

Senate Calendar

THURSDAY, MARCH 21, 2019

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ACTION CALENDAR

UNFINISHED BUSINESS OF THURSDAY, MARCH 14, 2019

Second Reading

Favorable with Recommendation of Amendment

S. 55.

An act relating to the regulation of toxic substances and hazardous materials.

Reported favorably with recommendation of amendment by Senator Lyons for the Committee on Health and Welfare.

The Committee recommends that the bill be amended by striking out Sec. 4 in its entirety and inserting in lieu thereof the following:

Sec. 4. 18 V.S.A. § 1776 is amended to read:

§ 1776. RULEMAKING; ADDITIONAL CHEMICALS OF CONCERN TO CHILDREN; PROHIBITION OF SALE

* * *

(b) Additional chemicals of concern to children. The Commissioner may by rule add additional chemicals to the list of chemicals of high concern to children, provided that the Commissioner of Health, on the basis of ~~the weight~~ of credible, peer-reviewed scientific evidence information, has determined that a chemical proposed for addition to the list meets both of the following criteria in subdivisions (1) and (2) of this subsection:

(1) The Commissioner of Health has determined that an authoritative governmental entity or accredited research university has demonstrated that the chemical:

(A) harms the normal development of a fetus or child or causes other developmental toxicity;

(B) causes cancer, genetic damage, or reproductive harm;

(C) disrupts the endocrine system;

(D) damages the nervous system, immune system, or organs or causes other systemic toxicity; or

(E) is a persistent bioaccumulative toxic.

(2) The chemical has been found through:

(A) biomonitoring to be present in human blood, umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

(B) sampling and analysis to be present in household dust, indoor air, drinking water, or elsewhere in the home environment; or

(C) monitoring to be present in fish, wildlife, or the natural environment.

* * *

(d) Rule to regulate sale or distribution.

(1) The Commissioner, ~~upon the recommendation of~~ after consultation with the Chemicals of High Concern to Children Working Group, may adopt a rule to regulate the sale or distribution of a children's product containing a chemical of high concern to children upon a determination that:

~~(A) children will~~ may be exposed to a chemical of high concern to children in the children's product; ~~and~~

~~(B) there is a probability that, due to the degree of exposure or frequency of exposure of a child to a chemical of high concern to children in a children's product, exposure could cause or contribute to one or more of the adverse health impacts listed under subdivision (b)(1) of this section.~~

(2) In determining whether children ~~will~~ may be exposed to a chemical of high concern in a children's product, the Commissioner shall review available, credible information regarding:

(A) the market presence of the children's product in the State;

(B) the type or occurrence of exposures to the relevant chemical of high concern to children in the children's product;

(C) the household and workplace presence of the children's product; or

(D) the potential ~~and frequency~~ of exposure of children to the chemical of high concern to children in the children's product.

(3) A rule adopted under this section may:

(A) prohibit the children's product containing the chemical of high concern to children from sale, offer for sale, or distribution in the State; or

(B) require that the children's product containing the chemical of high concern to children be labeled prior to sale, offer for sale, or distribution in the State.

(4) In any rule adopted under this subsection, the Commissioner shall adopt reasonable time frames for manufacturers, distributors, and retailers to comply with the requirements of the rules. No prohibition on sale or manufacture of a children's product in the State shall take effect sooner than two years after the adoption of a rule adopted under this section unless the Commissioner determines that an earlier effective date is required to protect human health and the new effective date is established by rule.

(5) The Chemicals of High Concern to Children Working Group may, at its discretion, submit to the House Committees on Natural Resources, Fish, and Wildlife and on Human Services and the Senate Committees on Natural Resources and Energy and on Health and Welfare the recommendations or information from a consultation provided to the Commissioner under subdivision (1) of this subsection.

* * *

(f) Additional rules.

(1) ~~On or before July 1, 2017, the~~ The Commissioner of Health shall adopt by rule the process and procedure to be required when the Commissioner of Health adopts a rule under subsection (b), (c), or (d) of this section. The rule shall provide:

(A) all relevant criteria for evaluation of the chemical;

(B) criteria by which a chemical, due to its presence in the environment or risk of harm, shall be prioritized for addition or removal from the list of chemicals of high concern to children or for regulation under subsection (d) of this section;

(C) time frames for labeling or phasing out sale or distribution; ~~and~~

(D) requirements for when or how a manufacturer of a children's product that contains a chemical of high concern to children provides the notice required under subsection 1775(a) of this title when the manufacturer intends to introduce the children's product for sale between the required dates for reporting; and

(E) other information or process determined as necessary by the Commissioner for implementation of this chapter.

* * *

Sec. 4a. DEPARTMENT OF HEALTH; RULEMAKING DATE

On or before January 1, 2020, the Commissioner of Health shall adopt the rule required under 18 V.S.A. § 1776(f)(1)(D) (notice by manufacturer of

children's product containing a chemical of high concern to children between reporting dates).

(Committee vote: 4-0-1)

UNFINISHED BUSINESS OF WEDNESDAY, MARCH 20, 2019

Third Reading

S. 73.

An act relating to licensure of ambulatory surgical centers.

Amendment to S. 73 to be offered by Senator Brock before Third Reading

Senator Brock moves to amend the bill as follows:

First: In Sec. 1, 18 V.S.A. chapter 49, by striking out 18 V.S.A. §§ 2156 and 2157 in their entirety and inserting in lieu thereof the following:

§ 2156. INSPECTIONS

The Department of Health shall make or cause to be made such inspections and investigations as it deems necessary. The results of these inspections and investigations shall be made available to the public on the Department's website, provided that the Department shall redact any information that identifies or may lead to the identification of any patient or that is prohibited from disclosure under federal or State law.

§ 2157. RECORDS

Information received by the Department of Health through filed reports or as otherwise authorized by law shall be made available to the public, provided that this information shall not be disclosed publicly in a manner that identifies or may lead to the identification of any patient or that is prohibited from disclosure under federal or State law.

Second: By adding a new section to be Sec. 1a to read as follows:

Sec. 1a. 18 V.S.A. § 1909 is amended to read:

§ 1909. INSPECTIONS

The licensing agency shall make or cause to be made such inspections and ~~investigation~~ investigations as it deems necessary. The results of these inspections and investigations shall be made available to the public on the Department of Health's website, provided that the Department shall redact any information that identifies or may lead to the identification of any patient or that is prohibited from disclosure under federal or State law.

Third: By adding a new section to be Sec. 1b to read as follows:

Sec. 1b. 18 V.S.A. § 1910 is amended to read:

§ 1910. RECORDS

Information received by the licensing agency through filed reports, inspection, or as otherwise authorized under this by law, shall be made available to the public, provided that this information shall not be disclosed publicly in such a manner as to identify individuals or hospitals, except in a proceeding involving the question of licensure that identifies or may lead to the identification of any patient or that is prohibited from disclosure under federal or State law.

S. 132.

An act relating to hate crimes and bias incidents.

Second Reading

Favorable with Recommendation of Amendment

S. 112.

An act relating to earned good time.

Reported favorably with recommendation of amendment by Senator Sears for the Committee on Judiciary.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) For nearly 40 years, Vermont had a system of statutory good time that permitted offenders to receive reductions in their sentences for maintaining good behavior and participating in programming while in the custody of the Commissioner of Corrections. This good time system was repealed in 2005.

(1) In 2018, the General Assembly directed the Commissioner of Corrections, in consultation with the Chief Superior Judge, the Attorney General, the Executive Director of the Department of Sheriffs and State's Attorneys, and the Defender General, to submit a report (the Report) to the Legislature on the advisability and feasibility of reinstating a system of earned good time for persons under Department of Corrections supervision. The Report was filed on November 15, 2018.

(2) In the Report, the Commissioner found that:

(A) empirical studies show that earned good time is effective at prison population management, has little to no community impact or effect on public safety, and is perceived by correctional administrators as having a positive impact on facility control;

(B) earned good time reduces incarceration costs by an amount ranging from \$1,800.00 to \$5,500.00 per inmate, depending on the number of days an inmate's sentence is reduced; and

(C) although research is mixed, studies show that earned good time can result in a crime rate reduction of 1–3.5 percent.

(3) On the basis of the Report's findings, the Commissioner concluded that the Department should "reinstigate a program of earned good time for sentenced inmates and individuals on furlough."

(4) In order to reduce the State's prison population by reintegrating offenders into the community while maintaining public safety, a system of earned good time should be reinstated in Vermont as soon as possible.

Sec. 2. 28 V.S.A. § 818 is added to read:

§ 818. EARNED GOOD TIME; REDUCTION OF TERM

(a) On or before July 1, 2020, the Department shall file a proposed rule implementing an earned good time program.

(b) The earned good time program implemented pursuant to this section shall comply with the following standards:

(1) The program shall be available for all eligible offenders under the supervision of the Department who have been sentenced and committed to the custody of the Commissioner.

(2) Offenders with a sentence of 180 days or less shall earn a reduction of five days in the minimum and maximum terms of confinement for each month during which the offender faithfully has observed all the rules and regulations of the institution to which the offender is committed.

(3) For offenders with a sentence of greater than 180 days, the program shall be a merit-based system designed to incentivize offenders to meet milestones identified by the Department that prepare offenders for reentry.

(4) An offender who receives pre-adjudication or post-adjudication treatment in an inpatient setting for a substance use disorder shall earn a reduction of one day in the minimum and maximum terms of confinement for each day that the offender receives the inpatient treatment.

(5) The Department shall provide timely notice each month to the offender any time the offender receives a reduction in his or her term of supervision pursuant to this section, and the Department shall maintain a system that documents and records all such reductions in each offender's permanent file.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

S. 134.

An act relating to background investigations for State employees with access to federal tax information.

Reported favorably with recommendation of amendment by Senator Collamore for the Committee on Government Operations.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. § 241 is amended to read:

§ 241. BACKGROUND INVESTIGATIONS

* * *

(b) As used in this chapter, "Recipient" means the following authorities of the Executive Branch of State government that receive FTI:

(1) Agency of Human Services, including the:

- (A) Department for Children and Families;
- (B) Department of Health;
- (C) Department of Mental Health; and
- (D) Department of Vermont Health Access.

(2) Department of Labor.

(3) Department of Motor Vehicles.

(4) Department of Taxes.

(5) Agency of Digital Services.

(6) Department of Buildings and General Services.

(c)(1) The Recipient shall conduct an initial background investigation of any individual, including a current or prospective employee, volunteer,

contractor, or subcontractor, to whom the Recipient will permit access to FTI for the purpose of assessing the individual's fitness to be permitted access to FTI.

(2) The Recipient shall, at least every 10 years, conduct a periodic background reinvestigation of any employee, volunteer, contractor, or subcontractor to whom the Recipient permits access to FTI.

(3) The impact of the results of a background investigation performed pursuant to subdivision (1) of this subsection shall be the subject of impact bargaining between the State and the collective bargaining representative for the employee's bargaining unit to the extent required by any collective bargaining agreements between the parties.

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(Committee vote: 5-0-0)

S. 141.

An act relating to nutritional requirements for children's meals.

Reported favorably with recommendation of amendment by Senator Ingram for the Committee on Health and Welfare.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 4310 is added to read:

§ 4310. BEVERAGES IN CHILDREN'S MEALS

(a) A food service establishment serving a children's meal shall offer as a default beverage:

(1) water, sparkling water, or flavored water that does not contain added natural or artificial sweeteners; or

(2) milk or a nondairy milk alternative; or

(3) 100 percent fruit juice or fruit juice combined with water or carbonated water that does not contain added sweeteners, in a serving size of not more than eight ounces.

(b) Nothing in this section shall prohibit a food service establishment from selling or providing, or a customer from purchasing, a beverage other than the

default beverage included with a children's meal if the customer requests a substitute beverage.

(c) As used in this section:

(1) "Children's meal" means a combination of food items and a beverage, primarily intended for consumption by children, sold together at a single price.

(2) "Default beverage" means the beverage automatically included as part of a children's meal.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(Committee vote: 5-0-0)

NEW BUSINESS

Third Reading

S. 7.

An act relating to the evaluation of social service integration with accountable care organizations.

S. 30.

An act relating to the regulation of hydrofluorocarbons.

S. 31.

An act relating to requiring hospitals to provide certain financial information to patients and prohibiting surprise billing for emergency medical services.

Amendment to S. 31 to be offered by Senator Benning before Third Reading

Senator Benning moves to amend the bill in Sec. 2, price transparency; billing processes; report, in subsection (a), by striking out the following "Building on its efforts pursuant to 2015 Acts and Resolves No. 54, Sec. 21, the" and inserting in lieu thereof the word The

S. 53.

An act relating to increasing the proportion of health care spending allocated to primary care.

S. 68.

An act relating to Indigenous Peoples' Day.

S. 105.

An act relating to miscellaneous judiciary procedures.

S. 107.

An act relating to elections corrections.

Amendment to S. 107 to be offered by Senators Collamore, Bray, Clarkson, Pollina and White before Third Reading

Senators Collamore, Bray, Clarkson, Pollina and White move to amend the bill in Sec. 7, 17 V.S.A. chapter 45 (political parties), in § 2308 (composition of county committee), by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) The number of delegates to the county committee that each town caucus is entitled to elect shall be apportioned by the State committee, based upon the number of votes cast for the party's candidate for Governor in the last election, provided that each town caucus shall be entitled to elect at least two delegates.

S. 110.

An act relating to data privacy and consumer protection.

Committee Bill for Second Reading

S. 169.

An act relating to firearms procedures.

By the Committee on Judiciary. (Senator Sears for the Committee.)

Amendment to S. 169 to be offered by Senator Sears

Senator Sears moves to amend the bill in Sec. 1 (13 V.S.A. § 4021), in subdivision (d)(1)(F)(ii), by striking out "April 11, 2018" and inserting in lieu thereof October 1, 2018

Amendment to S. 169 to be offered by Senator Rodgers

Senator Rodgers moves to amend the bill as follows:

First: In Sec. 1, 13 V.S.A. § 4021, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d)(1) This section shall not apply to any large capacity ammunition feeding device:

* * *

(B) transferred to or possessed by a federal law enforcement officer, a law enforcement officer from another state, or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. § 2358, for legitimate law enforcement purposes, whether the officer is on or off duty;

* * *

(F)(i) transported by a resident of another state into this State for the exclusive purpose of use in an established organized shooting competition if the device is lawfully possessed under the laws of another state; or

(ii) possessed at and used at an organized shooting competition if the device was lawfully possessed on or before April 11, 2018; or

(G) possessed or transferred for organized educational or historic purposes.

* * *

Second: In Sec. 3, 13 V.S.A. § 4019a, by adding a subsection (d) to read as follows:

(d) This section shall not apply if the proposed seller is a licensed firearms dealer under 18 U.S.C. § 923 and:

(1) the proposed seller has a written record indicating that the proposed purchaser has previously purchased a firearm from the proposed seller;

(2) the proposed seller contacts another person in Vermont who is a licensed firearms dealer under 18 U.S.C. § 923 and that person tells the proposed seller that her or she has a written record indicating that the proposed purchaser has previously purchased a firearm from him or her; or

(3) the proposed purchaser presents a firearm to the proposed seller that is already in the proposed purchaser's possession.

House Proposal of Amendment

J.R.S. 17.

Joint resolution providing for a Joint Assembly to vote on the retention of eight Superior Judges and one Magistrate.

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

In the final resolved clause by striking “Thursday, March 28, 2019” and inserting in lieu thereof Wednesday, March 27, 2019

NOTICE CALENDAR
Committee Bills for Second Reading

Favorable

S. 149.

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

By the Committee on Transportation (Senator Ashe for the Committee)

Reported favorably by Senator Brock for the Committee on Finance.

(Committee vote: 7-0-0)

S. 163.

An act relating to housing safety and rehabilitation.

By the Committee on Econ. Dev., Housing and General Affairs (Sen. Clarkson for the Committee)

Reported favorably by Senator Sirotkin for the Committee on Finance.

(Committee vote: 6-1-0)

Second Reading

Favorable with Recommendation of Amendment

S. 32.

An act relating to the public financing of campaigns.

Reported favorably with recommendation of amendment by Senator Pollina for the Committee on Government Operations.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 17 V.S.A. chapter 61, subchapter 5 is amended to read:

Subchapter 5. Public Financing Option

§ 2981. DEFINITIONS

As used in this subchapter:

(1) "Affidavit" means the Vermont campaign finance affidavit required under section 2982 of this ~~chapter~~ subchapter.

(2) "General election period" means the period beginning the day after the primary election and ending the day of the general election.

(3) "Primary election period" means the period beginning the day after primary petitions must be filed under section 2356 of this title and ending the day of the primary election.

(4) "Vermont campaign finance qualification period" means the period beginning ~~February 15 of each even-numbered year~~ at the start of the two-year general election cycle and ending on the date on which primary petitions must be filed under section 2356 of this title.

* * *

§ 2983. VERMONT CAMPAIGN FINANCE GRANTS; CONDITIONS

(a) A person shall not be eligible for Vermont campaign finance grants if, prior to ~~February 15 of the general election year during any two-year general election cycle~~ the Vermont campaign finance qualification period, he or she becomes a candidate ~~by announcing that he or she seeks an elected position as for Governor or Lieutenant Governor or~~ by accepting contributions totaling \$2,000.00 or more or by making expenditures totaling \$2,000.00 or more.

(b) A candidate who accepts Vermont campaign finance grants shall:

(1) not solicit, accept, or expend any contributions except qualifying contributions, Vermont campaign finance grants, and contributions authorized under section 2985 of this ~~chapter~~ subchapter, which contributions may be solicited, accepted, or expended only in accordance with the provisions of this subchapter;

(2) deposit all qualifying contributions, Vermont campaign finance grants, and any contributions accepted in accordance with the provisions of section 2985 of this ~~chapter~~ subchapter in a federally insured noninterest-bearing checking account; and

(3) not later than 40 days after the general election, deposit in the Secretary of State Services Fund, after all permissible expenditures have been paid, the balance of any amounts remaining in the account established under subdivision (2) of this subsection.

* * *

§ 2985. VERMONT CAMPAIGN FINANCE GRANTS; AMOUNTS; TIMING

(a)(1) The Secretary of State shall make grants from the Secretary of State Services Fund in separate grants for the primary and general election periods to candidates who have qualified for Vermont campaign finance grants under this subchapter.

(2)(A) To cover any campaign finance grants to candidates who have qualified under this subchapter, the Secretary of State shall report to the Commissioner of Finance and Management, who shall anticipate receipts to the Services Fund and issue warrants to pay for those grants.

(B) The Commissioner shall report any such anticipated receipts and warrants issued under this subdivision to the Joint Fiscal Committee on or before December 1 of the year in which the warrants were issued.

(b)(1) ~~Whether~~ Except as provided in subdivision (2) of this subsection and subsection (c) of this section, whether a candidate has entered a primary or is an independent candidate, Vermont campaign finance grants shall be in the following amounts:

(1)(A) For Governor, \$150,000.00 in a primary election period and \$450,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions.

(2)(B) For Lieutenant Governor, \$50,000.00 in a primary election period and \$150,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions.

(3)(2) A candidate who is an incumbent of the office being sought shall be entitled to receive a grant in an amount equal to 85 percent of the amount listed in subdivision (1) ~~or (2)~~ of this subsection.

(c) In an uncontested general election and in the case of a candidate who enters a primary election and is unsuccessful in that election, an otherwise eligible candidate shall not be eligible for a general election period grant. However, such candidate may solicit and accept contributions and make expenditures as follows: contributions shall be subject to the limitations set forth in subchapter 3 of this chapter, and expenditures shall be limited to an amount equal to the amount of the grant set forth in subsection (b) of this section for the general election for that office.

(d) Grants awarded in a primary election period but not expended by the candidate in the primary election period may be expended by the candidate in the general election period.

(e)(1) Vermont campaign finance grants for a primary election period shall be paid to qualifying candidates within the first 10 business days of the primary election period.

(2) Vermont campaign finance grants for a general election period shall be paid to qualifying candidates during the first 10 business days of the general election period.

§ 2985a. PRIMARY ELECTION PERIOD; PERMITTED ADVANCED
GENERAL ELECTION GRANT

(a) Notwithstanding the timing of grants set forth in subsection 2985(e) of this subchapter, a candidate who has received a campaign finance grant in a primary election period may also obtain and expend during the primary election period up to 25 percent of his or her general election period grant.

(b) The permitted general election period grant amount shall be distributed to the publicly financed primary candidate within three business days of the candidate's written request for such amount.

(c)(1) A publicly financed primary candidate who obtains a portion of his or her general election period grant under this section and who wins the primary shall be limited to the remaining balance of the general election grant amount during the general election period.

(2) A publicly financed candidate who obtains a portion of his or her general election period grant under this section and who is unsuccessful in the primary shall be required to deposit in the Secretary of State Services Fund an amount equal to that portion of the general election period grant not later than 40 days after the end of the two-year general election cycle.

* * *

Sec. 2. PUBLIC CAMPAIGN FINANCE STUDY COMMITTEE; REPORT

(a) Creation. There is created the Public Campaign Finance Study Committee to study and make recommendations regarding Vermont's current public campaign finance option.

(b) Membership. The Committee shall be composed of the following members:

(1) one current member of the Senate, who shall be appointed by the Committee on Committees and who shall be Co-Chair;

(2) one current member of the House of Representatives, who shall be appointed by the Speaker of the House and who shall be Co-Chair;

(3) the Secretary of State or designee;

(4) the Attorney General or designee; and

(5) the Executive Director of the State Ethics Commission or designee.

(c) Powers and duties. The Committee shall consult with interested stakeholders to study and make recommendations on Vermont's current public campaign finance option (Option), including the following issues:

(1) whether the structure of the Option is appropriate or whether Vermont should instead enact a different public campaign finance system, such as one based on vouchers as in the Seattle Democracy Voucher Program, or one that provides supplemental payments based on the amount of qualifying contributions as in the Maine Clean Election Act;

(2) if Vermont should retain the Option:

(A) whether the current qualifying contributions and grant amounts for candidates for Governor and Lieutenant Governor are appropriate;

(B) whether the Option should be extended to other offices and, if so, which offices and what the qualifying contributions and grant amounts should be for each office; and

(C) how it may be improved; and

(3) what the funding source should be for either the Option or any recommended substitute.

(d) Assistance. The Committee shall have the assistance of the Office of Legislative Council and the Joint Fiscal Office.

(e) Report. On or before December 1, 2019, the Committee shall report to the Senate and House Committees on Government Operations with its findings and any recommendations for legislative action. The report may be in the form of legislation.

(f) Meetings.

(1) The Co-Chairs shall call the first meeting of the Committee to occur on or before August 15, 2019.

(2) A majority of the membership shall constitute a quorum.

(3) The Committee shall cease to exist on December 1, 2019.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the member's appointing authority.

Sec. 3. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 1 shall take effect on December 11, 2020.

(Committee vote: 4-1-0)

Reported favorably by Senator Starr for the Committee on Appropriations.

The Committee recommends that the bill be amended as recommended by the Committee on Government Operations and when so amended, the bill ought to pass.

(Committee vote: 4-0-3)

S. 58.

An act relating to the State hemp program.

Reported favorably with recommendation of amendment by Senator Pearson for the Committee on Agriculture.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 6 V.S.A. chapter 34 is amended to read:

CHAPTER 34. HEMP

§ 561. FINDINGS; INTENT

(a) Findings.

* * *

(5) The federal Agricultural Act of 2014, Pub. L. No. 113-79 authorized Section 10113 of the Agriculture Improvement Act of 2018, Pub. L. No. 115-334 authorizes the growing, cultivation, and marketing of industrial hemp, notwithstanding restrictions under the federal Controlled Substances Act, if certain criteria are satisfied under a U.S. Department of Agriculture approved State program.

(b) Purpose. The intent of this chapter is to establish policy and procedures for growing, processing, on-site processing, testing, and marketing hemp and hemp products in Vermont that comply with federal law so that farmers and

other businesses in the Vermont agricultural industry can take advantage of this market opportunity.

§ 562. DEFINITIONS

As used in this chapter:

(1) “Agency” means the Agency of Agriculture, Food and Markets.

(2)(A) “Grow” means:

(i) planting, cultivating, harvesting, or drying of hemp; and

(ii) selling, storing, and transporting hemp grown by a grower.

(B) “Grow” may be used interchangeably with the word “produce.”

(3) “Grower” means a person who is registered with the Agency to produce hemp crops.

(4) “Hemp products” or “hemp-infused products” means all products made from hemp with the federally defined tetrahydrocannabinol concentration level for hemp derived from, or made by, processing hemp plants or plant parts, that are prepared in a form available for commercial sale, including cosmetics, personal care products, food intended for animal or human consumption, cloth, cordage, fiber, food, fuel, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and certified seed for cultivation and any product containing one or more hemp-derived cannabinoids, such as cannabidiol.

~~(3)~~(5) “Hemp” or “industrial hemp” means the plant Cannabis sativa L. and any part of the plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis including the seeds and all derivatives, extracts, cannabinoids, acids, salts, isomers, and salts of isomers, whether growing or not, with the federally defined tetrahydrocannabinol concentration level of hemp. “Hemp” shall be considered an agricultural commodity.

(6) “On-site process” means growing hemp and processing hemp or hemp products at the location where hemp is grown, provided that more than 50 percent of the hemp or hemp products processed at the location shall be grown at the registered location.

(7) “On-site processor” means a person registered with the Agency to on-site process hemp or hemp products.

(8) “Process” means the storing, drying, trimming, handling, compounding, or converting of a hemp crop by a processor for a single grower or multiple growers into hemp products or hemp-infused products. “Process”

includes transporting, aggregating, or packaging hemp from a single grower or multiple growers.

(9) “Processor” means a person who is registered with the Agency to process hemp crops. A retail establishment selling hemp products or hemp-infused products is not a processor.

(4)(10) “Secretary” means the Secretary of Agriculture, Food and Markets.

§ 563. HEMP; AN AGRICULTURAL PRODUCT

Industrial hemp is an agricultural product that may be grown as a crop produced, possessed, marketed, and commercially traded in Vermont pursuant to the provisions of this chapter and section 10113 of the Agriculture Improvement Act of 2018, Pub. L. No. 115-334. The cultivation of industrial hemp shall be subject to and comply with the required agricultural practices adopted under section 4810 of this title.

§ 564. STATE HEMP PROGRAM; REGISTRATION; APPLICATION; ADMINISTRATION; PILOT PROJECT

~~(a) The Secretary shall establish a pilot program to research the growth, cultivation, and marketing of industrial hemp. Under the pilot program, the Secretary shall register persons who will participate in the pilot program through growing or cultivating industrial hemp. The Secretary shall certify the site where industrial hemp will be cultivated by each person registered under this chapter. A person who intends to participate in the pilot program and grow industrial hemp shall register with the Secretary and submit on a form provided by the Secretary the following:~~

~~(1) the name and address of the person;~~

~~(2) a statement that the seeds obtained for planting are of a type and variety that do not exceed the maximum concentration of tetrahydrocannabinol set forth in subdivision 562(3) of this title; and~~

~~(3) the location and acreage of all parcels sown and other field reference information as may be required by the Secretary.~~

~~(b) The form provided by the Secretary pursuant to subsection (a) of this section shall include a notice statement that:~~

~~(1) cultivation and possession of industrial hemp in Vermont is a violation of the federal Controlled Substances Act unless the industrial hemp is grown, cultivated, or marketed under a pilot program authorized by section 7606 of the federal Agricultural Act of 2014, Pub. L. No. 113-79;~~

~~(2) federal prosecution for growing hemp in violation of federal law may include criminal penalties, forfeiture of property, and loss of access to federal agricultural benefits, including agricultural loans, conservation programs, and insurance programs; and~~

~~(3) registrants may purchase or import hemp genetics from any state that complies with federal requirements for the cultivation of industrial hemp.~~

~~(c) A person registered with the Secretary pursuant to this section shall allow industrial hemp crops, throughout sowing, growing season, harvest, storage, and processing, to be inspected and tested by and at the discretion of the Secretary or designee. The Secretary shall retain tests and inspection information collected under this section for the purposes of research of the growth and cultivation of industrial hemp.~~

~~(d) The Secretary may assess an annual registration fee of \$25.00 for the performance of his or her duties under this chapter. The Secretary shall establish and administer a State Hemp Program to regulate the growing, processing, on-site processing, testing, and marketing of industrial hemp and hemp products in the State.~~

(b)(1) A person shall register annually with the Secretary as part of the State Hemp Program in order to grow, process, on-site process, or test hemp or hemp products in the State. A person shall apply for registration or renewal of a registration on a form provided by the Secretary. The application shall be accompanied by the fee required under section 569 of this title. The application or renewal form shall include:

(A) the name and address of the person applying for or renewing a registration;

(B) whether the person is applying to grow, process, on-site process, or test hemp or hemp products;

(C) for a person applying as a grower:

(i) the location and acreage of all parcels where hemp will be grown;

(ii) a statement that the seeds obtained for planting are of a type and variety that do not exceed the federally defined tetrahydrocannabinol concentration level of hemp;

(D) for a person applying as a processor, the location of the processing site;

(E) for a person applying as an on-site processor:

(i) the location and acreage of all parcels where hemp will be grown;

(ii) a statement that the seeds obtained for planting are of a type and variety that do not exceed the federally defined tetrahydrocannabinol concentration level of hemp; and

(iii) a statement that no more than 50 percent of the hemp or hemp products processed at the location shall originate from or be grown at a location away from the registered location.

(F) for a person applying to test hemp or hemp products, the location of the site where testing will occur and any proof of certification required by the Secretary; and

(G) any additional information that the Secretary may require by rule.

(2) The Secretary may verify the information provided in the application or renewal form under subdivision (1) of this subsection and on any maps accompanying the application or renewal form and may request additional information in order to perform a review of an application for registration or renewal.

(c) The Secretary may deny an application for registration or renewal if the applicant:

(1) does not provide all the information requested on the application or renewal form;

(2) fails to submit the fee required under section 569 of this title;

(3) fails to submit additional information requested by the Secretary under subsection (a) of this section; or

(4) does not, as determined by the Secretary, satisfy the requirements of section 10113 of the Agriculture Improvement Act of 2018, Pub. L. No. 115-334 for participation in the Program.

(d) A person registered under this section may purchase or import hemp genetics from any state that complies with the federal requirements for the cultivation of industrial hemp.

(e) A person registered with the Secretary under this section to grow, process, on-site process, or test hemp crops or hemp products, shall allow the Secretary to inspect hemp crops, processing sites, or laboratories registered under the State Hemp Program. The Secretary shall retain tests and inspection

information collected under this section for the purposes of research of the growth and cultivation of industrial hemp.

(f) The name and general location of a person registered under this section shall be available for inspection and copying under the Public Records Act, provided that all records produced or acquired by the Agency of Agriculture, Food and Markets related to the location of parcels where hemp will be grown, including coordinates, maps, and parcel identifiers, shall be confidential and shall not be disclosed for inspection and copying under the Public Records Act.

§ 566. RULEMAKING AUTHORITY

(a) The Secretary may adopt rules to provide for the implementation of this chapter and the pilot project program authorized under this chapter, which may include rules to:

(1) require hemp to be tested during growth for tetrahydrocannabinol levels;

(2) authorize or specify the method or methods of testing hemp, including, where appropriate, the ratio of cannabidiol to tetrahydrocannabinol levels or a taxonomic determination using genetic testing; and

(3) to require inspection and supervision of hemp during sowing, growing season, harvest, storage, and processing. The Secretary shall not adopt under this or any other section a rule that would prohibit a person to grow hemp based on the legal status of hemp under federal law; and

(4) require labels or label information for hemp products in order to provide consumers with product content or source information or to conform with federal requirements.

(b) The Secretary shall adopt rules establishing how the Agency of Agriculture, Food and Markets will conduct research within the pilot program for industrial hemp.

(c) The Secretary shall adopt rules establishing requirements for the registration of processors of hemp and hemp-infused products.

* * *

§ 569. REGISTRATION FEES

(a) A person applying for a registration or renewal under section 564 of this title annually shall pay the following fees:

(1) for an application or renewal of registration to grow hemp for seed, grain crop, fiber, or textile: \$100.00;

(2) for an application or renewal of registration to grow hemp for floral material production, and viable seed, or cannabinoids, including Cannabidiolic Acid (CBDA), Cannabidiol (CBD), Cannabinol (CBN), Cannabigerol (CBG), Cannabichromene (CBD), or Tetrahydrocannabivarin (THCV) the following fee each year based on the number of acres planted:

<u>Acres of Hemp Grown for floral material or Cannabinoids</u>	<u>Fee</u>
<u>Less than 0.5</u>	<u>\$50.00</u>
<u>0.5 to 9.9</u>	<u>\$250.00</u>
<u>10 to 50</u>	<u>\$500.00</u>
<u>Greater than 50</u>	<u>\$1,500.00</u>

(3) for an application or renewal of registration to process floral material from hemp or manufacture of hemp-infused products: \$1,500.00;

(4) for an application or renewal of registration as a laboratory certified to conduct testing of hemp and hemp products as part of the Agency's cannabis control program: \$1,500.00; and

(5) for an application or renewal of registration as an on-site processor, twice the fee that on-site processor would pay under subdivision (2) of this subsection if applying solely to grow hemp for floral material production, and viable seed, or cannabinoid.

(b) A person registered to grow hemp for floral material production, and viable seed, or cannabinoids shall not grow more acres of hemp per year than the amount identified in a registration without first notifying the Secretary and paying the additional annual registration fee under subdivision (a)(2) of this section.

§ 570. STATE HEMP PROGRAM SPECIAL FUND

(a) There is created the State Hemp Program Special Fund to be administered by the Secretary of Agriculture, Food and Markets. The Fund shall consist of:

(1) appropriations or revenues dedicated for deposit into the Fund by the General Assembly;

(2) registration fees collected under this chapter; and

(3) gifts, donations, or other funds received from any source, public or private, dedicated for deposit into the Fund and approved by the Secretary of Administration.

(b) The Secretary of Agriculture, Food and Markets may use monies deposited in the Fund for the costs of personnel, program administration, testing, and other costs incurred by the Agency of Agriculture, Food and Markets in administration and implementation of the requirements of this chapter and in conducting industrial hemp research under this chapter.

(c) Notwithstanding the requirements of 32 V.S.A. § 588(3), interest earned by the Fund shall be retained in the Fund from year to year.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

Reported favorably with recommendation of amendment by Senator Pearson for the Committee on Finance.

The Committee recommends that the bill be amended as recommended by the Committee on Agriculture with the following amendments thereto:

First: in Sec. 1 by striking out 6 V.S.A. § 569 (registration fees) in its entirety and inserting in lieu thereof the following:

§ 569. REGISTRATION FEES

(a) A person applying for a registration or renewal under section 564 of this title annually shall pay the following fees:

(1) for an application to grow less than 0.5 acres of hemp for personal use: \$25.00;

(2) for an application or renewal of registration to grow or process hemp seed for food oil production, grain crop, fiber, or textile: \$100.00;

(3) except as provided for in subdivision (4) of this subsection, for an application or renewal of registration to grow, process, or grow and process hemp commercially for floral material production, viable seed, or cannabinoids, including cannabidiolic acid (CBDA), cannabidiol (CBD), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), or tetrahydrocannabivarin (THCV), the following fee based on the greater of the number of acres planted or the weight of hemp or viable seed processed:

<u>Acres of Hemp Grown or Pounds of Hemp Processed or Viable Seed Cultivated Annually for Floral Material or Cannabinoids</u>	<u>Fee</u>
<u>Less than 0.5 acres or less than 500 pounds</u>	<u>\$100.00</u>
<u>0.5 to 9.9 acres or less than 10,000 pounds</u>	<u>\$500.00</u>
<u>10 to 50 acres or less than 50,000 pounds</u>	<u>\$1,000.00</u>
<u>Greater than 50 acres or greater than 50,000 pounds</u>	<u>\$3,000.00</u>

(4) for an application or renewal of registration to operate exclusively within an indoor facility in order to grow, process, or grow and process hemp commercially for floral material production, viable seed, or cannabinoids, including cannabidiolic acid (CBDA), cannabidiol (CBD), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), or tetrahydrocannabivarin (THCV): \$2,000.00; and

(5) for an application or renewal of registration as a laboratory certified to conduct testing of hemp and hemp products as part of the Agency's cannabis control program: \$1,500.00.

(b) A person registered to grow, process, or grow and process hemp for floral material production, viable seed, or cannabinoids shall not grow more acres of hemp per year than the amount identified in a registration without first notifying the Secretary and paying an additional registration fee if necessary under subsection (a) of this section.

Second: By striking out Sec. 2 (effective date) in its entirety and inserting in lieu thereof new Secs. 2 and 3 to read as follows:

Sec. 2. TRANSITION; COLLECTION OF REGISTRATION FEE

Beginning on January 1, 2020, the Secretary of Agriculture, Food and Markets shall initiate collection under 6 V.S.A. § 569 of the registration fees to grow hemp, process hemp, grow and process hemp, or operate a certified laboratory to test hemp in the State. Prior to January 1, 2020, the Secretary of Agriculture, Food and Markets shall collect a registration fee of \$25.00 for any registration under 6 V.S.A. chapter 34 (State Hemp Program).

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-2)

CONCURRENT RESOLUTIONS FOR NOTICE

Concurrent Resolutions For Notice Under Joint Rule 16

The following joint concurrent resolutions have been introduced for approval by the Senate and House. They will be adopted by the Senate unless a Senator requests floor consideration before the end of the session of the next legislative day. Requests for floor consideration should be communicated to the Secretary's Office.

S.C.R. 7 - 8 (For text of Resolutions, see Addendum to Senate Calendar for March 21, 2019)

H.C.R. 83 - 98 (For text of Resolutions, see Addendum to House Calendar for March 21, 2019)

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Utility Commission shall be fully and separately acted upon.

Michael P. Touchette of Colchester – Commissioner, Department of Corrections – By Senator Benning for the Committee on Institutions. (2/28/19)

Wanda Minoli of Montpelier – Commissioner, Department of Motor Vehicles (term 10/2/18 – 2/28/19) – By Sen. Mazza for the Committee on Transportation. (3/19/19)

Wanda Minoli of Montpelier – Commissioner, Department of Motor Vehicles (term 3/1/19 – 2/28/21) – By Sen. Mazza for the Committee on Transportation. (3/19/19)

Kaj Samsom of Montpelier – Commissioner, Department of Taxes – By Sen. Brock for the Committee on Finance. (3/22/19)

Rebekah Irwin of Middlebury – Member, Board of Libraries – By Senator Hardy for the Committee on Education. (3/13/19)

Noah Fishman of Waterbury Center – Member, Travel Information Council (term 7/20/18 – 2/28/19) – By Sen. Kitchel for the Committee on Transportation. (3/15/19)

Noah Fishman of Waterbury Center – Member, Travel Information Council (term 3/1/19 – 2/28/21) – By Sen. Kitchel for the Committee on Transportation. (3/15/19)

James Fitzgerald of St. Albans – Member, Transportation Board – By Sen. McNeil for the Committee on Transportation. (3/15/19)

Wendy Harrison of Brattleboro – Member, Transportation Board – By Sen. McNeil for the Committee on Transportation. (3/15/19)

Philip H. Zalinger, Jr. of Montpelier – Member, Transportation Board – By Sen. Perchlik for the Committee on Transportation. (3/15/19)

Pamela Loranger of Colchester – Member, Transportation Board – By Sen. Mazza for the Committee on Transportation. (3/19/19)

Jacqueline Dement of Burlington – Member, Travel Information Council (term 7/20/18 – 2/28/19) – By Sen. Ashe for the Committee on Transportation. (3/20/19)

Jacqueline Dement of Burlington – Member, Travel Information Council (term 3/1/19 – 2/28/21) – By Sen. Ashe for the Committee on Transportation. (3/20/19)

Carolyn Dwyer of Essex Junction - Member, Board of Trustees of the University of Vermont and State Agricultural College - By Sen. Baruth for the Committee on Education. (3/21/19)

Adam Grinold of Wilmington - Member, Vermont State Colleges Board of Trustees - By Sen. Perchlik for the Committee on Education. (3/21/19)

FOR INFORMATION ONLY

CROSSOVER DATES

The Joint Rules Committee established the following Crossover deadlines:

(1) All **Senate/House** bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2)) on or before **Friday, March 15, 2019**, and filed with the Secretary/Clerk so that they may be placed on the Calendar for Notice the next legislative day.

(2) All **Senate/House** bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before **Friday, March 22, 2019**, and filed with the Secretary/Clerk so that they may be placed on the Calendar for Notice the next legislative day.

Note: The Senate will not act on bills that do not meet these crossover deadlines, without the consent of the Senate Rules Committee.