## House Calendar

Wednesday, May 22, 2019

### 134th DAY OF THE BIENNIAL SESSION

House Convenes at 10:00 AM

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#### ORDERS OF THE DAY

### ACTION CALENDAR

### **Unfinished Business of May 20, 2019**

### **Action Under Rule 52**

### H.R. 11

House resolution congratulating North Country Hospital on its centennial

(For text see House Journal May 17, 2019)

H.R. 12

House resolution commemorating the 250th anniversary of the Town of Royalton

(For text see House Journal May 17, 2019)

**Unfinished Business of May 21, 2019** 

### **Favorable with Amendment**

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 <u>civil penalty</u> 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 <u>municipalities</u> 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 certificant 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

<u>Incentive Program</u>

### § 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-toone. 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, 4, 2019)

**Rep. Townsend of South Burlington,** for the Committee on Appropriations, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on General; Housing; and Military Affairs and when further amended as follows:

By striking out Sec. 9 in its entirety and inserting in lieu thereof a new Sec. 9 to read as follows:

## 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:
  - (1) one new permanent classified Licensing Administrator; and
  - (2) one new permanent exempt Licensing Staff Attorney position.
- (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. 8 of this act shall be derived from the Office's Professional Regulatory Fee Fund and not from the General Fund.

### (Committee Vote: 7-3-1)

**Rep. Masland of Thetford,** for the Committee on Ways and Means, recommends the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on General; Housing; and Military Affairs and Appropriations and when further amended as follows:

<u>First</u>: In Sec. 8, by striking out 26 V.S.A. § 5401 and inserting in lieu thereof a new § 5401 to read:

### § 5401. REGISTRATION REQUIRED

- (a) A person shall register with the Office of Professional Regulation prior to contracting with a homeowner to perform residential construction work in exchange for consideration of \$2,500.00 or more, including labor and materials.
- (b) Unless otherwise exempt under section 5402 of this title, as used in this chapter, "residential construction" means to build, demolish, or alter a residential dwelling unit or a building or premises with four or fewer residential dwelling units, and includes interior and exterior construction, renovation, and repair; painting; paving; roofing; weatherization; installation or repair of heating, plumbing, electrical, water, or wastewater systems; and other activities the Office specifies by rule consistent with this chapter.

Second: In Sec. 8, in 26 V.S.A. § 5407(1), by striking out "\$75.00" and inserting in lieu thereof "\$50.00"

<u>Third</u>: In Sec. 8, in 26 V.S.A. § 5409(a), by striking out "<u>professional liability insurance</u>" and inserting in lieu thereof "<u>liability insurance</u>"

<u>Fourth</u>: In Sec. 8, in 26 V.S.A. § 5409(b)(1), by striking out "\$2,500.00" and inserting in lieu thereof "\$5,000.00"

<u>Fifth</u>: By striking out Sec. 10 in its entirety and inserting in lieu thereof a new Sec. 10 to read:

### Sec. 10. IMPLEMENTATION

Notwithstanding any contrary provision of 26 V.S.A. chapter 105:

- (1) The initial biennial registration term for residential contractors pursuant to 26 V.S.A. chapter 105 shall begin on April 1, 2020.
- (2) The Secretary of State may begin receiving applications for the initial registration term on December 1, 2019.
- (3) Prior to April 1, 2021, the Office of Professional Regulation shall not take any enforcement action for unauthorized practice under 26 V.S.A. § 5410(a) against a residential contractor who fails to register as required by this act.

### (Committee Vote: 6-5-0)

### Amendment to be offered by Rep. Higley of Lowell to S. 163

Representative Higley of Lowell moves that the House propose to the Senate that the bill be amended by striking out Secs. 7–11 in their entireties and inserting in lieu thereof the following:

Secs. 7–11. [Deleted.]

### **Senate Proposal of Amendment**

### H. 63

An act relating to the time frame for return of unclaimed beverage container deposits

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

\* \* \* Efficiency Vermont; Public Utility Commission Proceeding \* \* \*

### Sec. 1. EFFICIENCY VERMONT; FUNDS FOR ADDITIONAL THERMAL ENERGY EFFICIENCY SERVICES

- (a) Notwithstanding any provision of law to the contrary, Efficiency Vermont may use the following funds in 2019 and 2020 for thermal energy and process fuel energy efficiency services in accordance with 30 V.S.A. § 209(e)(1), with priority to be given to weatherization services for residential customers, including those at income levels of 80–140 percent of the Area Median Income (AMI), and projects that may result in larger greenhouse gas (GHG) reductions:
- (1) up to \$2,250,000.00 of any balances in the Electric Efficiency Fund that are allocated to Efficiency Vermont and that are carried forward from prior calendar years pursuant to 30 V.S.A. § 209(d)(3)(A); and
- (2) any funds that are allocated to Efficiency Vermont and that, as a result of operational efficiencies, are not spent on, or committed to, another project or purpose in calendar years 2019 and 2020.
- (b) Funds used pursuant to subsection (a) of this section shall not be used to supplant existing programs and services and shall only be used to supplement existing programs and services.
  - (c) Efficiency Vermont shall report to the Public Utility Commission on:
    - (1) how funds were spent pursuant to subsection (a) of this section; and
    - (2) the costs and benefits of the programs and services delivered.

### Sec. 2. PUBLIC UTILITY COMMISSION PROCEEDING

- (a) The Public Utility Commission shall open a proceeding, or continue an existing proceeding, to consider the following:
- (1) Creation of an all-fuels energy efficiency program. The Commission shall consider whether to recommend that one or more entities should be appointed to provide for the coordinated development, implementation, and monitoring of efficiency, conservation, and related programs and services as to all regulated fuels, unregulated fuels, and fossil fuels as defined in 30 V.S.A. § 209(e)(3). The Commission shall consider all information it deems appropriate and make recommendations as to:
- (A) whether the appointment of an all-fuels efficiency entity or entities to deliver the comprehensive and integrated programs and services necessary to establish an all-fuels energy efficiency and conservation program would, while continuing to further the objectives set forth in 30 V.S.A. § 209(d)(3)(B):
- (i) accelerate progress toward the State goals set forth in 10 V.S.A. §§ 578, 580, and 581;

- (ii) accelerate progress toward the recommendations contained in the State Comprehensive Energy Plan; and
  - (iii) further the objectives set forth in 30 V.S.A. § 8005(a)(3).
- (B) the best model to create an all-fuels energy efficiency program including whether to recommend:
  - (i) the appointment of one or more new entities; or
- (ii) the appointment of one or more entities that are currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2) and distribution utilities that are currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3).

### (C) how to:

- (i) develop and utilize a full cost-benefit, full life cycle accounting method for analyzing energy policy and programs; and
- (ii) employ metrics that assess positive and negative externalities, including health impacts on individuals and the public.
- (2) Expansion of the programs and services that efficiency utilities may provide. The Commission shall consider whether to recommend that efficiency programs and services, whether provided by entities currently providing efficiency and conservation programs pursuant to 30 V.S.A. § 209(d)(2), distribution utilities currently providing programs and services pursuant to 30 V.S.A. § 8005(a)(3), or a new entity or entities recommended pursuant to subdivision (1) of this subsection (a), should incorporate additional technologies, services, and strategies, including:
  - (A) demand response;
  - (B) flexible load management:
  - (C) energy storage;
- (D) reduction of fossil fuel use through electrification and the use of renewable fuels and energy; and
  - (E) building shell improvement and weatherization.
  - (3) Funding.
- (A) The Commission shall consider and recommend how best to provide consistent, adequate, and equitable funding for efficiency, conservation, and related programs and services, including:
- (i) how to use existing or new funding sources to better support existing efficiency and conservation programs and services, including those

described in Sec. 1 of this act, during the period the Commission is conducting the proceeding pursuant to this subsection;

- (ii) how to use existing or new funding sources to provide sufficient funds to implement and support the Commission's recommendations made pursuant to subdivisions (1) and (2) of this subsection (a); and
- (iii) whether Thermal Renewable Energy Certificates (T-RECs) can be used to provide for the proper valuation of thermal load reduction investments, to create a revenue stream to support thermal load reduction work, and to evaluate the role of such work within the overall suite of energy programs designed to reduce greenhouse gas (GHG) emissions and generate savings for Vermonters.
- (B) In reaching its recommendations pursuant to subdivision (A) of this subdivision (3), the Commission shall consider how any recommendation may affect the financial and economic well-being of Vermonters.
- (b) The existing Energy Efficiency Utility Orders of Appointment issued by the Public Utility Commission shall not be altered or revoked in the proceeding pursuant to subsection (a) of this section.
- (c) Process. The Commission shall schedule workshops and seek written filings from all interested stakeholders and ensure that all stakeholders have an opportunity to provide input. The Commission may use contested case procedures if it deems appropriate.

### (d) Reports. On or before:

- (1) January 15, 2020, the Commission shall submit a preliminary report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy concerning its progress and any preliminary findings and recommendations as to subsection (a) of this section, including recommendations as to subdivision (a)(3)(A) of this section, and any findings and recommendations that may influence the scope and focus of Efficiency Vermont's 2021-23 Demand Resources Plan Proceeding; and
- (2) January 15, 2021, the Commission shall submit a final written report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy with its findings and detailed recommendations as to subsection (a) of this section, including recommendations for legislative action.
  - \* \* \* Carbon Emissions Reduction Committee \* \* \*

Sec. 3. 2 V.S.A. chapter 17 is amended to read:

CHAPTER 17: JOINT ENERGY CARBON EMISSIONS REDUCTION

### **COMMITTEE**

### § 601. CREATION OF COMMITTEE

- (a) There is created a Joint Energy Carbon Emissions Reduction Committee whose membership shall be appointed each biennial session of the General Assembly. The Committee shall consist of four five Representatives, at least one from each major party the Committees on Appropriations, on Commerce and Economic Development, on Energy and Technology, and on Transportation, to be appointed by the Speaker of the House, and four five members of the Senate, at least one from each major party the Committees on Appropriations, on Finance, on Natural Resources and Energy, and on Transportation, to be appointed by the Committee on Committees.
- (b) The Committee shall elect a chair, and vice chair, and clerk and shall adopt rules of procedure. The Chair shall rotate biennially between the House and the Senate members. The Committee may meet during a session of the General Assembly at the call of the Chair or a majority of the members of the Committee and with the approval of the Speaker of the House and the President Pro Tempore of the Senate. The Committee may meet up to five times during adjournment subject to approval of the Speaker of the House and the President Pro Tempore of the Senate. A majority of the membership shall constitute a quorum.
- (c) The Office of Legislative Council shall provide legal, professional, and administrative assistance to the Committee.
- (d) For attendance at a meeting when the General Assembly is not in session, members of the Committee shall be entitled to the same per diem compensation and expense reimbursement as provided members of standing committees pursuant to section 406 of this title.

### § 602. EMPLOYEES: RULES

- (a) The Joint Energy Committee shall meet following the appointment of its membership to organize and begin the conduct of its business.
- (b) The staff of the Office of Legislative Council shall provide professional and clerical assistance to the Joint Committee.
- (c) For attendance at a meeting when the General Assembly is not in session, members of the Joint Energy Committee shall be entitled to the same per diem compensation and reimbursement for necessary expenses as provided members of standing committees under section 406 of this title.
- (d) The Joint Energy Committee shall keep minutes of its meetings and maintain a file thereof. [Repealed.]

### § 603. FUNCTIONS DUTIES

The Joint Energy Carbon Emissions Reduction Committee shall:

- (1) carry on a continuing review of all energy matters in the State and in the northeast region of the United States, including energy sources, energy distribution, energy costs, energy planning, energy conservation, and pertinent related subjects;
- (2) work with, assist, and advise other committees of the General Assembly, the Executive, and the public in energy-related matters within their respective responsibilities provide oversight when the General Assembly is not in session of State policies and activities concerning and affecting carbon emissions from Vermont's electric, residential and commercial buildings, and transportation sectors.
  - \* \* \* VLITE and the Home Weatherization Assistance Fund \* \* \*

### Sec. 4. 33 V.S.A. § 2501 is amended to read:

### § 2501. HOME WEATHERIZATION ASSISTANCE FUND

- (a) There is created in the State Treasury a fund to be known as the Home Weatherization Assistance Fund to be expended by the Director of the State Office of Economic Opportunity in accordance with federal law and this chapter.
- (b) The Fund shall be composed of the receipts from the gross receipts tax on retail sales of fuel imposed by section 2503 of this title, such funds as may be allocated from the Oil Overcharge Fund, such funds as may be allocated from the federal Low Income Energy Assistance Program, such funds as may be deposited or transferred into the Fund by the Vermont Low Income Trust for Electricity, and such other funds as may be appropriated by the General Assembly.

\* \* \*

### Sec. 5. HOME WEATHERIZATION ASSISTANCE PROGRAM; VERMONT LOW INCOME TRUST FOR ELECTRICITY

- (a) The General Assembly finds that:
- (1) It is the energy policy of the State to substantially increase the number of homes weatherized each year in order to meet the goals set forth in 10 V.S.A. § 581 and in the State Comprehensive Energy Plan.
- (2) In its January 2019 report prepared for the General Assembly, *An Analysis of Decarbonization Methods in Vermont*, Resources for the Future stated that Vermont's Greenhouse Gas emissions are concentrated in two areas,

heating and transportation. The Regulatory Assistance Project (RAP), in its related report, *Economic Benefits and Energy Savings Through Low-Cost Carbon Management*, issued in February 2019, found that energy efficiency initiatives, including home insulation and weatherization, are key to meeting Vermont's climate goals. As a result, the RAP recommended expanding the Home Weatherization Assistance Program pursuant to 33 V.S.A. chapter 25.

- (3) The mission of the Vermont Low Income Trust for Electricity (VLITE) is to fund projects that further the State's energy policy and that assist Vermonters with low-income. VLITE uses dividends from Vermont Electric Power Company (VELCO) stock that it owns to fund such projects.
- (4) VLITE investing the dividends from its VELCO stock in the Home Weatherization Assistance Program will implement the RAP recommendation to expand this Program, help the State achieve its carbon reduction goals pursuant to statute and the Comprehensive Energy Plan, and also assist Vermonters with low-income to reduce fossil fuel use and save money.
- (b) The General Assembly finds that investing the dividends from VLITE's VELCO stock in the Home Weatherization Assistance Program is consistent with VLITE's mission and furthers the State's energy plan and Greenhouse Gas reduction goals. As a result, the General Assembly encourages VLITE to invest the dividends from its VELCO stock into the Home Weatherization Assistance Fund pursuant to 33 V.S.A. § 2501.
  - \* \* \* Supplemental Weatherization Funding \* \* \*

### Sec. 6. SUPPLEMENTAL WEATHERIZATION FUNDING

In fiscal year 2020, \$350,000.00 is appropriated from the General Fund to Efficiency Vermont for weatherization programs and services pursuant to subsection (a) of Sec. 1 of this act.

- Sec. 7. 2018 Acts and Resolves No. 188, Sec. 7 is amended to read:
- Sec. 7. ACCELERATED WEATHERIZATION PROGRAM; HOUSING IMPROVEMENT PROGRAM; STATE TREASURER; FUNDING
- (a) The General Assembly finds that, in addition to the weatherization efforts provided under the Home Weatherization Assistance Program established in 33 V.S.A. chapter 25, an increased pace of weatherization and housing improvements would result in both environmental and economic benefits to the State. Accelerated weatherization efforts and housing improvements will:
  - (1) decrease the emission of greenhouse gases;
  - (2) increase job opportunities in the field of weatherization;

- (3) enable Vermonters to live in safer, healthier housing; and
- (4) reduce health care costs by reducing the incidence of respiratory illnesses, allergies, and other health problems.
- (b) In fiscal years 2019, and 2020, and 2021 the State Treasurer is authorized to invest up to \$5,000,000.00 of funds from the credit facility established in 10 V.S.A. § 10 for an accelerated weatherization and housing improvement program, provided that:
- (1) for owner-occupied homes, the funds shall be used to support weatherization efforts and housing improvement efforts for homeowners with a family income that is not more than 120 percent of the area or statewide median family income, whichever is higher, as reported by the U.S. Department of Housing and Urban Development for the most recent year for which data are available owner-occupied homes and multi-family homes; and
- (2) for multi-family rental homes, the funds shall be used in conjunction with other State programs, and that not less than 50 percent of the tenant households residing in properties to be rehabilitated shall have an annual household income that is not more than 80 percent of the area or statewide median family income, whichever is higher, as reported by the U.S. Department of Housing and Urban Development for the most recent year for which data are available; and
- (3) weatherization efforts are included in the improvements to any housing unit funded from the credit facility.
  - \* \* \* Beverage Containers; Escheats \* \* \*
- Sec. 8. 10 V.S.A. § 1530 is amended to read:

### § 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

- (a) As used in this section, "deposit initiator" means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.
- (b) A deposit initiator shall open a separate interest-bearing account to be known as the deposit transaction account in a Vermont branch of a financial institution. The deposit initiator shall keep the deposit transaction account separate from all other revenues and accounts.
- (c) Beginning on October 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the

deposit transaction account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.

- (d) Beginning on January 1, 2020, and quarterly thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding quarter. The report shall be submitted on or before the 25th day of the calendar month succeeding the quarter ending on the last day of March, June, September, and December each year. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:
- (1) the balance of the deposit transaction account at the beginning of the preceding quarter;
- (2) the number of beverage containers sold in the preceding quarter and the number of beverage containers returned in the preceding quarter;
- (3)(2) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;
- (4)(3) the amount of refund payments made from the deposit transaction account in the preceding quarter; and
- (5) any income earned on the deposit transaction account in the preceding quarter;
- (6) any other transactions, withdrawals, or service charges on the deposit transaction account from the preceding quarter; and
- $\frac{7}{4}$  any additional information required by the Commissioner of Taxes.
- (e)(c)(1) On or before January 1, 2020, and quarterly thereafter, at the time a report is filed pursuant to subsection (d) of this section, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding quarter. The amount of abandoned beverage container deposits for a quarter is the amount equal to the amount of deposits that should be in the deposit transaction account less the sum of:
- (A) income earned on amounts on the deposit transaction account during that quarter; and
  - (B) the total amount of refund value paid out by the deposit initiator

for beverage containers during that quarter the deposit initiator collected in the quarter less the amount of the total refund value paid out by the deposit initiator for beverage containers during the quarter.

- (2) In any calendar quarter, the deposit initiator may submit to the Commissioner of Taxes a request for reimbursement of refunds paid under this chapter that exceed the funds that are or should be in the deposit initiator's deposit transaction account amount of deposits collected in the quarter. The Commissioner of Taxes shall pay a request for reimbursement under this subdivision from the funds remitted to the Commissioner under subdivision (1) of this subsection, provided that:
- (A) the Commissioner determines that the funds in the deposit initiator's deposit transaction account deposits collected by the deposit initiator are insufficient to pay the refunds on returned beverage containers; and
- (B) a reimbursement paid by the Commissioner to the deposit initiator shall not exceed the amount paid by the deposit initiator under subdivision (1) of this subsection (e) during the preceding 12 months (c) less amounts paid to the initiator pursuant to this subdivision (2) during that same 12-month period in the previous four quarterly filings.
- (3) Except as expressly provided otherwise in this chapter, all the administrative provisions of 32 V.S.A. chapter 151, including those relating to collection, enforcement, interest, and penalty charges, shall apply to the remittance of abandoned beverage container deposits.
- (4) A deposit initiator may within 60 days after the date of mailing of a notice of deficiency, the date of a full or partial denial of a request for reimbursement, or the date of an assessment petition the Commissioner of Taxes in writing for a hearing and determination on the matter. The hearing shall be subject to and governed by 3 V.S.A. chapter 25. Within 30 days after a determination, an aggrieved deposit initiator may appeal a determination by the Commissioner of Taxes to the Washington Superior Court or the Superior Court of the county in which the deposit initiator resides or has a place of business.
- (5) Notwithstanding any appeal, upon finding that a deposit initiator has failed to remit the full amount required by this chapter, the Commissioner of Taxes may treat any refund payment owed by the Commissioner to a deposit initiator as if it were a payment received and may apply the payment in accordance with 32 V.S.A. § 3112.
- (f)(d) The Secretary of Natural Resources may prohibit the sale of a beverage that is sold or distributed in the State by a deposit initiator who fails

to comply with the requirements of this chapter. The Secretary may allow the sale of a beverage upon the deposit initiator's coming into compliance with the requirements of this chapter.

(e) Data reported to the Secretary of Natural Resources and the Commissioner of Taxes by a deposit initiator under this section shall be confidential business information exempt from public inspection and copying under 1 V.S.A. § 317(c)(9), provided that the Commissioner of Taxes may use and disclose such information in summary or aggregated form that does not directly or indirectly identify individual deposit initiators.

### Sec. 9. 10 V.S.A. § 8003(a) is amended to read:

(a) The Secretary may take action under this chapter to enforce the following statutes and rules, permits, assurances, or orders implementing the following statutes, and the Board may take such action with respect to subdivision (10) of this subsection:

\* \* \*

(7) 10 V.S.A. chapter 53, relating to beverage containers, <u>provided that</u> the Secretary may not take action to enforce the provisions of section 1530 of this title that are enforceable by the Commissioner of Taxes;

\* \* \*

### Sec. 10. 10 V.S.A. § 8503(a)(1)(G) is amended to read:

- (G) chapter 53 (beverage containers; deposit-redemption system), except for those acts or decisions of the Commissioner of Taxes under section 1530 of this title;
  - \* \* \* Weatherization; Building Energy Labeling and Benchmarking \* \* \*

### Sec. 11. FINDINGS

The General Assembly finds that for the purposes of Secs. 11–14 of this act:

(1) Pursuant to 10 V.S.A. § 578, it is the goal of Vermont to reduce greenhouse gas emissions from the 1990 baseline by 50 percent by January 1, 2028, and, if practicable, by 75 percent by January 1, 2050. Pursuant to 10 V.S.A. § 581, it is also the goal of Vermont to improve the energy fitness of at least 20 percent (approximately 60,000 units) of the State's housing stock by 2017, and 25 percent (approximately 80,000 units) by 2020, thereby reducing fossil fuel consumption and saving Vermont families a substantial amount of money.

- (2) The State is failing to achieve these goals. For example, Vermont's greenhouse gas emissions have increased 16 percent compared to the 1990 baseline.
- (3) Approximately 24 percent of the greenhouse gas emissions within Vermont stem from residential and commercial heating and cooling usage. Much of Vermont's housing stock is old, inadequately weatherized, and therefore not energy efficient.
- (4) The Regulatory Assistance Project recently issued a report recommending two strategies to de-carbonize Vermont and address climate change. First, electrifying the transportation sector. Second, focusing on substantially increasing the rate of weatherization in Vermont homes and incentivizing the adoption of more efficient heating technologies such as cold climate heat pumps.
- (5) Although the existing Home Weatherization Assistance Program assists Vermonters with low income to weatherize their homes and reduce energy use, the Program currently weatherizes approximately 850 homes a year. This rate is insufficient to meet the State's statutory greenhouse gas reduction and weatherization goals.
- (6) Since 2009, proceeds from the Regional Greenhouse Gas Initiative (RGGI) and the Forward Capacity Market (FCM) have been used to fund thermal efficiency and weatherization initiatives by Efficiency Vermont, under the oversight of the Public Utility Commission (PUC). Approximately 800 Vermont homes and businesses are weatherized each year under a market-based approach that utilizes 50 participating contractors. Efficiency Vermont and the contractors it works with have the capacity to substantially increase the number of projects undertaken each year.
- (7) A multipronged approach is necessary to address these issues. The first part will establish a statewide voluntary program for rating and labeling the energy performance of buildings to make energy use and costs visible for buyers, sellers, owners, lenders, appraisers, and real estate professionals. The second part will allow Efficiency Vermont to use unspent funds to weatherize more homes and buildings. The third part will ask the Public Utility Commission to undertake a proceeding to examine whether to recommend to the General Assembly the creation of an all-fuels energy efficiency program, the expansion of the services that efficiency utilities may provide, and related issues.

Sec. 12. 30 V.S.A. chapter 2, subchapter 2 is added to read:

Subchapter 2. Building Energy Labeling and Benchmarking

### § 61. DEFINITIONS

As used in this subchapter:

- (1) "Benchmarking" means measuring the energy performance of a single building or portfolio of buildings over time in comparison to other similar buildings or to modeled simulations of a reference building built to a specific standard such as an energy code.
- (2) "Commercial Working Group" means the Commercial and Multiunit Building Energy Labeling Working Group established by subsection 62(b) of this title.
  - (3) "Commission" means the Public Utility Commission.
  - (4) "Department" means the Department of Public Service.
- (5) "Distribution company" means a company under the jurisdiction of the Commission that distributes electricity or natural gas for consumption by end users.
- (6) "Energy efficiency utility" means an energy efficiency entity appointed under subdivision 209(d)(2) of this title.
- (7) "Energy label" means the visual presentation in a consistent format of an energy rating for a building and any other supporting and comparative information. The label may be provided as a paper certificate or made available online, or both.
- (8) "Energy rating" means a simplified mechanism to convey a building's energy performance. The rating may be based on the operation of the building or modeled based on the building's assets.
- (9) "Home energy assessor" means an individual who assigns buildings a home energy performance score using a scoring system based on the energy rating.
- (10) "Multiunit building" means a building that contains more than one independent dwelling unit or separate space for independent commercial use, or both.
- (11) "Residential Working Group" means the Residential Building Energy Labeling Working Group established by subsection 62(a) of this title.
- (12) "Unit holder" means the tenant or owner of an independent dwelling unit or separate space for independent commercial use within a multiunit building.

### § 62. BUILDING ENERGY WORKING GROUPS

- (a) Residential Working Group. There is established the Residential Building Energy Labeling Working Group.
  - (1) The Residential Working Group shall consist of the following:
- (A) the Commissioner of Public Service (Commissioner) or designee;
- (B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;
- (C) a representative of each energy efficiency utility, chosen by that efficiency utility;
- (D) the Director of the State Office of Economic Opportunity or designee;
- (E) a representative of Vermont's community action agencies appointed by the Vermont Community Action Partnership;
- (F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board;
- (G) a building performance professional, appointed by the Building Performance Professionals Association;
- (H) a representative of the real estate industry, appointed by the Vermont Association of Realtors; and
- (I) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.
- (2) The Residential Working Group shall advise the Commissioner in the development of informational materials pursuant to section 63 of this title.
- (b) Commercial Working Group. There is established the Commercial and Multiunit Building Energy Labeling Working Group.
  - (1) The Commercial Working Group shall consist of the following:
    - (A) the Commissioner or designee;
- (B) an expert in the design, implementation, and evaluation of programs and policies to promote investments in energy efficiency who is not a member of an organization described elsewhere in this subsection, appointed by the Commissioner;

- (C) a representative of each energy efficiency utility, chosen by that efficiency utility;
- (D) the Director of the State Office of Economic Opportunity or designee;
- (E) a representative of Vermont's community action agencies, appointed by the Vermont Community Action Partnership;
- (F) a representative, with energy efficiency expertise, of the Vermont Housing and Conservation Board, appointed by that Board; and
- (G) such other members with expertise in energy efficiency, building design, energy use, or the marketing and sale of real property as the Commissioner may appoint.
- (2) The Commercial Working Group shall advise the Commissioner in the development of forms pursuant to section 64 of this title.
- (c) Co-chairs. Each working group shall elect two co-chairs from among its members.
- (d) Meetings. Meetings of each working group shall be at the call of a Co-Chair in consultation with the Department of Public Service. The meetings shall be subject to the Vermont Open Meeting Law and 1 V.S.A. § 172.
- (e) Vacancy. When a vacancy arises in a working group created under this section, the appointing authority shall appoint a person to fill the vacancy.
- (f) Responsibilities. The Working Groups shall advise the Commissioner on the following:
- (1) requirements for home assessors, including any endorsements, licensure, and bonding required;
  - (2) programs to train home energy assessors;
- (3) requirements for reporting building energy performance scores given by home energy assessors and the establishment of a system for maintaining such information;
- (4) requirements to standardize the information on a home energy label; and
- (5) other matters related to benchmarking, energy rating, or energy labels for residential, commercial, and multiunit buildings.

### § 63. MULTIUNIT BUILDINGS; ACCESS TO AGGREGATED DATA

(a) Obligation; aggregation and release of data. On request of the owner of a multiunit building or the owner's designated agent, each distribution

company and energy efficiency utility shall aggregate monthly energy usage data in its possession for the unit holders in the building and release the aggregated data to the owner or agent. The aggregated data shall be anonymized.

- (1) Under this section, the obligation to aggregate and release data shall accrue when the owner or agent:
- (A) Certifies that the request is made for the purpose of benchmarking or preparing an energy label for the building.
- (B) With respect to a multiunit building that has at least four unit holders, provides documentation certifying that, at least 14 days prior to submission of the request, each unit holder was notified that the energy usage data of the holder was to be requested and that this notice gave each unit holder an opportunity to opt out of the energy use aggregation. The owner or agent shall identify to the distribution company or energy efficiency utility requesting the data each unit holder that opted out.
- (C) With respect to a multiunit building that has fewer than four unit holders, provides an energy usage data release authorization from each unit holder.
- (2) A unit holder may authorize release of the holder's energy usage data by signature on a release authorization form or clause in a lease signed by the unit holder. The provisions of 9 V.S.A. § 276 (recognition of electronic records and signatures) shall apply to release authorization forms under this subsection.
- (3) After consultation with the Commercial Working Group, the Commissioner of Public Service shall prescribe forms for requests and release authorizations under this subsection. The request form shall include the required certification.
- (b) Response period. A distribution company or energy efficiency utility shall release the aggregated energy use data to the building owner or designated agent within 30 days of its receipt of a request that meets the requirements of subsection (a) of this section.
- (1) The aggregation shall exclude energy usage data for each unit holder who opted out or, in the case of a multiunit building with fewer than four unit holders, each unit holder for which a signed release authorization was not received.
- (2) A distribution company may refer a complete request under subsection (a) of this section to an energy efficiency utility that possesses the

requisite data, unless the data is to be used for a benchmarking program to be conducted by the company.

### Sec. 13. WORKING GROUPS; CONTINUATION

- (a) The Residential Energy Labeling Working Group and Commercial Energy Labeling Working Group convened by the Department of Public Service in response to 2013 Acts and Resolves No. 89, Sec. 12, as each group existed on February 1, 2019, shall continue in existence respectively as the Residential Building Energy Labeling Working Group and the Commercial and Multiunit Building Energy Labeling Working Group created under Sec. 2 of this act, 30 V.S.A. § 62. Those persons who were members of such a working group as of that date may continue as members and, in accordance with 30 V.S.A. § 62, the appointing authorities shall fill vacancies in the working group as they arise.
- (b) Within 60 days of this section's effective date, the Commissioner of Public Service shall make appointments to each working group created under 30 V.S.A. § 62.

### Sec. 14. REPORT; COMMERCIAL AND MULTIUNIT BUILDING ENERGY

- (a) On or before January 15, 2021, the Commissioner of Public Service (the Commissioner), in consultation with the Commercial and Multiunit Building Energy Labeling Working Group created under Sec. 2 of this act, shall file a report and recommendations on each of the following:
- (1) each issue listed under "unresolved issues" on page 45 of the report to the General Assembly in response to 2013 Acts and Resolves No. 89, Sec. 12, entitled "Development of a Voluntary Commercial/Multifamily/Mixed-Use Building Energy Label" and dated December 15, 2014; and
- (2) the appropriateness and viability of publicly disclosing the results of benchmarking as defined in 30 V.S.A. § 61.
- (b) The Commissioner shall file the report and recommendations created under subsection (a) of this section with the House Committee on Energy and Technology and the Senate Committees on Finance and on Natural Resources and Energy.

### \* \* \* Effective Dates \* \* \*

### Sec. 15. EFFECTIVE DATES

(a) This section and Secs. 8–10 (beverage container; escheats) shall take effect on passage.

- (b) Secs. 1–7 (Efficiency Vermont, Public Utility Commission Proceeding, Carbon Emissions Reduction Committee, VLITE and Home Weatherization Assistance Fund, and supplemental weatherization funding) shall take effect on July 1, 2019.
- (c) 30 V.S.A. § 62, building energy working groups, is repealed on June 30, 2021.

And that after passage the title of the bill be amended to read:

An act relating to weatherization, a Public Utility Commission proceeding, and unclaimed beverage container deposits.

(For text see House Journal February 13, 2019)

### H. 292

An act relating to town banners over highway rights-of-way

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. 10 V.S.A. § 494 is amended to read:

### § 494. EXEMPT SIGNS

The following signs are exempt from the requirements of this chapter except as indicated in section 495 of this title:

\* \* \*

- (18)(A) A sign that is a banner erected over a highway right-of-way for not more than 21 days if the bottom of the banner is not less than 16 feet 6 inches above the surface of the highway and is securely fastened with breakaway fasteners.
- (B) As used in this subdivision (18), "banner" means a sign that is constructed of soft cloth or fabric or flexible material such as vinyl or plastic cardboard.
- Sec. 2. 10 V.S.A. § 495 is amended to read:
- § 495. OTHER REGULATIONS APPLYING TO PERMITTED SIGNS

\* \* \*

(d) Notwithstanding any other provisions of this title, a person, firm, or corporation shall not erect or maintain any outdoor advertising structure, device, or display within the limits of the highway right-of-way; however, this limitation shall not apply to the signs and devices referred to in subdivisions 494(1), (2), (3), (6), (7), (10), (14), and (17) of this title.

- (f) Except on limited access facilities, the limitation established by subsection (d) of this section shall not apply to the signs referred to in subdivision 494(18) of this title.
- Sec. 3. 1 V.S.A. § 377 is amended to read:
- § 377. GREEN UP DAY; RIVER GREEN UP CLEANUP MONTH
  - (a) The first Saturday in the month of May is designated as Green Up Day.
- (b) September of each year is designated as River Green Up Cleanup Month.
- Sec. 4. 10 V.S.A. § 1446 is amended to read:
- § 1446. REGISTERED PROJECTS; EXEMPTIONS FROM PERMITTING

\* \* \*

(b) Exemptions. The following activities in a protected shoreland area do not require a permit under section 1444 or 1445 of this title:

\* \* \*

(18) Removal of constructed feature. Temporary cutting or removal of vegetation to remove an existing constructed feature, provided that the area of removal is revegetated according to the requirements for the management of vegetative cover under section 1447 of this title and all cutting and removal of vegetation complies with the Agency's low-risk site handbook for erosion prevention and sediment control.

\* \* \*

Sec. 5. 10 V.S.A. § 4254 is amended to read:

§ 4254. FISHING AND HUNTING LICENSES; ELIGIBILITY, DESIGN, DISTRIBUTION, SALE, AND ISSUE

\* \* \*

(i)(1) If the Board establishes a moose hunting season, up to five moose permits shall be set aside to be auctioned not more than 10 percent of the total number of annual moose permits authorized by the Board shall be set aside to be auctioned. The total number of annual moose permits set aside to be auctioned shall not exceed six. The moose permits, if any, set aside for auction shall be in addition to the included in the total number of annual moose permits authorized by the Board. The Board shall adopt rules necessary for the Department to establish, implement, and run the auction process. The Commissioner annually may establish a minimum dollar amount of not less

than \$1,500.00 for any winning bid for a moose permit auctioned under this subdivision. Proceeds from the auction shall be deposited in the Fish and Wildlife Fund and used for conservation education programs run by the Department. Successful bidders must have a Vermont hunting or combination license in order to purchase a moose permit.

- (2) If the Board establishes a moose hunting season, there shall be established a program to the Commissioner shall set aside five moose permits not more than 10 percent of the total number of annual moose permits authorized by the Board for Vermont residents who have served on active duty in any branch of the U.S. Armed Forces provided that he or she has not received a dishonorable discharge. The total number of annual moose permits set aside for Vermont veterans shall not exceed six. Veterans awarded a moose permit under this subsection shall possess a valid Vermont hunting license or combination license in order to purchase a moose permit. The Department of Fish and Wildlife shall coordinate with the Office of Veterans Affairs to provide notice to eligible veterans of the moose permits set aside under this subsection.
- (3) The Department of Fish and Wildlife shall adopt a procedure to implement the set-aside program for <u>auction and for</u> veterans, including a method to award applicants <u>preference bonus</u> points and a method by which <u>auction participants and</u> veterans who applied for but failed to receive a permit in one hunting season are awarded priority in the subsequent moose hunting season. The procedure adopted under this subdivision shall be consistent with the preference system for the permit auction authorized under subdivision (1) of this subsection. Veterans awarded a moose permit under this subsection must possess a valid Vermont hunting or combination license in order to purchase a moose permit. The Department of Fish and Wildlife shall coordinate with the Office of Veterans Affairs to provide notice to eligible veterans of the moose permits set-aside under this subsection may include a provision for freezing bonus points in the event that the Board does not approve a moose hunting season or approves a small number of permits for the moose hunting season.

Sec. 6. 10 App. V.S.A. § 33 is amended to read:

#### § 33. MOOSE MANAGEMENT RULE

\* \* \*

3.6 "Bonus point" means: 1) a point accrued for successfully applying for a permit, but not being drawn, or 2) a point accrued by indicating on the application that the person should not be entered into that year's drawing, but wishes to accrue a point. [Repealed.]

\* \* \*

#### 7.0 Lottery Points

- 7.1 A person may accumulate one additional chance, or "bonus point" to win the lottery for each consecutive year that person legally submits and provides the fee for an application but is not selected to receive a permit.
- 7.2 Two separate lotteries may be held, one for the archery season and one for the regular season. Applicants may accumulate up to one bonus point per year in each of the two separate lotteries, provided a complete application is submitted.
- 7.3 Applicants may elect to accrue a bonus point without entering the moose hunt lottery by submitting a completed application and fee and indicating at the appropriate place on the application form that they do not wish to be entered in the lottery for the current calendar year.
- 7.4 To accrue bonus points, a person must provide a complete application for the given year's lottery for which the person wishes to receive a permit (archery or regular). All bonus points in both lotteries are lost upon receipt of a valid permit or failure to provide a complete application for each designated lottery a person may continue to accrue bonus points in one lottery, even if he or she fails to provide a valid application for the other. [Repealed.]

\* \* \*

Sec. 7. 10 V.S.A. § 4255 is amended to read:

§ 4255. LICENSE FEES

\* \* \*

(j) If the Board determines that a moose season will be held in accordance with the rules adopted under sections 4082 and 4084 of this title, the Commissioner annually may issue three no-cost moose licenses to a person who has a life-threatening disease or illness and who is sponsored by a qualified charitable organization, provided that at least one of the no-cost annual moose licenses awarded each year shall be awarded to a child or young adult 21 years of age or under who has a life-threatening illness. The child or adult shall comply with all other requirements of this chapter and the rules of the Board. Under this subsection, a person may receive only one no-cost moose license in his or her lifetime. The Commissioner shall adopt rules in accordance with 3 V.S.A. chapter 25 to implement this subsection. The rules shall define the child or adult qualified to receive the no-cost license, shall define a qualified sponsoring charitable organization, and shall provide the

application process and criteria for issuing the no-cost moose license.

\* \* \*

### Sec. 8. REPEAL; SPECIAL OPPORTUNITY YOUTH MOOSE LICENSE RULE

The Vermont Department of Fish and Wildlife Commissioner Rule entitled Special Opportunity Youth Moose License Rule, 12-010-072 Vt. Code R. § 1, effective September 13, 2005, and amended May 18, 2010, is hereby repealed.

- Sec. 9. AMENDMENTS TO AIR POLLUTION CONTROL RULES REGARDING WOOD HEATERS; COMMENCEMENT; ADOPTION; INSTITUTIONAL, COMMERCIAL, AND INDUSTRIAL WOOD HEATING APPLIANCES
- (a)(1) The Secretary of Natural Resources, in consultation with interested parties and parties having expertise in wood heating and wood heating appliances, shall adopt amendments to the provisions of the Vermont Air Pollution Control Regulations governing the manufacture, sale, purchase, installation, and operation of wood heating appliances for use in institutional, commercial, or industrial applications in Vermont. These rules shall allow for alternative methods of demonstrating compliance with applicable air quality and efficiency standards as determined by the Air Pollution Control Officer.
- (2) On or before July 1, 2019, the Secretary of Natural Resources shall submit to the Senate Committee on Natural Resources and Energy and the House Committees on Energy and Technology and on Natural Resources, Fish, and Wildlife a copy of the draft rule amendments to Vermont Air Pollution Control Regulations required in subsection (a) of this section.
- (3) The Secretary of Natural Resources shall commence the rulemaking required under this subsection on or before October 1, 2019 and shall adopt the rules on or before May 1, 2020.
- (b)(1) Until such time that a rule amendment as required in subsection (a) of this section is adopted, and notwithstanding VT ADC 12-031-001:5-204, manufacturers of wood heating appliances that are equipped with oxygen trim systems for use in institutional, commercial, or industrial applications shall be subject to a certification process conducted by the Agency of Natural Resources wherein each discrete model to be installed in Vermont shall be certified by the Air Pollution Control Officer before installation occurs, unless such appliance has been certified by the U.S. Environmental Protection Agency as meeting the requirements of 40 C.F.R. Part 60, Subparts AAA and QQQQ as published in the Federal Register on March 16, 2015. Units that do not meet the requirements for certification will remain subject to VT ADC

#### 12-031-001:5-204.

#### (2) Certification process.

- (A) The Secretary shall develop a certification process in accordance with this section by July 10, 2019. As part of the certification process, the Secretary shall:
- (i) accept test data pursuant to the European Standard EN 303-5 adjusted for higher heat value and condensable particulate matter fraction or other similar methods approved by the Air Pollution Control Officer; and
- (ii) require emissions standards no more stringent than those levels established under 40 C.F.R. §§ 60.5474(b)(2) and 60.532(b) as published in the Federal Register on March 16, 2015.
- (B) A fee of \$1,000.00 shall be due the Agency for each certification application that is submitted in accordance with the certification process.
- (C) Certification of a particular unit model issued by the Air Pollution Control Officer is not subject to the procedures and requirements of 10 V.S.A. chapter 170.
- (c) Notwithstanding subsection (b) of this section, prior to September 1, 2019, new wood heating appliances that are equipped with oxygen trim systems for use in institutional, commercial, or industrial applications may be installed in Vermont.
- (d)(1) Notice to buyers. No persons shall sell or distribute any new wood heating appliance for installation in an institutional, commercial, or industrial application as allowed in subsections (b) or (c) of this section unless, prior to any retail sales or lease agreement, the seller or dealer provides the prospective buyer or lessee with written notice stating that:
- (A) only allowed fuels, as specified in VT ADC 12-031-001:5-204(c)(3)(ii), may be burned in a new wood heating appliance; and
- (B) all new wood heating appliances must be operated in conformance with the manufacturer's operating and maintenance instructions.
- (2) The written notice shall be signed and dated by the prospective buyer or lessee to verify timely receipt of the notice prior to the sale or lease and shall contain the name, address, and telephone number of both the seller or dealer and the prospective buyer or lessee, the location where the new wood heating appliance will be installed, the wood fuel type to be used, and the make and model of the new wood heating appliance. Prior to delivery of a new wood heating appliance to any buyer or lessee, the seller or dealer shall mail or otherwise provide a copy of the signed notice to the Secretary.

- (e)(1) Requirements for installers, owners, and operators. No person shall install any new wood heating appliance allowed pursuant to subsections (b) or (c) of this section that is also an outdoor hydronic heater that does not meet the setback requirements of VT ADC 12-031-001:5-204(c)(2)(iv).
- (2) No person shall cause, allow, or permit the operation of a new wood heating appliance allowed pursuant to subsections (b) and (c) of this section that is not in accordance with the requirements of VT ADC 12-031-001:5-204(c)(3)(ii)-(iii).
- Sec. 10. 10 V.S.A. § 4252 is amended to read:
- § 4252. ACTIVITIES PERMITTED UNDER LICENSES.
  - (a) Subject to provisions of this part and rules of the Board:
    - (1) A fishing license shall entitle the holder to take fish.
- (2) A hunting license shall entitle the holder to take wild animals, other than fish, except by trapping and for those species that require a separate big game license, and to shoot and spear pickerel.
- (3) A trapping license shall entitle the holder to take animals other than fish with the use of traps.
- (4) A combination fishing and hunting license shall entitle the holder to take fish and wild animals, except by trapping and for those species that require a separate big game license, and to shoot and spear pickerel.
- (5) An archery license shall entitle the holder to take one wild deer by bow and arrow or crossbow.
- (6) A muzzle loader license shall entitle the holder to take deer with a muzzle loading firearm.
  - (7) A turkey license shall entitle the holder to take wild turkey.
- (8) A small game license shall entitle the holder to take small game by any lawful means other than a trap.
- (9) A second muzzle loader license, which may only be purchased by a holder of a muzzle loader license, shall entitle the holder to take one wild deer, in addition to the number allowed to a holder of a muzzle loader license, with a muzzle loading firearm. [Repealed.]
- (10) A second archery license, which may only be purchased by a holder of an archery license, shall entitle the holder to take one deer, in addition to the number allowed to a holder of an archery license, with a bow and arrow. [Repealed.]

- Sec. 11. 10 V.S.A. § 4701 is amended to read:
- § 4701. USE OF GUN, BOW AND ARROW, AND CROSSBOW; LEGAL DAY; DOGS
- (a) Unless otherwise provided by statute, a person shall not take game except with:
  - (1) a gun fired at arm's length;
  - (2) a bow and arrow; or
- (3) a crossbow as authorized under section 4711 of this title or as authorized by the rules of the Board.
- (b) A person shall not take game between one-half hour after sunset and one-half hour before sunrise unless otherwise provided by statute or by the rules of the Board.
- (c) A person may take game and fur-bearing animals during the open season therefor, with the aid of a dog, unless otherwise prohibited by statute or by the rules of the Board.
- Sec. 12. 10 V.S.A. § 4711 is amended to read:

#### § 4711. CROSSBOW HUNTING; PERMIT.

A person who is impaired to the degree that he or she cannot operate a standard bow may obtain a permit to take game with a crossbow. The permit fees shall be \$25.00 for a permanent permit and \$5.00 for a temporary permit. A person who has lost a crossbow permit may request a new permit from the agent of original issue. The fee shall be \$5.00. All fees shall be deposited in the Fish and Wildlife Fund. A person applying for this permit must personally appear before the Commissioner of Fish and Wildlife, or his or her designee, with certification from a licensed physician that he or she is so disabled. The Commissioner may obtain a second medical opinion to verify the disability. Upon satisfactory proof of the disability, the Commissioner may issue a permit under this section. The permit shall set forth whether it was issued because of an inability to use a standard bow, and be attached to the license. The holder of the permit shall carry it at all times while hunting, and produce it on demand for inspection by any game warden or other law enforcement officer authorized to make arrests. Unless it is uncocked, a person shall not possess or transport a crossbow in or on a motor vehicle, motorboat, airplane, snowmobile, or other motor-propelled craft or any vehicle drawn by a motorpropelled vehicle except as permitted under subsection 4705(e) of this title. [Repealed.]

Sec. 13. 10 V.S.A. § 4742a is amended to read:

#### § 4742a. YOUTH DEER HUNTING WEEKEND.

- (a) The Saturday and Sunday Board shall designate by rule a youth deer hunting weekend prior to opening day of the regular deer season established by Board rule shall be youth deer hunting weekend.
- (b) A person who is 15 years of age or under on the weekend of the hunt, and who has successfully completed a hunter safety course, may take one wild deer during youth deer hunting weekend in accordance with the rules of the Board. In order to hunt under this section, a young person shall also hold a valid hunting license under section 4255 of this title, hold a youth deer hunting tag, and be accompanied by an unarmed adult who holds a valid Vermont hunting license and who is over 18 years of age. An adult accompanying a youth under this section shall accompany no more than two young people at one time.
- (c) Each year, the Board shall determine whether antlerless deer may be taken under this section in any deer management unit or units. A determination under this subsection shall be made by rule, shall be based on the game management study conducted pursuant to section 4081 of this title, and, notwithstanding subsection (g) of that section, may allow taking of antlerless deer.
- (d) No person shall hunt under this section on privately owned land without first obtaining the permission of the owner or occupant.

\* \* \*

#### Sec. 14. EFFECTIVE DATES

- (a) This section, Secs. 4 (lake shoreland; removal of constructed features), and 9 (air pollution rules; wood heating) shall take effect on passage.
  - (b) Secs. 5, 6, 7, and 8 shall take effect on January 1, 2020.
  - (c) All other sections shall take effect on July 1, 2019.

And that after passage the title of the bill be amended to read:

An act relating to miscellaneous natural resources and energy subjects.

(For text see House Journal March 19, 20, 2019)

Senate proposal of amendment to House proposal of amendment to Senate proposal of amendment to House proposal of amendment

S. 73

An act relating to licensure of ambulatory surgical centers

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

<u>First</u>: By striking out Sec. 4a, Green Mountain Care Board; ambulatory surgical center reporting requirements; prospective repeal, in its entirety and inserting in lieu thereof a new Sec. 4a to read as follows:

### Sec. 4a. AMBULATORY SURGICAL CENTER REPORTING; APPLICABILITY; PROSPECTIVE REPEAL

- (a) 18 V.S.A. § 9375(b)(14) (Green Mountain Care Board; ambulatory surgical center reporting requirements) is repealed on January 16, 2026.
- (b) The information to be reported by the Green Mountain Care Board pursuant to 18 V.S.A. § 9375(b)(14)(B) shall be included beginning with the Board's 2021 annual report.
- (c) Notwithstanding any provision of 18 V.S.A. § 9375(b)(14) or this section to the contrary, following submission of its 2023 annual report, the Green Mountain Care Board shall not be required to collect, review, or report further data regarding an ambulatory surgical center that was in operation on January 1, 2019.

<u>Second</u>: In Sec. 6, effective dates, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Secs. 3a (18 V.S.A. § 9373), 4 (18 V.S.A. § 9375(b)), and 4a (ambulatory surgical center reporting; applicability; prospective repeal) and this section shall take effect on passage.

### (For House Proposal of Amendment see House Journal May 7, 2019)

#### **Committee of Conference Report**

S. 40

An act relating to testing and remediation of lead in the drinking water of schools and child care facilities

#### TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate Bill entitled:

S. 40 An act relating to testing and remediation of lead in the drinking water of schools and child care facilities

Respectfully report that they have met and considered the same and recommend that the Senate accede to the House proposal of amendment and the House proposal be further amended as follows:

By striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. chapter 24A is added to read:

### CHAPTER 24A. LEAD IN DRINKING WATER OF SCHOOLS AND CHILD CARE FACILITIES

#### § 1241. PURPOSE

The purpose of this chapter is to require all school districts, supervisory unions, independent schools, and child care providers in Vermont to:

- (1) test drinking water in their buildings and child care facilities for lead contamination; and
- (2) develop and implement an appropriate response or lead remediation plan when sampling indicates unsafe lead levels in drinking water at a school or child care facility.

#### § 1242. DEFINITIONS

As used in this chapter:

- (1) "Action level" means four parts per billion (ppb) of lead.
- (2) "Alternative water source" means:
- (A) water from an outlet within the building or facility that is below the action level; or
  - (B) containerized, bottled, or packaged drinking water.
- (3) "Building" means any structure, facility, addition, or wing that may be occupied or used by children or students.
  - (4) "Child care provider" has the same meaning as in 33 V.S.A. § 3511.
- (5) "Child care facility" or "facility" has the same meaning as in 33 V.S.A. § 3511.
  - (6) "Commissioner" means the Commissioner of Health.
  - (7) "Department" means the Department of Health.
  - (8) "Drinking water" has the same meaning as in 10 V.S.A. § 1671.
  - (9) "Independent school" has the same meaning as in 16 V.S.A. § 11.

- (10) "Outlet" means a drinking water fixture currently or reasonably expected to be used for consumption or cooking purposes, including a drinking fountain, an ice machine, or a faucet as determined by a school district, supervisory union, independent school, or child care provider.
  - (11) "School district" has the same meaning as in 16 V.S.A. § 11.
  - (12) "Supervisory union" has the same meaning as in 16 V.S.A. § 11.

#### § 1243. TESTING OF DRINKING WATER

#### (a) Scope of testing.

- (1) Each school district, supervisory union, or independent school in the State shall collect a drinking water sample from each outlet in the buildings it owns, controls, or operates and shall submit the sample to the Department of Health for testing for lead contamination as required under this chapter.
- (2) Each child care provider in the State shall collect a drinking water sample from each outlet in a child care facility it owns, controls, or operates for lead contamination as required under this chapter.

#### (b) Initial sampling.

- (1) On or before December 31, 2020, each school district, supervisory union, independent school, or child care provider in the State shall collect a first-draw sample and a second flush sample from each outlet in each building or facility it owns, controls, or operates. Sampling shall occur during the school year of a school district, supervisory union, or independent school.
- (2) At least five days prior to sampling, the school district, supervisory union, independent school, or child care provider shall notify all staff and all parents or guardians of students directly in writing or by electronic means of:
  - (A) the scheduled sampling:
- (B) the requirements for testing, why testing is required, and the potential health effects from exposure to lead in drinking water;
- (C) information, provided by the Department of Health, regarding sources of lead exposure other than drinking water;
- (D) information regarding how the school district, supervisory union, independent school, or child care provider shall provide notice of the sample results; and
- (E) how the school district, supervisory union, independent school, or child care provider shall respond to sample results that are at or above the action level.

- (3) The Department may adopt a schedule for the initial sampling by school districts, supervisory unions, independent schools, and child care providers.
- (c) Continued sampling. Beginning January 1, 2021, each school district, supervisory union, independent school, or child care provider in the State shall sample each outlet in each building or facility it owns, controls, or operates for lead according to a schedule adopted by the Department by rule under section 1247 of this title.
- (d) Interim methodology. Prior to adoption of the rules required under section 1247 of this title, sampling under this section shall be conducted according to a methodology established by the Department of Health, provided that the methodology shall be at least as stringent as the sampling methodology provided for under the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools and shall include a requirement for a first draw sample and a second flush sample.

#### (e) Waiver.

- (1) The Commissioner shall waive the requirement that a school district, supervisory union, independent school, or child care provider sample drinking water under this section upon a finding that the school district, supervisory union, independent school, or child care provider:
- (A) completed sampling of all outlets in each building or facility it owns, controls, or operates on or after November 1, 2017;
- (B) conducted sampling according to a methodology consistent with the Department methodology established under subsection (d) of this section; and
- (C) implemented or scheduled remediation that ensures that drinking water from all outlets is not at or above the action level.
- (2) A school district, supervisory union, independent school, or child care provider that receives a waiver under this subsection shall be eligible for assistance from the State for the costs of remediation that has been implemented or scheduled as a result of sampling conducted after April 22, 2019.
- (f) Laboratory analysis. The analyses of drinking water samples required under this chapter shall be conducted by the Vermont Department of Health Laboratory or by a certified laboratory under contract to the Department.

#### § 1244. RESPONSE TO ACTION LEVEL; NOTICE; REPORTING

If a sample of drinking water under section 1243 of this title indicates that drinking water from an outlet is at or above the action level, the school district, supervisory union, independent school, or child care provider that owns, controls, or operates the building or facility in which the outlet is located shall conduct remediation to eliminate or reduce lead levels in the drinking water from the outlet. In conducting remediation, a school district, supervisory union, independent school, or child care provider shall strive to achieve the lowest level of lead possible in drinking water. At a minimum, the school district, supervisory union, independent school, or child care provider shall:

- (1)(A) prohibit use of an outlet that is at or above the action level until:
- (i) implementation of a lead remediation plan that is consistent with the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools; and
- (ii) sampling indicates that lead levels from the outlet are below the action level; or
- (B) prohibit use of an outlet that is at or above the action level until the outlet is permanently removed, disabled, or otherwise cannot be accessed by any person for the purposes of consumption or cooking;
- (2) provide occupants of the building or child care facility an adequate alternative water source until remediation is performed;
- (3) notify all staff and all parents or guardians of students directly of the test results and the proposed or taken remedial action in writing or by electronic means within 10 school days after receipt of the laboratory report;
- (4) submit lead remediation plans to the Department as they are completed;
- (5) notify all staff and all parents or guardians or students in writing or by electronic means of what remedial actions have been taken; and
- (6) submit notice to the Department of Health that remediation plans have been completed.

#### § 1245. RECORD KEEPING; PUBLIC NOTIFICATION; DATABASE

(a) Record keeping. The Department of Health shall retain all records of test results, laboratory analyses, lead remediation plans, and waiver requests for 10 years following the creation or acquisition of the record. Records produced or acquired by the Department under this chapter are public records subject to inspection or copying under the Public Records Act.

(b) Public notification. On or before March 1, 2021, the Commissioner shall publish on the Department website the data from testing under section 1243 of this title so that the results of sampling are fully transparent and accessible to the public. The data published by the Department shall include a list of all buildings or facilities owned, controlled, or operated by a school district, supervisory union, independent school, or child care provider at which drinking water from an outlet tested is at or above the action level within the previous two years of reported samples. The Commissioner shall publish all retesting data on the Department's website within two weeks of receipt of the relevant laboratory analysis. The Secretary of Education shall include a link on the Agency of Education website to the Department of Health website required under this subsection.

#### § 1246. LEAD REMEDIATION PLAN; GUIDANCE; COMMUNICATION

- (a) Consultation. When a laboratory analysis of a sample of drinking water from an outlet at a building or facility owned, controlled, or operated by a school district, supervisory union, independent school, or child care provider is at or above the action level, the school district, supervisory union, independent school, or child care provider may consult with the Commissioner regarding the development of a lead remediation plan or other necessary response.
- (b) Guidance; lead remediation plan. The Commissioner, after consultation with the Secretary of Natural Resources, the Commissioner for Children and Families, and the Secretary of Education, shall issue guidance on development of a lead remediation plan by a school district, supervisory union, independent school, or child care provider. The guidance provided by the Commissioner shall reference the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools.
- (c) Communications. The Department of Health shall develop sample communications for parents for use by school districts, supervisory unions, independent schools, and child care providers concerning lead in water and reducing exposure to lead under this chapter.

#### § 1247. RULEMAKING

- (a) The Commissioner shall adopt rules under this chapter to achieve the purposes of this chapter.
- (b) On or before November 1, 2020, the Commissioner, with continuing consultation with the Secretary of Natural Resources, the Commissioner for Children and Families, and the Secretary of Education, shall adopt rules regarding the implementation of the requirements of this chapter. The rules shall include:

- (1) requirements or guidance for taking samples of drinking water from outlets in a building or facility owned, controlled, or operated by a school district, supervisory union, independent school, or child care provider that are no less stringent than the requirements of the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools and that include a first draw sample and second flush sample;
- (2) the frequency and scope of continued sampling of outlets by school districts, supervisory unions, independent schools, and child care providers, provided that the Department may stagger when continued sampling shall occur by school or provider, school type or provider type, or initial sampling results;
- (3) requirements for implementation of a lead mitigation plan or other necessary response to a report that drinking water from an outlet is at or above the action level; and
- (4) any other requirements that the Commissioner deems necessary for the implementation of the requirements of this chapter.

#### § 1248. ENFORCEMENT; PENALTIES

In addition to any other authority provided by law, the Commissioner of Health or a hearing officer designated by the Commissioner may, after notice and an opportunity for hearing, impose an administrative penalty of up to \$500.00 for a violation of the requirements of this chapter. The hearing before the Commissioner shall be a contested case subject to the provisions of 3 V.S.A. chapter 25.

#### Sec. 2. 16 V.S.A. § 4001(6) is amended to read:

(6) "Education spending" means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

\* \* \*

(B) For purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12), "education spending" shall not include:

\* \* \*

(xi) Costs incurred by a school district or supervisory union when sampling drinking water outlets, implementing lead remediation, or retesting drinking water outlets as required under 18 V.S.A. chapter 24A.

# Sec. 3. POSITIONS; SAMPLING OF DRINKING WATER OUTLETS IN SCHOOLS

The establishment of the following new classified limited service positions are authorized in fiscal year 2019:

- (1) In the Agency of Natural Resources environmental analyst V.
- (2) In the Department of Health public health analyst.

### Sec. 3a. DEPARTMENT FOR CHILDREN AND FAMILIES; RULES FOR REGULATED CHILD CARE PROVIDERS

On or before December 31, 2020, the Commissioner for Children and Families shall amend the rules for regulated child care providers to comply with the requirements of 18 V.S.A. chapter 24A and rules adopted by the Department of Health under that chapter for the testing of lead in the drinking water of child care facilities.

# Sec. 4. STATUS OF REMEDIATION OF LEAD IN SCHOOLS AND CHILD CARE FACILITIES

On or before December 15, 2019, the Commissioner of Health, after consultation with the Secretary of Natural Resources, the Commissioner for Children and Families, and the Secretary of Education, shall provide written testimony to the House Committee on Education and the Senate Committee on Education regarding the implementation, schedule, administration, and financing of the requirements under 18 V.S.A. chapter 24A that schools and child care providers sample for and remediate lead in drinking water. The testimony may include recommendations for additional programmatic and technical requirements for sampling and for remediating lead in schools or child care facilities in the State and whether and how the State might assist any individual districts in the event of extraordinary remediation expenditures.

#### Sec. 5. ALLOCATION OF FUNDS; REMEDIATION; ELIGIBLE COSTS

(a) For remediation required under 18 V.S.A. chapter 24A, the Department of Health shall pay a school district, supervisory union, independent school, or child care provider the actual cost of replacement of a drinking water fixture, as evidenced by a receipt submitted to the State, up to the following maximum amount for each type of fixture:

- (1) public drinking fountains and ice machines: \$1,800.00;
- (2) outlets used for cooking: \$650.00;
- (3) all other outlets:
  - (A) for schools: \$350.00; and
  - (B) for child care providers: \$400.00.
- (b) The State shall make payments to school districts, supervisory unions, independent schools, or child care providers under this section from one-time funds appropriated to the Department of Health in fiscal year 2019 for the costs of initial testing, retesting, and remediation under 18 V.S.A. chapter 24A. Funds appropriated to the Department of Health in 2019 Acts and Resolves No. 6, Sec. 88 (a)(2) may be transferred to the State agency or department administering these payments.
- Sec. 5a. 2019 Acts and Resolves No. 6, Sec. 88 is amended to read:

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

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

\* \* \*

- (2) To the Department of Health: \$2,400,000 \$2,837,500 to fund testing for lead in drinking water and additional support, retesting, and replacement of drinking water fixtures in schools and child care facilities consistent with the program established in requirements in S.40 of 2019. These funds are allocated as follows:
- (A) \$125,000 to fund the limited service program position established in S.40 of 2019.
- (B) \$150,000 to fund program start-up and data management costs for the program.
- (C) \$2,125,000 \$2,562,500 to fund the costs of initial testing and, retesting costs and to apply to tap remediation costs, and replacement of drinking water fixtures.
- (3) To In addition to \$180,000 of federal funds allotted for lead testing, to the Department of Environmental Conservation: \$125,000 \frac{\$187,500}{2019}\$ to fund the limited service remediation position established in \$1.40 of 2019.

\* \* \*

#### Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

Rep. Kathryn L.

Rep. James Gregoire

Rep. Kathleen James

Committee on the part of the House

Sen. Philip E. Baruth

Sen. Deborah J. Ingram

Sen. Ruth Hardy

Committee on the part of the Senate

#### S. 113

An act relating to the management of single-use products

#### TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate Bill entitled:

#### S. 113 An act relating to the management of single-use products

Respectfully report that they have met and considered the same and recommend that the Senate accede to the House proposal of amendment and the House proposal be further amended as follows:

By striking out all after the enacting clause and inserting in lieu thereof the following:

#### Sec. 1. PURPOSE

It is the purpose of this act to:

- (1) mitigate the harmful effects of single-use products on Vermont's municipalities and natural resources; and
- (2) relieve the pressure for landfills to manage the disposition of single-use products.
- Sec. 2. 10 V.S.A. chapter 159, subchapter 5 is added to read:

Subchapter 5. Single-Use Carryout Bags; Expanded Polystyrene Food Service Products; Single-use Plastic Straws; and Single-use Plastic Stirrers

#### § 6691. DEFINITIONS

#### As used in this subchapter:

- (1) "Agency" means the Agency of Natural Resources.
- (2) "Carryout bag" means a bag provided by a store or food service establishment to a customer at the point of sale for the purpose of transporting groceries or retail goods, except that a "carryout bag" shall not mean:
- (A) a bag made of paper when the paper has a basis weight of 30 pounds or less;
- (B) a bag provided by a pharmacy to a customer purchasing a prescription medication;
  - (C) a bag used by customers inside a store to:
- (i) package loose items, such as fruits, vegetables, nuts, coffee, grains, bakery goods, candy, greeting cards, or small hardware items;
  - (ii) contain or wrap frozen foods, meat, or fish; or
  - (iii) contain or wrap flowers;
- (D) a laundry, dry cleaning, or garment bag, including bags provided by a store to protect large garments, such as suits, jackets, or dresses.
- (3) "Expanded polystyrene" means blown polystyrene and expanded and extruded foams that are thermoplastic petrochemical materials utilizing a styrene monomer and processed by a number of techniques, including: fusion of polymer spheres, known as expandable bead 20 polystyrene; injection molding; foam molding; and extrusion-blow molding, also known as extruded foam polystyrene.
- (4)(A) "Expanded polystyrene food service product" means a product made of expanded polystyrene that is:
- (i) used for selling or providing food or beverages to be used once for eating or drinking; or
- (ii) generally recognized by the public as an item to be discarded after one use.
  - (B) "Expanded polystyrene food service product" shall include:
    - (i) food containers;
    - (ii) plates;
    - (iii) hot and cold beverage cups;
    - (iv) trays; and

- (v) cartons for eggs or other food.
- (C) "Expanded polystyrene food service product" shall not include:
- (i) food or beverages that have been packaged in expanded polystyrene outside the State before receipt by a food service establishment or store;
- (ii) a product made of expanded polystyrene that is used to package raw, uncooked, or butchered meat, fish, poultry, or seafood; or
  - (iii) nonfoam polystyrene food service products.
- (5) "Food service establishment" has the same meaning as in 18 V.S.A. § 4301.
- (6) "Plastic" means a synthetic material made from linking monomers through a chemical reaction to create a polymer chain that can be molded or extruded at high heat into various solid forms that retain their defined shapes during their life cycle and after disposal, including material derived from either petroleum or a biologically based polymer, such as corn or other plant sources.
- (7) "Point of sale" means a check-out stand, cash register, or other point of departure from a store or food service establishment, including the location where remotely ordered food or products are delivered to a purchaser.
- (8) "Recyclable paper carryout bag" means a carryout bag that is made of paper and that is recyclable.
- (9) "Reusable carryout bag" means a carryout bag that is designed and manufactured for multiple uses and is:
- (A) made of cloth or other machine-washable fabric that has stitched handles; or
  - (B) a polypropylene bag that has stitched handles.
  - (10) "Secretary" means the Secretary of Natural Resources.
  - (11) "Single-use plastic carryout bag" means a carryout bag that is:
    - (A) made of plastic;
    - (B) a single-use product; and
    - (C) not a reusable carryout bag.
  - (12) "Single-use plastic stirrer" means a device that is:
    - (A) used to mix beverages;

- (B) made predominantly of plastic; and
- (C) a single-use product.
- (13) "Single-use plastic straw" means a tube made of plastic that is:
- (A) used to transfer liquid from a container to the mouth of a person drinking the liquid; and
  - (B) is a single-use product.
- (14) "Single-use product" or "single use" means a product that is generally recognized by the public as an item to be discarded after one use.
- (15) "Store" means a grocery store, supermarket, convenience store, liquor store, drycleaner, pharmacy, drug store, or other retail establishment that provides carryout bags to its customers.

#### § 6692. SINGLE-USE PLASTIC CARRYOUT BAGS; PROHIBITION

A store or food service establishment shall not provide a single-use plastic carryout bag to a customer.

#### § 6693. RECYCLABLE PAPER CARRYOUT BAG

- (a) A store or food service establishment may provide a consumer a recyclable paper carryout bag at the point of sale if the bag is provided to the consumer for a charge of not less than \$0.10 per bag.
- (b) All monies collected by a store or food service establishment under this section for provision of a recyclable paper carryout bag shall be retained by the store or food service establishment.

#### § 6694. SINGLE-USE PLASTIC STRAWS

- (a) A food service establishment shall not provide a single-use plastic straw to a customer, except that a food service establishment may provide a straw to a person upon request.
- (b) The prohibition on sale or provision of a single-use plastic straw under subsection (a) of this section shall not apply to:
  - (1) a hospital licensed under 18 V.S.A. chapter 43;
- (2) a nursing home, residential care home, assisted living residence, home for the terminally ill, or therapeutic community, as those terms are defined in 33 V.S.A. chapter 71; or
- (3) an independent living facility as that term is defined in 32 V.S.A. chapter 225.

(c) This section shall not alter the requirements of 9 V.S.A. chapter 139 regarding the provision of services by a place of public accommodation.

#### § 6695. SINGLE-USE PLASTIC STIRRERS

A food service establishment shall not provide a single-use plastic stirrer to a customer.

#### § 6696. EXPANDED POLYSTYRENE FOOD SERVICE PRODUCTS

- (a) A person shall not sell or offer for sale in the State an expanded polystyrene food service product.
- (b) A store or food service establishment shall not sell or provide food or beverages in an expanded polystyrene food service product.
- (c) This section shall not prohibit a person from storing or packaging a food or beverage in an expanded polystyrene food service product for distribution out of State.

#### § 6697. CIVIL PENALTIES; WARNING

- (a) A person, store, or food service establishment that violates the requirements of this subchapter shall:
  - (1) receive a written warning for a first offense;
  - (2) be subject to a civil penalty of \$25.00 for a second offense; and
- (3) be subject to a civil penalty of \$100.00 for a third or subsequent offense.
- (b) For the purposes of enforcement under this subchapter, an offense shall be each day a person, store, or food service establishment is violating the requirement of this subchapter.

#### § 6698. INVENTORY EXCEPTION

A store or food service establishment shall not violate a prohibition under this subchapter regarding the provision of a carryout bag, single-use plastic straw, single-use stirrer, or expanded polystyrene food service product if the store or food service establishment:

- (1) purchased the carryout bag, single-use plastic straw, single-use stirrer, or expanded polystyrene food service product prior to May 15, 2019; and
- (2) provides the carryout bag, single-use plastic straw, single-use stirrer, or expanded polystyrene food service product to a consumer on or before July 1, 2021.

# § 6699. APPLICATION TO MUNICIPAL BYLAWS, ORDINANCES, OR CHARTERS; PREEMPTION

- (a) The General Assembly finds that the requirements of this subchapter are of statewide interest and, beginning on July 1, 2020, shall be applied uniformly in the State and shall occupy the entire field of regulation of single-use plastic carryout bags; single-use, recyclable paper carryout bags; single-use plastic straws; single-use plastic stirrers; and expanded polystyrene food service products.
- (b) A municipal ordinance, bylaw, or charter adopted or enacted before July 1, 2020 that regulates or addresses the use, sale, or provision of single-use plastic carryout bags, single-use recyclable paper carryout bags, single-use plastic straws, single-use plastic strivers, or expanded polystyrene food service products is preempted by the requirements of this subchapter, and a municipality shall not enforce or otherwise implement the ordinance, bylaw, or charter.

#### § 6700. RULEMAKING

The Secretary may adopt rules to implement the requirements of this subchapter.

#### Sec. 3. SINGLE-USE PRODUCTS WORKING GROUP; REPORT

- (a) Creation; purpose. There is created the Single-Use Products Working Group to:
- (1) evaluate current State and municipal policy and requirements for the management of single-use products; and
- (2) recommend to the Vermont General Assembly policy or requirements that the State should enact to:
  - (A) reduce the use of single-use products;
  - (B) reduce the environmental impact of single-use products;
  - (C) improve statewide management of single-use products;
  - (D) divert single-use products from disposal in landfills; and
- (E) prevent contamination of natural resources by discarded singleuse products.

#### (b) Definitions. As used in this section:

(1) "Carryout bag" means a bag provided by a store or food service establishment to a customer at the point of sale for the purpose of transporting groceries or retail goods.

- (2) "Disposable plastic food service ware" means containers, plates, clamshells, serving trays, meat and vegetable trays, hot and cold beverage cups, cutlery, and other utensils that are made of plastic or plastic-coated paper, including products marketed as biodegradable products but a portion of the product is not compostable.
- (3) "Expanded polystyrene food service product" means a product made of expanded polystyrene that is:
- (A) used for selling or providing food or beverages to be used once for eating or drinking; or
- (B) generally recognized by the public as an item to be discarded after one use.
- (4) "Extended producer responsibility" means a requirement for a producer of a product to provide for and finance the collection, transportation, reuse, recycling, processing, and final management of the product.
- (5) "Food service establishment" has the same meaning as in 18 V.S.A. § 4301.
- (6) "Packaging" means materials that are used for the containment, protection, handling, delivery, and presentation of goods sold or delivered in Vermont.
- (7) "Plastic" means a synthetic material made from linking monomers through a chemical reaction to create a polymer chain that can be molded or extruded at high heat into various solid forms that retain their defined shapes during their life cycle and after disposal.
- (8) "Point of sale" means a check-out stand, cash register, or other point of departure from a store or food service establishment, including the location where remotely ordered food or products are delivered to a purchaser.
- (9) "Printed materials" means material that is not packaging, but is printed with text or graphics as a medium for communicating information, including telephone books but not including other bound reference books, bound literary books, or bound textbooks.
- (10) "Single use" means a product that is generally recognized by the public as an item to be discarded after one use.
- (11) "Single-use products" means single-use carryout bags, single-use packaging, single-use disposable plastic food service ware, expanded polystyrene food service products, plastic film, printed materials, and other single-use plastics or single-use products that are provided to consumers by stores, food service establishments, or other retailers.

- (12) "Store" means a grocery store, supermarket, convenience store, liquor store, pharmacy, drycleaner, drug store, or other retail establishment.
- (13) "Unwanted" means when a person in possession of a product intends to abandon or discard the product.
- (c) Membership. The Single-Use Products Working Group shall be composed of the following members:
- (1) a member of the Senate appointed by the Committee on Committees;
- (2) a member of the House of Representatives appointed by the Speaker of the House;
  - (3) the Secretary of Natural Resources or designee;
- (4) a representative of a single-stream materials recovery facility located in Vermont appointed by the Governor;
- (5) two representatives from solid waste management entities in the State, one representing a rural district and one representing an urban district, appointed by the Committee on Committees;
- (6) one representative from the Vermont League of Cities and Towns appointed by the Speaker of the House;
- (7) one representative of an association or group representing manufacturers or distributors of single-use products appointed by the Governor;
- (8) one representative of an environmental advocacy group located in the State that advocates for the reduction of solid waste and the protection of the environment appointed by the Speaker of the House;
- (9) one representative of stores in the State, appointed by the Committee on Committees; and
- (10) one representative of food service establishments in the State, appointed by the Speaker of the House.
  - (d) Powers and duties. The Single-Use Products Working Group shall:
- (1) Evaluate the success of existing State and municipal requirements for the management of unwanted single-use products, including a lifecycle analysis of the management of single-use products from production to ultimate disposition.
- (2) Estimate the effects on landfill capacity of single-use products that can be recycled but are currently being disposed.

- (3) Summarize the effects on the environment and natural resources of failure to manage single-use products appropriately, including the propensity to create litter and the effects on human health from toxic substances that originate in unwanted single-use products.
- (4) Recommend methods or mechanisms to address the effects on landfill capacity of single-use products that can be recycled, but are currently being disposed, in order to improve the management of single-use products in the State, including whether the State should establish extended producer responsibility or similar requirements for manufacturers, distributors, or brand owners of single-use products.
- (5) If extended producer responsibility or similar requirements for single-use products are recommended under subdivision (4) of this subsection, recommend:
  - (A) The single-use products to be included under the requirements.
- (B) A financial incentive for manufacturers, distributors, or brand owners of single-use products to minimize the environmental impacts of the products in Vermont. The environmental impacts considered shall include review of the effect on climate change of the production, use, transport, and recovery of single-use products.
- (C) How to structure a requirement for manufacturers, distributors, or brand owners to provide for or finance the collection, processing, and recycling of single-use products using existing infrastructure in the collection, processing, and recycling of products where feasible.
- (6) Recommend methods or incentives for increasing the availability and affordability of reusable carryout bags for all citizens in Vermont.
- (7) An estimate of the costs and benefits of any recommended method or mechanism for improving the management of single-use products in the State.
- (e) Assistance. The Single-Use Products Working Group shall have the administrative, technical, financial, and legal assistance of the Agency of Natural Resources, the Department of Health, the Office of Legislative Council, and the Joint Fiscal Office.
- (f) Report. On or before December 1, 2019, the Single-Use Products Working Group shall submit to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish, and Wildlife the findings and recommendations required under subsection (d) of this section.

#### (g) Meetings.

- (1) The Office of Legislative Council shall call the first meeting of the Single-Use Products Working Group to occur on or before July 1, 2019.
- (2) The Committee shall select a chair from among its members at the first meeting.
  - (3) A majority of the membership shall constitute a quorum.
  - (4) The Working Group shall cease to exist on February 1, 2020.

#### (h) Compensation and reimbursement.

- (1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings.
- (2) Other members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.
- (3) Payments to members of the Working Group authorized under this subsection shall be made from monies appropriated to the General Assembly.

#### Sec. 4. ANR REPORT ON LANDFILL OPERATION IN THE STATE

As part of the Biennial Report on Solid Waste required under 10 V.S.A. § 6604(b) to be submitted to the General Assembly in 2021, the Secretary of Natural Resources shall include a feasibility study addressing issues related to the opening of a second landfill in the State. The report shall include:

- (1) An assessment of the capacity of the two sites in the State that are currently permitted and certified for landfill operation, but are not in operation, to receive solid waste.
- (2) An evaluation of the environmental costs of continuing to truck solid waste to a single landfill located in the northeast corner of the State. This evaluation shall include the amount of greenhouse gases emitted over the course of a year from trucks making round trips to the existing landfill in Vermont. The evaluation shall also include an estimate of the impact that trucking to the one landfill in the State is having annually on the State transportation infrastructure.
- (3) An estimate of the time frame to physically activate either one or both of the sites in the State that are currently permitted and certified for landfill operation, but are not in operation, to receive solid waste.

(4) An estimate of the time frame to locate and operate an additional solid waste landfill in the State.

#### Sec. 5. EFFECTIVE DATES

- (a) This section, Sec. 1 (purpose), Sec. 3 (single-use working group), and Sec. 4 (landfill report) shall take effect on passage.
  - (b) Sec. 2 (single-use products) shall take effect July 1, 2020.

Rep. Amy D. Sheldon

Rep. James M. McCullough

Rep. Paul D. Lefebvre

Committee on the part of the House

Sen. Christopher A. Bray

Sen. Brian A. Campion

Sen. John S. Rodgers

Committee on the part of the Senate

#### **NEW BUSINESS**

#### **ACTION CALENDAR**

#### Senate proposal of amendment to House proposal of amendment

S. 96

An act relating to the provision of water quality services

The Senate concurs in the House proposal of amendment with the following proposal of amendments thereto:

<u>First</u>: In Sec. 1, 10 V.S.A. chapter 37, subchapter 5, in section 924, in subsection (f), by adding a new subdivision (1) to read as follows:

(1) include in grant agreements with the clean water service provider requirements, benchmarks, conditions, or penalty provisions to provide for ongoing accountability;

and by renumbering the remaining subdivisions of subsection (f) to be numerically correct

and in subsection (g), in subdivision (2)(E), after the words "<u>two persons</u> <u>representing</u>" by striking out the words "<u>from each municipality</u>" and inserting in lieu thereof <u>municipalities</u>

<u>Second</u>: In Sec. 3a (Clean Water Fund allocation), in 10 V.S.A. § 1388, in subdivision (a)(4) by striking out the word "<u>four</u>" and inserting in lieu thereof the word six

<u>Third</u>: By striking out Secs. 4a (Education Fund) and 4b (repeal) in their entireties and inserting in lieu thereof the following:

Sec. 4a. 32 V.S.A. § 435(b) is amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

\* \* \*

(7) 75 69 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;

\* \* \*

Sec. 4b. [Deleted.]

<u>Fourth</u>: By striking out Sec. 11 (effective dates) in its entirety and inserting in lieu thereof the following:

#### Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except Secs. 3a (Clean Water Fund allocation) and 4a (General Fund allocation) shall take effect on October 1, 2019.

### (For House Proposal of Amendment see House Journal May 9, 2019) Committee of Conference Report

#### S. 149

An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles

#### TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate Bill entitled:

### S. 149 An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House's first, second, third, fourth, fifth, and sixth proposals of amendment, that the House recede from its seventh proposal of amendment, and that the bill be further amended as follows:

<u>First</u>: In Sec. 16, 23 V.S.A. chapter 41, in section 4202, definitions, in subdivision (1), automated driving system, by inserting the words <u>on a sustained basis</u> before the words "<u>within its operational design domain</u>" and by inserting , where applicable after the words "<u>without any intervention or supervision by a conventional human driver</u>"

<u>Second</u>: In Sec. 16, 23 V.S.A. chapter 41, in section 4203, testing of automated vehicles on public highways, in subsection (a), by striking out the word "geographic"

<u>Third</u>: In Sec. 16, 23 V.S.A. chapter 41, in section 4203, testing of automated vehicles on public highways, in subsection (b), by striking out the words "<u>will conduct</u>" and inserting in lieu thereof the words <u>shall conduct</u>

<u>Fourth</u>: By striking out Sec. 28, effective dates, and its accompanying reader assistance heading in their entireties and inserting in lieu thereof the following:

- \* \* \* Junior Operator Use of Portable Electronic Devices \* \* \*
- Sec. 28. 23 V.S.A. § 1095a(d) is added to read:
- (d)(1) A person who violates this section commits a traffic violation as defined in section 2302 of this title and shall be subject to a civil penalty of not less than \$100.00 and not more than \$200.00 for a first violation, and of not less than \$250.00 and not more than \$500.00 for a second or subsequent violation within any two-year period.
- (2) A person convicted of violating this section while operating within the following areas shall have four points assessed against his or her driving record for a first conviction and five points assessed for a second or subsequent conviction:
- (A) a properly designated work zone in which construction, maintenance, or utility personnel are present; or
- (B) a school zone marked with warning signs conforming to the Manual on Uniform Traffic Control Devices.
- (3) A person convicted of violating this section outside the areas designated in subdivision (2) of this subsection shall have two points assessed against his or her driving record.
- Sec. 29. 23 V.S.A. § 2502 is amended to read:
- § 2502. POINT ASSESSMENT; SCHEDULE
- (a) Unless the assessment of points is waived by a Superior judge or a Judicial Bureau hearing officer in the interests of justice and in accordance

with subsection 2501(b) of this title, a person operating a motor vehicle shall have points assessed against his or her driving record for convictions for moving violations of the indicated motor vehicle statutes in accord with the following schedule: (All references are to Title 23 of the Vermont Statutes Annotated.)

(1) Two points assessed for:

\* \* \*

(LL)(i) § 1095. Entertainment picture visible

to operator;

(ii) § 1095a(d)(3). Junior operator use of portable electronic

device outside work or school zone;

(iii) § 1095b(c)(3). Use of portable electronic device outside

work or school zone;

\* \* \*

(3) Four points assessed for:

\* \* \*

(E) § 1095a(d)(2). Junior operator use of portable electronic

device in work or school zone—first

offense;

(F) § 1095b(c)(2). Use of portable electronic device in work

or school zone—first offense;

(4) Five points assessed for:

\* \* \*

(D) § 1095a(d)(2). Junior operator use of portable electronic

device in work or school zone-second

and subsequent offenses;

(E) § 1095b(c)(2). Use of portable electronic device in work

or school zone—second and subsequent

offenses:

\* \* \*

#### \* \* \* Master License Agreement Study \* \* \*

# Sec. 30. STUDY ON THE AGENCY OF TRANSPORTATION'S USE OF MASTER LICENSE AGREEMENTS AND ALTERNATIVE OPTIONS

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns, shall report back to the House and Senate Committees on Transportation on or before November 15, 2019 concerning the use and contents of master license agreements and other agreements or contracts by the Agency of Transportation when a municipality, utility, or other person needs to use the right-of-way for the line of railroad owned by the State. The report shall include the history of the Agency's use of master license agreements and other agreements or contracts, including the contents thereof; alternatives to the use of such agreements; whether a municipality or municipal operated utility can secure sufficient insurance coverage to enter into the Agency's current iteration of the standard conditions to the master license agreement it uses when a municipality, utility, or other person needs to use the right-of-way for the line of railroad owned by the State; and what other states do when a municipality, utility, or other person needs to use the right-of-way for any state-owned railroad lines.

- \* \* \* Motor Vehicle Registrations \* \* \*
- Sec. 31. 23 V.S.A. § 307 is amended to read:

# § 307. CARRYING OF REGISTRATION CERTIFICATE; REPLACEMENT AND CORRECTED CERTIFICATES

- (a) A person shall not operate a motor vehicle nor draw a trailer or semitrailer unless all required registration certificates are carried in some easily accessible place in the motor vehicle.
- (b) In case of the loss, mutilation, or destruction of a certificate, the owner of the vehicle described in it shall forthwith notify the Commissioner and remit a fee of \$16.00, upon receipt of which the Commissioner shall furnish the owner with a duplicate certificate.
- (c) A corrected registration certificate shall be furnished by the Commissioner upon request and receipt of a fee of \$16.00.
- (d) An operator cited for violating subsection (a) of this section with respect to a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than \$5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if

he or she is cited within the 14 days following the expiration of the motor vehicle's registration.

Sec. 32. 23 V.S.A. § 511 is amended to read:

#### § 511. MANNER OF DISPLAY

- (a) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. Such number plates shall be furnished by the Commissioner and shall show the number assigned to such vehicle by the Commissioner. If only one number plate is furnished, the same shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle. The number plates shall be kept entirely unobscured, and the numerals and the letters thereon shall be plainly legible at all times. They shall be kept horizontal, shall be so fastened as not to swing, excepting however, there may be installed on a motor truck or truck tractor a device which would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its original rigid position after contact is released, and the ground clearance of the lower edges thereof shall be established by the Commissioner pursuant to the provisions of 3 V.S.A. chapter 25.
- (b) A registration validation sticker shall be unobstructed, and shall be affixed as follows:
- (1) for vehicles issued registration plates with dimensions of approximately  $12 \times 6$  inches, in the lower right corner of the rear registration plate; and
- (2) for vehicles issued a registration plate with a dimension of approximately  $7 \times 4$  inches, in the upper right corner of the rear registration plate.
- (c) A person shall not operate a motor vehicle unless number plates and a validation sticker are displayed as provided in this section.
- (d) An operator cited for violating subsection (c) of this section with respect to failure to display a validation sticker on a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than \$5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if he or she is cited within the 14 days following the expiration of the motor vehicle's registration.

<sup>\* \* \*</sup> Motor Vehicle Inspections \* \* \*

#### Sec. 33. 23 V.S.A. § 1222(c) is amended to read:

(c) A person shall not operate a motor vehicle unless it has been inspected as required by this section and has a valid certification of inspection affixed to it. A person shall be subject to a fine civil penalty of not more than \$5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if he or she is cited for a violation of this section within the 14 days following expiration of the motor vehicle inspection sticker. The month of next inspection for all motor vehicles shall be shown on the current inspection certificate affixed to the vehicle.

\* \* \* Effective Dates \* \* \*

#### Sec. 34. EFFECTIVE DATES

- (a) This section and Secs. 26 (Department of Motor Vehicles training), 27 (translated documents and use of interpreters implementation), and 30 (master license agreement study) shall take effect on passage.
- (b) Secs. 23 (written forms) and 24 (examination required) shall take effect on July 1, 2020.
  - (c) All other sections shall take effect on July 1, 2019.

Rep. Curtis A. McCormack

Rep. Barbara S. Murphy

Rep. Brian K. Savage

Committee on the part of the House

Sen. Timothy R. Ashe

Sen. Richard T. Mazza

Sen. M. Jane Kitchel

Committee on the part of the Senate

#### **NOTICE CALENDAR**

#### **Senate Proposal of Amendment**

#### H. 351

An act relating to workers' compensation, unemployment insurance, and ski tramway amendments

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. 21 V.S.A. § 384(a) is amended to read:

- (a)(1) An employer shall not employ any employee at a rate of less than \$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and beginning \$10.78. Beginning on January 1, 2019 2020, an employer shall not employ any employee at a rate of less than \$11.50. Beginning on January 1, 2021, an employer shall not employ any employee at a rate of less than \$12.50, and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.
- (2) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than one-half the minimum wage. As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.
- (3) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the U.S. government.

#### Sec. 2. EFFECTIVE DATE

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 increasing the minimum wage to \$12.50 per hour.

(For text see House Journal March 20, 2019)