermont Assessors and Listers Association;
- (3) the Vermont Center for Geographic Information;

- (4) the Vermont Enhanced 911 Board;
- (5) the Vermont Housing Finance Agency;
- (6) the Vermont League of Cities and Towns;
- (7) representatives of the Regional Planning Commissions;
- (8) the Agency of Digital Services; and
- (9) any other affected stakeholders.

Sec. 5. RENTAL HOUSING HEALTH AND SAFETY ENFORCEMENT
SYSTEM; RECOMMENDATIONS; REPORT

(a) On or before January 15, 2020, in collaboration with the Rental Housing Advisory Board, the Department of Health and the Department of Public Safety shall develop recommendations for the design and implementation of a comprehensive system for the professional enforcement of State rental housing health and safety laws, which shall include:

(1) an outline of options, including an option for a State government–run system, with a timeline and budget for each;

(2) a needs assessment outlining the demand for inspections based on inspection information collected pursuant to 18 V.S.A. § 603(a)(3) and subsection (c) of this section and other stakeholders and relevant sources; and

(3) any additional recommendations from the Rental Housing Advisory Board, the Department of Public Safety, the Department of Housing and Community Development, or other executive branch agencies.

(b) On or before September 30, 2019, the Department of Health shall provide an interim progress report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs.

(c) On or before August 1, 2019, each municipality in this State shall provide to the Department of Health summary information on its inspection activity from July 1, 2018 through June 30, 2019 in order to assist the Department in completing the needs assessment pursuant to subdivision (a)(2) of this section.

Sec. 6. DUTIES CONTINGENT UPON FUNDING

(a) The following duties imposed on the Department of Housing and Community Development are contingent upon the appropriation of funds in fiscal year 2020 for the purposes specified:

(1) to implement a rental housing data management system pursuant to Sec. 4 of this act;

(2) to update and maintain the RentalCodes.org website, or a similar resource, that provides easy access to information for consumers, landlords, municipal officials, and the public concerning rental housing health and safety laws; and

(3) to design and implement a Vermont Rental Housing Incentive Program pursuant to Sec. 12 of this act.

(b) The following duties imposed on the Department of Health are contingent upon the appropriation of funds in fiscal year 2020 for one additional full-time equivalent position:

(1) to provide additional training to town health officers concerning best practices, the health officer role and responsibilities, and rental housing health and safety issues; and

(2) to provide additional guidance and support to municipalities concerning difficult rental housing enforcement issues.

Sec. 7. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office of Professional Regulation shall have a director ~~who shall be~~ who is an exempt employee appointed by the Secretary of State ~~and shall be an exempt employee.~~ The following boards or professions are attached to the Office of Professional Regulation:

* * *

(48) Residential Contractors

Sec. 8. 26 V.S.A. chapter 105 is added to read:

CHAPTER 105. RESIDENTIAL CONTRACTORS

Subchapter 1. General Provisions

§ 5401. REGISTRATION REQUIRED

A person shall register with the Office of Professional Regulation prior to offering or contracting with a homeowner to perform construction, remodeling, or home improvement work on a residential dwelling unit or on a building or premises with four or fewer residential dwelling units, in exchange for consideration of more than \$2,500.00, including labor and materials.

§ 5402. EXEMPTIONS

This chapter does not apply to:

(1) an employee acting within the scope of his or her employment for a business organization registered under this chapter;

(2) a professional engineer, licensed architect, or a tradesperson licensed by the Department of Public Safety acting within the scope of his or her license;

(3) delivery or installation of consumer appliances, audio-visual equipment, telephone equipment, or computer network equipment;

(4) landscaping;

(5) work on a structure that is not attached to a residential building;

(6) work that would otherwise require registration that a person performs in response to an emergency, provided the person applies for registration within a reasonable time after performing the work.

§ 5403. MANDATORY REGISTRATION AND VOLUNTARY

CERTIFICATION DISTINGUISHED

(a)(1) The system of mandatory registration established by this chapter is intended to protect against fraud, deception, breach of contract, and violations of law, but is not intended to establish standards for professional qualifications or workmanship that is otherwise lawful.

(2) The provisions of 3 V.S.A. § 129a, with respect to a registration, shall be construed in a manner consistent with the limitations of this subsection.

(b) The Director of Professional Regulation, in consultation with public safety officials and recognized associations or boards of builders, remodelers, architects, and engineers, may:

(1) adopt rules providing for the issuance of voluntary certifications, as defined in subdivision 3101a(1) of this title, that signify demonstrated competence in particular subfields and specialties related to residential construction;

(2) establish minimum qualifications, and standards for performance and conduct, necessary for certification; and

(3) discipline a certificiant for violating adopted standards or other law, with or without affecting the underlying registration.

Subchapter 2. Administration

§ 5405. DUTIES OF THE DIRECTOR

(a) The Director of Professional Regulation shall:

(1) provide information to the public concerning registration, certification, appeal procedures, and complaint procedures;

(2) administer fees established under this chapter;

(3) receive applications for registration or certification, issue registrations and certifications to applicants qualified under this chapter, deny or renew registrations or certifications, and issue, revoke, suspend, condition, and reinstate registrations and certifications as ordered by an administrative law officer; and

(4) prepare and maintain a registry of registrants and certificants.

(b) The Director, after consultation with an advisor appointed pursuant to section 5406 of this title, may adopt rules to implement this chapter.

§ 5406. ADVISORS

(a) The Secretary of State shall appoint two persons pursuant to 3 V.S.A. § 129b to serve as advisors in matters relating to residential contractors and construction.

(b) To be eligible to serve, an advisor shall:

(1) register under this chapter;

(2) have at least three years' experience in residential construction immediately preceding appointment; and

(3) remain active in the profession during his or her service.

(c) The Director of Professional Regulation shall seek the advice of the advisors in implementing this chapter.

§ 5407. FEES

A person regulated under this chapter shall pay the following fees at initial application and biennial renewal:

(1) Registration, individual: \$75.00.

(2) Registration, business organization: \$250.00.

(3) State certifications: \$75.00 for a first certification and \$25.00 for each additional certification.

Subchapter 3. Registrations

§ 5408. ELIGIBILITY

To be eligible for registration, the Director of Professional Regulation shall find that the applicant:

(1) is in compliance with the provisions of this chapter and rules adopted pursuant to this chapter;

(2) is in compliance with State laws respecting child support, taxes, judgment orders, and workers' compensation; and

(3) has satisfied any judgment order related to the provision of professional services to a homeowner.

§ 5409. REQUIREMENTS OF REGISTRANTS

(a) Insurance. A person registered under this chapter shall maintain professional liability insurance in the amount of \$300,000.00 per claim and \$1,000,000.00 aggregate, evidence of which may be required as a precondition to issuance or renewal of a registration.

(b) Writing.

(1) A person registered under this chapter shall execute a written contract prior to receiving a deposit or commencing residential construction work if the estimated value of the labor and materials exceeds \$2,500.00.

(2) A contract shall specify:

(A) Price. One of the following provisions for the price of the contract:

(i) a maximum price for all work and materials;

(ii) a statement that billing and payment will be made on a time and materials basis, not to exceed a maximum price; or

(iii) a statement that billing and payment will be made on a time and materials basis and that there is no maximum price.

(B) Work dates. Estimated start and completion dates.

(C) Scope of work. A description of the services to be performed and a description of the materials to be used.

(D) Change order provision. A description of how and when amendments to the contract may be approved and recorded.

(3) The parties shall record an amendment to the contract in a signed writing.

(c) Down payment. Unless a contract specifies that billing and payment will be made on a time and materials basis and that there is no maximum price,

the contract may require a down payment of up to one-third of the contract price, or of the price of materials, whichever is greater.

§ 5410. PROHIBITIONS AND REMEDIES

(a) A person who does not register pursuant to this chapter when required engages in unauthorized practice pursuant to 3 V.S.A. § 127.

(b) The Office of Professional Regulation may discipline a registrant or certificant for unprofessional conduct as provided in 3 V.S.A. § 129a, except that 3 V.S.A. § 129a(b) does not apply to a registrant.

(c) The following conduct by a registrant, certificant, applicant, or person who later becomes an applicant constitutes unprofessional conduct:

(1) failure to enter into a written contract when required by this chapter;

(2) failure to maintain liability or workers' compensation insurance as required by law;

(3) committing a deceptive act in commerce in violation of 9 V.S.A. § 2453;

(4) falsely claiming certification under this chapter, provided that this subdivision does not prevent accurate and nonmisleading advertising or statements related to credentials that are not offered by this State; and

(5) selling or fraudulently obtaining or furnishing a certificate of registration, certification, license, or any other related document or record, or assisting another person in doing so, including by reincorporating or altering a trade name for the purpose or with the effect of evading or masking revocation, suspension, or discipline against a registration issued under this chapter.

Sec. 9. CREATION OF POSITIONS WITHIN THE OFFICE OF PROFESSIONAL REGULATION; LICENSING.

(a) There are created within the Secretary of State's Office of Professional Regulation two new positions in the licensing division.

(b) Any funding necessary to support the positions created in subsection (a) of this section and the implementation of 26 V.S.A. chapter 105 created in Sec. 9 of this act shall be derived from the Office's Professional Regulatory Fee Fund and not from the General Fund.

Sec. 10. IMPLEMENTATION

Notwithstanding 26 V.S.A. § 5401:

(1) The initial biennial registration term for residential contractors pursuant to 26 V.S.A. chapter 105 created in Sec. 8 of this act shall begin on April 1, 2020.

(2) The Secretary of State may begin receiving applications for the initial registration term on December 1, 2019.

Sec. 11. SECRETARY OF STATE; STATUS REPORT

On or before January 15, 2021, the Office of Professional Regulation shall report to the House Committees on Commerce and Economic Development and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations concerning the implementation of 26 V.S.A. chapter 105, including:

(1) the number of registrations and certifications;

(2) the resources necessary to implement the chapter;

(3) the number and nature of any complaints or enforcement actions;
and

(4) any other issues the Office deems appropriate.

* * * Housing Rehabilitation and Weatherization; Vermont Rental

Housing Incentive Program * * *

Sec. 12. 10 V.S.A. chapter 29, subchapter 3 is amended to read:

Subchapter 3. ~~Vermont Economic Progress Council~~ Housing Incentive Program

§ 699. RENTAL HOUSING INCENTIVE PROGRAM

(a) Purpose. Recognizing that Vermont's rental housing stock is some of the oldest in the country, and that much of it needs updating to meet code requirement and other standards, this section is intended to incentivize private apartment owners to make significant improvements to both housing quality and weatherization by providing small grants that would be matched by the private apartment owner.

(b) Creation of Program. The Department of Housing and Community Development shall design and implement a Vermont Rental Housing Incentive Program to provide funding to regional nonprofit housing partner organizations to provide incentive grants to private landlords for the rehabilitation and improvement, including weatherization, of existing rental housing stock.

(c) Administration. The Department shall require any nonprofit regional housing partner organization that receives funding under this program to develop a standard application form for property owners that describes the application process and includes clear instructions and examples to help property owners apply, a selection process that ensures equitable selection of property owners, and a grants management system that ensures accountability for funds awarded to property owners.

(d) Grant Guidelines. The Department shall ensure that all grants comply with the following guidelines:

(1) Each grant shall be capped at a standard limit set by the Department, which shall not exceed \$7,000.00 per rental unit.

(2) Each grant shall be matched by the property owner at least two-to-one. The required match shall be met through dollars raised and not through in-kind services.

(3) No property owner may receive a grant for more than four rental units.

(4) Each project funded must include a weatherization component and must result in all building codes being met and all permits received.

(5) Only existing properties that are vacant or blighted are eligible for grants.

(6) At least 50 percent of the rental units assisted must have rents that are affordable to households earning no more than 80 percent of area median income.

(e) As used in this section:

(1) "Blighted" means that a rental unit is not fit for human habitation and does not comply with the requirements of applicable building, housing, and health regulations.

(2) "Vacant" means that a rental unit has not been leased or occupied for at least 90 days prior to the date a property owner submits a grant application and remains unoccupied at the time the grant is awarded.

* * * Affordable Housing * * *

Sec. 13. STATE TREASURER RECOMMENDATION FOR FINANCING
OF AFFORDABLE HOUSING INITIATIVE

(a) Evaluation. On or before January 15, 2020, the State Treasurer shall evaluate options for funding and financing affordable housing in the State. The evaluation shall include:

(1) a plan to build upon the success of the affordable housing bond, created in 10 V.S.A. § 315, formed in coordination with the Vermont Housing and Conservation Board, the Vermont Housing Finance Agency, the Vermont Department of Housing and Community Development, and the Vermont Affordable Housing Coalition, for the creation or preservation of 1,000 housing units over five years for Vermonters with incomes up to 120 percent of the area median income as determined by the U.S. Department of Housing and Urban Development. In creating the plan, the State Treasurer and the other entities listed in this subdivision (a)(1) shall also consult with the business community, public and private housing developers, and experts in housing finance and affordable housing initiatives both in Vermont and nationwide;

(2) alternatives for financing the plan that take into consideration the use of appropriations, general obligation bonds, revenue bonds, investments, new revenues, and other financing mechanisms, including initiatives undertaken by other states;

(3) the plan shall assume that the 1,000 units shall be in addition to what would otherwise have been created or preserved by State funding through the Vermont Housing and Conservation Board equal to its FY 2019 base general fund and capital appropriations, and the other resources it typically leverages; and

(4) provisions for meeting housing needs consistent with publicly developed plans such as Vermont's Consolidated Plan, the 2017 Vermont Roadmap to End Homelessness, and Vermont Housing Finance Agency's Qualified Action Plan in the following areas:

(A) creating new multifamily and single-family homes;

(B) addressing blighted properties and other existing housing stock requiring reinvestment, including in mobile home parks;

(C) providing service-supported housing in coordination with the Agency of Human Services, including for those who are elderly, homeless, in recovery, experiencing severe mental illness or other disability, or leaving incarceration; and

(D) providing for the housing needs of households with extremely low income.

(b) Cooperation. In conducting the evaluation described in subsection (a) of this section, the State Treasurer shall have the cooperation of the Agency of Commerce and Community Development and the Department of Taxes.

(c) Report. The State Treasurer shall submit a report with recommendations based on the evaluation described in subsection (a) of this section to the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance and the House Committees on General, Housing, and Military Affairs, on Appropriations, and on Ways and Means. The report shall also include a legislative proposal to implement the recommendations proposed in the report.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

(a) This act shall take effect on July 1, 2019.

(Committee vote: 8-2-1)

(For text see Senate Journal March 28, April 3, 2019)

Consent Calendar

Concurrent Resolutions for Adoption Under Joint Rule 16a

The following concurrent resolutions have been introduced for approval by the Senate and House and will be adopted automatically unless a Senator or Representative requests floor consideration before today's adjournment. Requests for floor consideration in either chamber should be communicated to the Secretary's office and/or the House Clerk's office, respectively. For text of resolutions, see Addendum to House Calendar and Senate Calendar of May 9, 2019.

H.C.R. 165

House concurrent resolution congratulating Angelo Tedesco Sr. on his induction into the Masonry Hall of Fame

H.C.R. 166

House concurrent resolution honoring five devoted and long-serving Pawlet municipal staff members

H.C.R. 167

House concurrent resolution congratulating Riley Allen on her selection as a 2018 Freedom & Unity Youth Film Contest first-place award winner

H.C.R. 168

House concurrent resolution honoring the Unsworth family for its generous donation of 160-plus acres of undeveloped land to the Town of Essex

H.C.R. 169

House concurrent resolution congratulating the 2019 Mill River Union High School cheerleading team on winning the school's second consecutive Division II championship

H.C.R. 170

House concurrent resolution designating May 2019 as Ehlers-Danlos Syndrome Awareness Month in Vermont

H.C.R. 171

House concurrent resolution commemorating the 30th anniversary of the NSK Steering Systems America, Inc. manufacturing plant in Bennington

H.C.R. 172

House concurrent resolution in memory of Nancy Deuel of Bomoseen

H.C.R. 173

House concurrent resolution in memory of Franklin County Assistant Judge Robert Johnson of St. Albans Town

H.C.R. 174

House concurrent resolution congratulating Ethan Whalen of Rutland Town on winning the 2019 Elks Hoop Shoot's boys' 10 to 11 years of age division New England championship

H.C.R. 175

House concurrent resolution commemorating the bravery of the Vermont-trained First Special Service Force