

# Senate Calendar

THURSDAY, MAY 09, 2019

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**ACTION CALENDAR**

**UNFINISHED BUSINESS OF FRIDAY, MAY 3, 2019**

**House Proposal of Amendment**

**S. 149**

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

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

First: By striking out Sec. 1, 23 V.S.A. § 104(a), in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 23 V.S.A. § 104(a) is amended to read:

~~(a) The records of the registration of motor vehicles, snowmobiles, and motorboats, licensing of operators and registration of dealers, all original accident reports, and the records showing suspension and revocation of licenses and registrations and the records regarding diesel fuel, gasoline, and rental vehicle taxes shall be deemed official and public records, and shall be open to public inspection at all reasonable hours. The Commissioner shall furnish certified copies of the records to any interested person on payment of such fee as established by subdivision 114(a)(21) of this title. Notwithstanding section 114 of this title, information from the records of the Department may be made available to government agencies in the manner determined by the Commissioner and at the actual cost of furnishing the same. The records may be maintained on microfilm or electronic imaging. Any information contained in Department records is subject to and shall be released pursuant to the Driver's Privacy Protection Act, 18 U.S.C. chapter 123 as amended.~~

Second: By striking out Sec. 2, 23 V.S.A. § 114, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 23 V.S.A. § 114 is amended to read:

§ 114. FEES

(a) The Commissioner shall be paid the following fees for miscellaneous transactions:

- |  |         |
|--|---------|
| (1) Listings of 1 through 4 registrations      | \$8.00  |
| (2) Certified copy of registration application | \$8.00  |
| (3) Sample plates                              | \$18.00 |

(4) Lists of registered dealers, transporters, periodic inspection stations, fuel dealers, and distributors, including gallonage sold or delivered and rental vehicle companies	\$8.00 per page
(5) [Repealed.]	
(6) Periodic inspection sticker record	\$8.00
(7) Certified copy individual accident crash report	\$12.00
(8) Certified copy police accident crash report	\$18.00
(9) Certified copy suspension notice	\$8.00
(10) Certified copy mail receipt	\$8.00
(11) Certified copy proof of mailing	\$8.00
(12) Certified copy reinstatement notice	\$8.00
(13) Certified copy operator's license application	\$8.00
(14) Certified copy three-year operating record	\$14.00
(15) [Repealed.]	
(16) Government official photo identification card	\$6.00
(17) Listing of operator's licenses of 1 through 4	\$8.00
(18) Statistics and research	\$42.00 per hour
(19) Insurance information on crash	\$8.00
(20) Certified copy complete operating record	\$20.00
(21) Records not otherwise specified	\$8.00 per page
(22) <del>List of title records and related data elements excluding any personally identifiable information—initial computer programming</del> <u>Public records request for Department records requiring custom computer programming</u>	<del>\$5,331.00</del> <u>\$100.00 per hour, but not less than \$500.00</u>
(23) <del>List of title records and related data elements excluding any personally identifiable information—record set on electronic media</del> <u>Public records request for Department records requiring custom computer programming (updated)</u>	<del></del> <u>\$119.00</u>

(b) The Commissioner shall furnish the items listed in subsection (a) of this section ~~only upon a request which~~ that completely identifies the information sought or pursuant to a contract with an outside entity for purposes permitted under law, including the Driver's Privacy Protection Act, 18 U.S.C. chapter 123 as amended. ~~Completely identifying~~ For purposes of this subsection, a request that completely identifies the information sought for individuals an individual shall mean name and date of birth, and for vehicles it a vehicle shall mean either the registration number or the vehicle identification number.

Third: By striking out Sec. 16, 23 V.S.A. chapter 41, in its entirety and inserting in lieu thereof a new Sec. 16 to read as follows:

Sec. 16. 23 V.S.A. chapter 41 is added to read:

#### CHAPTER 41. AUTOMATED VEHICLE TESTING

##### § 4201. SHORT TITLE

This chapter may be cited as the Automated Vehicle Testing Act.

##### § 4202. DEFINITIONS

As used in this chapter:

(1) “Automated driving system” means the hardware and software that are collectively capable of performing the entire dynamic driving task within its operational design domain, if any, including achieving a minimal risk condition, without any intervention or supervision by a conventional human driver.

(2) “Automated vehicle” means a motor vehicle that is equipped with an automated driving system.

(3) “Automated vehicle tester” or “tester” means an individual, company, public agency, or other organization that is testing automated vehicles on public highways in this State pursuant to this chapter including an automated vehicle manufacturer, municipal or State agency, institution of higher education, fleet service provider, or automotive equipment or technology provider.

(4) “Conventional human driver” means an individual who manually engages in-vehicle braking, accelerating, steering, and transmission gear selection input devices in order to operate a vehicle.

(5) “Dynamic driving task” means all the real-time operational and tactical functions required to operate a vehicle in on-road traffic within its specific operational design domain, if any, excluding the strategic functions such as trip scheduling and selection of destinations and waypoints.

(6) “Highly automated vehicle” means a vehicle equipped with an automated driving system capable of performing all aspects of the dynamic driving task within its operational design domain, if any, including achieving a minimal risk condition, without any intervention or supervision by a conventional human driver.

(7) “Manufacturer” means an individual or company that designs, produces, or constructs vehicles or equipment. Manufacturers include original equipment manufacturers (OEMs), multiple and final stage manufacturers, individuals or companies making changes to a completed vehicle before first retail sale or deployment (upfitters), and modifiers (individuals or companies making changes to existing vehicles after first retail sale or deployment).

(8) “Minimal risk condition” means a condition in which an automated vehicle operating without a human driver, upon experiencing a failure of its automated driving system that renders the automated vehicle unable to perform the dynamic driving task, achieves a reasonably safe state that may include bringing the automated vehicle to a complete stop.

(9) “Operational design domain” means a description of the specific domain or domains in which an automated driving system is designed to properly operate, including types of roadways, ranges of speed, weather, time of day, and environmental conditions.

(10) “Operator” means an individual employed by or under contract with an automated vehicle tester who has successfully completed the tester’s training on safe driving and the capabilities and limitations of the automated vehicle and automated driving system, can take immediate manual or remote control of the automated vehicle being tested, is 21 years of age or older, and holds an operator’s license for the class of vehicle being tested.

(11) “Public highway” means a State or municipal highway as defined in 19 V.S.A. § 1(12).

#### § 4203. TESTING OF AUTOMATED VEHICLES ON PUBLIC HIGHWAYS

(a) An automated vehicle shall not be operated on public highways for testing until the Traffic Committee as defined in 19 V.S.A. § 1(24) approves a permit application for automated vehicle testers that defines the geographic scope and operational design domain for the test and demonstrates the ability of the automated vehicle tester to comply with the requirements of this section.

(b) Prior to approving a permit application, the Traffic Committee will conduct a hearing to provide for comments from the public. Legislative bodies of the municipalities where an automated vehicle will be tested shall be

notified by the Traffic Committee 60 calendar days prior to the Traffic Committee hearing when the geographic scope of the test includes State highways or Class 1, 2, 3, or 4 Town Highways, as classified pursuant to 19 V.S.A. § 302, within the geographic boundaries of the municipality.

(c) The Traffic Committee is authorized to approve the testing of automated vehicles on:

(1) All State highways and Class 1 Town Highways.

(2) Class 2, 3, and 4 Town Highways within the geographic boundaries of municipalities that have preapproved testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality as of the date the permit application for automated vehicle testing is filed. A municipality may immediately revoke its preapproval of automated vehicle testing by notifying the Secretary of Transportation in writing that it no longer wishes to allow testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality.

(d) The Agency of Transportation's Automated Vehicle Testing Guide shall include a list of municipalities that have preapproved testing of automated vehicles and shall update the Automated Vehicle Testing Guide within 10 business days after a municipality notifies the Secretary of Transportation in writing that it now wishes to allow testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality or no longer wishes to allow testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality.

(e) The Traffic Committee has the sole authority to approve specific test permit applications. Municipal approval of specific testing permits is not required. Notwithstanding subdivision (c)(2) of this section, after a test permit has been approved by the Traffic Committee, all modifications to the operational design domain or other permit conditions, including changes affecting town highways in a preapproved testing municipality, requires approval by the Traffic Committee.

(f) Before a test commences, the Traffic Committee shall make approved automated vehicle test permits readily available to law enforcement and municipalities within the geographic scope of the operational design domain designated in the permit.

(g) The automated vehicle tester shall submit a report to the Traffic Committee annually, until all testing ceases, summarizing results and observations related to safety, traffic operations, interaction with roadway infrastructure, comments from the public, and any other relevant matters.

(h) An automated vehicle tester shall not test an automated vehicle on a public highway unless:

(1) The operator is:

(A) seated in the driver's seat of the automated vehicle;

(B) monitoring the operation of the automated vehicle; and

(C) capable of taking immediate manual control of such automated vehicle.

(2) The automated vehicle tester:

(A) registers each automated vehicle to be tested with the Commissioner pursuant to chapter 7 of this title;

(B) submits to the Commissioner, in a manner and form directed by the Commissioner, proof of liability insurance, self-insurance, or a surety bond of at least five million dollars for damages by reason of bodily injury, death, or property damage caused by an automated vehicle while engaged in automated vehicle testing;

(C) has established and enforces a zero-tolerance policy for drug and alcohol use by operators while engaged in automated vehicle testing. The policy shall include provisions for investigations of alleged policy violations and the suspension of drivers under investigation; and

(D) has conducted background checks for all operators pursuant to section 751 of this title, which may be inspected by the Commissioner of Motor Vehicles or designee pursuant to section 752 of this title.

(3) The operator and automated vehicle tester:

(A) comply with applicable standards established by the National Highway Traffic Safety Administration regarding the testing of automated vehicles or are capable of providing proof of exemptions or waivers to such standards;

(B) report to the Agency of Transportation and the applicable law enforcement agency within 72 hours after any motor vehicle crash involving the testing of the automated vehicle that results in personal injury or property damage; and

(C) satisfy any other requirements and permit conditions as determined by the Traffic Committee as necessary to ensure the safe operation of such automated vehicles.

(i) An automated vehicle testing permit may be voided and invalidated for the trip by a law enforcement officer who determines there is a violation of



any condition specified in the terms of the automated vehicle test permit or that the continuation of the trip would be unsafe.

(j) An automated vehicle testing permit may be suspended or revoked by the Traffic Committee if, after the opportunity for a hearing, the Traffic Committee determines that there is a violation of any condition or conditions specified in the terms of the automated vehicle test permit that warrants the suspension or revocation of the testing permit or that the continuation of the testing would be unsafe.

(k) Operating or testing in violation of a suspension or revocation order shall be a traffic violation for which there shall be a penalty of not more than \$1,000.00.

(l) Test vehicles must be capable of operating in compliance with applicable traffic and motor vehicle laws of this State, subject to this subchapter.

(m) An individual shall not operate, attempt to operate, or be in actual physical control of an automated vehicle being tested on a public highway when the individual's blood alcohol concentration is 0.02 or more.

(n) An automated vehicle being tested on a public highway shall be clearly identifiable by the public.

Fourth: By striking out Sec. 18, automated vehicle testing implementation, in its entirety and inserting in lieu thereof a new Sec. 18 to read as follows:

#### Sec. 18. AUTOMATED VEHICLE TESTING IMPLEMENTATION

(a) As soon as practicable, but not later than January 1, 2021, the Agency of Transportation, in consultation with Vermont's Regional Planning Commissions, shall identify which legislative bodies of municipalities in the State have approved the testing of automated vehicles on the Class 2, 3, and 4 Town Highways, as classified pursuant to 19 V.S.A. § 302, within the geographic boundaries of the municipality.

(b) As soon as practicable, but not later than January 1, 2021, the Agency of Transportation shall publish an Automated Vehicle Testing Guide and application form to support review by the Traffic Committee and consistent with the requirements of 23 V.S.A. § 4203 as added in Sec. 16 of this act, including that the Automated Vehicle Testing Guide include a list of municipalities that have preapproved testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality and be updated whenever a new municipality wishes to allow testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality or a municipality no longer wishes to allow

testing of automated vehicles on Class 2, 3, and 4 Town Highways within the geographic boundaries of the municipality.

(c) The Agency of Transportation may adopt rules to implement the provisions of 23 V.S.A. chapter 41 as added in Sec. 16 of this act.

Fifth: By striking out Sec. 23, 23 V.S.A. § 631, in its entirety and inserting in lieu thereof a new Sec. 23 to read as follows:

Sec. 23. 23 V.S.A. § 631 is amended to read:

§ 631. REQUIREMENTS; RULES

(a) The Commissioner may adopt rules pursuant to 3 V.S.A. chapter 25 governing the examination of new applicants for ~~operators~~<sup>operator's</sup> licenses and may prescribe ~~what shall be requisite~~ requirements to obtain or hold a license or learner's permit, by either a new or renewal applicant, as to driving experience, mental and physical qualifications, and any other matter or thing ~~which that~~, in his or her judgment, will contribute to the selection of safe and efficient operators.

(b) Any written forms, applications, or tests used by the Department of Motor Vehicles for operator licensing shall be translated into primary languages of nations from which individuals assisted by the U.S. Committee for Refugees and Immigrants Vermont in the prior 10 years hail, as determined on an annual basis by the Department in consultation with the U.S. Committee for Refugees and Immigrants Vermont, and available at all Department locations and on the Department's website if the English version is available. Nothing in this subsection is intended to require the Department to translate any educational manuals.

Sixth: By striking out Sec. 25, 23 V.S.A. § 4108, in its entirety and inserting in lieu thereof a new Sec. 25 to read as follows:

Sec. 25. [Deleted.]

Seventh: By striking out Sec. 28, effective dates, and its accompanying reader assistance heading in their entirety and inserting in lieu thereof the following:

\* \* \* Colored Signal Lamps \* \* \*

Sec. 28. 23 V.S.A. § 1252 is amended to read:

§ 1252. ISSUANCE OF PERMITS FOR SIRENS OR COLORED LAMPS,  
OR BOTH; USE OF AMBER LAMPS

(a) When satisfied as to the condition and use of the vehicle, the Commissioner shall issue and may revoke, for cause, permits for sirens ~~or~~ and colored signal lamps in the following manner:

(1) Sirens, ~~or blue or blue and~~ signal lamps, red signal lamps, white signal lamps, or a combination of these thereof, may be authorized for all law enforcement vehicles owned or leased by a law enforcement agency, a certified law enforcement officer, or the Vermont Criminal Justice Training Council. If the applicant is a constable, the application shall be accompanied by a certification by the town clerk that the applicant is the duly elected or appointed constable and attesting that the town has not voted to limit the constable's authority to engage in enforcement activities under 24 V.S.A. § 1936a.

(2) Sirens and red or red and white signal lamps may be authorized for all ambulances, ~~fire apparatus and other emergency medical service (EMS) vehicles, vehicles owned or leased by a fire department, vehicles used solely in rescue operations, or vehicles owned or leased by, or provided to, volunteer firefighters and voluntary rescue squad members, including a vehicle owned by a volunteer's employer when the volunteer has the written authorization of the employer to use the vehicle for emergency fire or rescue activities.~~ A single blue signal lamp may be authorized for all ambulances, other EMS vehicles, and vehicles owned or leased by a fire department or rescue squad organization, provided that the Commissioner shall require the lamp to be mounted so as to be visible primarily from the rear of the vehicle.

(3) No vehicle may be authorized a permit for more than one of the combinations described in subdivisions (1) and (2) of this subsection.

(4) No motor vehicle, other than one owned by the applicant, shall be issued a permit until the Commissioner has recorded the information regarding both the owner of the vehicle and the applicant for the permit.

(5) Upon application to the Commissioner, the Commissioner may issue a single permit for all the vehicles owned or leased by the applicant.

(6) Sirens and red or red and white signal lamps, or sirens and blue or blue and white signal lamps, may be authorized for restored emergency or enforcement vehicles used for exhibition purposes. Sirens and lamps authorized under this subdivision may only be activated during an exhibition, such as a car show or parade.

(b) Amber signal lamps shall be used on road maintenance vehicles, service vehicles, and wreckers and shall be used on all registered snow removal equipment when in use removing snow on public highways and the

amber lamps shall be mounted so as to be visible from all sides of the motor vehicle. ~~A vehicle equipped with an amber signal lamp may not be issued a permit for the installation and use of a siren.~~

\* \* \* Junior Operator Use of Portable Electronic Devices \* \* \*

Sec. 29. 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. 29a. 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.

\* \* \* Safety Belts \* \* \*

Sec. 31. 23 V.S.A. § 1259 is amended to read:

§ 1259. SAFETY BELTS; PERSONS AGE 18 YEARS OF AGE OR OVER

\* \* \*

~~(e) This section may be enforced only if a law enforcement officer has detained the operator of a motor vehicle for another suspected traffic violation. An operator shall not be subject to the penalty established in this section unless the operator is required to pay a penalty for the primary violation. [Repealed.]~~

(f) The penalty for violation of this section shall be as follows:

- (1) ~~\$25.00~~ \$0.00 for a first violation;
- (2) ~~\$50.00~~ \$25.00 for a second violation;
- (3) \$50.00 for a third violation; and
- (4) \$100.00 for ~~third~~ fourth and subsequent violations.

Sec. 31a. REPORTING BY THE DEPARTMENT OF MOTOR VEHICLES

The Vermont Criminal Justice Training Council, in consultation with law enforcement agencies, shall submit a written report to the House and Senate Committees on Transportation and on Judiciary on or before the 15th day of January in 2022, 2023, and 2024 containing, for the prior State fiscal year:

(1) the total number of traffic stops broken out by race of the driver involved in the traffic stop; and

(2) the following information for all traffic stops involving safety belts not worn by persons 18 years of age or over:

(A) the age, gender, and race of the driver involved in the traffic stop;

(B) the reason for the traffic stop;

(C) the type of search conducted, if any;

(D) the evidence located, if any;

(E) the outcome of the traffic stop, including whether:

- (i) a written warning was issued,
- (ii) a citation for a civil ticket was issued;
- (iii) a citation or arrest for a misdemeanor or a felony occurred; or
- (iv) no subsequent action was taken;

(F) summary data broken out by age, gender, race, and outcome of the traffic stop where the reason for the stop was the primary enforcement of a person 18 years of age or over not wearing a safety belt; and

(G) summary data broken out by age, gender, race, and outcome of the traffic stop where the reason for the stop was for any reason other than the primary enforcement of a person 18 years of age or over not wearing a safety belt.

\* \* \* Motor Vehicle Registrations \* \* \*

Sec. 32. 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 semi-trailer 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. 33. 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 × 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 × 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.

\* \* \* Motor Vehicle Inspections \* \* \*

Sec. 34. 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. 35. 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.

**UNFINISHED BUSINESS OF TUESDAY, MAY 7, 2019**

**House Proposal of Amendment**

**S. 133**

An act relating to juvenile jurisdiction.

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

Sec. 1. 33 V.S.A. § 5102 is amended to read:

§ 5102. DEFINITIONS AND PROVISIONS OF GENERAL APPLICATION

As used in the juvenile judicial proceedings chapters:

(1) “Care provider” means a person other than a parent, guardian, or custodian who is providing the child with routine daily care but to whom custody rights have not been transferred by a court.

(2) “Child” means any of the following:

(A) an individual who is under ~~the age of~~ 18 years of age and is a child in need of care or supervision as defined in subdivision (3)(A), (B), or (D) of this section (abandoned, abused, without proper parental care, or truant);

(B)(i) an individual who is under ~~the age of~~ 18 years of age, is a child in need of care or supervision as defined in subdivision (3)(C) of this section (beyond parental control), and was under ~~the age of~~ 16 years of age at the time the petition was filed; or

(ii) an individual who is between ~~the ages of~~ 16 to 17.5 years of age, is a child in need of care or supervision as defined in subdivision (3)(C) of this section (beyond parental control), and who is at high risk of serious harm

to himself or herself or others due to problems such as substance abuse, prostitution, or homelessness.

(C) An individual who has been alleged to have committed or has committed an act of delinquency after becoming 10 years of age and prior to becoming 22 years of age, unless otherwise provided in chapter 52 or 52A of this title; provided, however:

~~(i) that an individual who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining 12 years of age but not 14 years of age may be treated as an adult as provided therein;~~

~~(ii) that an individual who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining the age of 14 but not the age of 16 shall be subject to criminal proceedings as in cases commenced against adults, unless transferred to the court in accordance with the juvenile judicial proceedings chapters;~~

~~(iii) that an individual who is alleged to have committed an act before attaining the age of 10 years of age which would be murder as defined in 13 V.S.A. § 2301 if committed by an adult may be subject to delinquency proceedings; and~~

~~(iv)(ii) that an individual may be considered a child for the period of time the court retains jurisdiction under section 5104 of this title.~~

\* \* \*

(9) “Delinquent act” means an act designated a crime under the laws of this State, or of another state if the act occurred in another state, or under federal law. A delinquent act shall include a violation of 7 V.S.A. § 656; however, it shall not include:

(A) snowmobile offenses in 23 V.S.A. chapter 29, subchapter 1 and motorboat offenses in 23 V.S.A. chapter 29, subchapter 2, except for violations of sections 3207a, 3207b, 3207c, 3207d, and 3323;

(B) pursuant to 4 V.S.A. § 33(b), felony motor vehicle offenses committed by an individual who is 16 years of age or older, except for violations of 23 V.S.A. chapter 13, subchapter 13 and of 23 V.S.A. § 1091.

(10) “Delinquent child” means a child who has been adjudicated to have committed a delinquent act.

(11) “Department” means the Department for Children and Families.

(12) “Guardian” means a person who, at the time of the commencement of the juvenile judicial proceeding, has legally established rights to a child pursuant to an order of a Vermont court or a court in another jurisdiction.

(13) “Judge” means a judge of the Family Division of the Superior Court.

(14) “Juvenile judicial proceedings chapters” means this chapter and chapters 52, 52A, and 53 of this title.

\* \* \*

Sec. 2. 33 V.S.A. § 5103 is amended to read:

§ 5103. JURISDICTION

(a) The Family Division of the Superior Court shall have exclusive jurisdiction over all proceedings concerning a child who is or who is alleged to be a delinquent child or a child in need of care or supervision brought under the authority of the juvenile judicial proceedings chapters, except as otherwise provided in such chapters.

(b) Orders issued under the authority of the juvenile judicial proceedings chapters shall take precedence over orders in other Family Division proceedings and any order of another court of this State, to the extent they are inconsistent. This section shall not apply to child support orders in a divorce, parentage, or relief from abuse proceedings until a child support order has been issued in the juvenile proceeding.

(c)(1) Except as otherwise provided by this title and by subdivision (2) of this subsection, jurisdiction over a child shall not be extended beyond the child’s 18th birthday.

(2)(A) Jurisdiction over a child with a pending delinquency may be extended until six months beyond the child’s 19th birthday if the child was 16 or 17 years of age when he or she committed the offense.

(B) In no case shall custody of a child or youth 18 years of age or older be retained by or transferred to the Commissioner for Children and Families.

(C) Jurisdiction over a child in need of care or supervision shall not be extended beyond the child’s 18th birthday.

(D) Jurisdiction over a youthful offender shall not extend beyond the youth’s 22nd birthday.

(d) The ~~Court~~ court may terminate its jurisdiction over a child prior to the child’s 18th birthday by order of the court. If the child is not subject to another juvenile proceeding, jurisdiction shall terminate automatically in the following circumstances:

(1) upon the discharge of a child from juvenile or youthful offender probation, providing the child is not in the legal custody of the Commissioner;

(2) upon an order of the court transferring legal custody to a parent, guardian, or custodian without conditions or protective supervision;

(3) upon the adoption of a child following a termination of parental rights proceeding.

Sec. 3. 33 V.S.A. § 5201 is amended to read:

§ 5201. COMMENCEMENT OF DELINQUENCY PROCEEDINGS

(a) Proceedings under this chapter shall be commenced by:

(1) transfer to the court of a proceeding from another court as provided in section 5203 of this title; or

(2) the filing of a delinquency petition by a State's Attorney.

(b) If the proceeding is commenced by transfer from another court, no petition need be filed; however, the State's Attorney shall provide to the court the name and address of the child's custodial parent, guardian, or custodian and the name and address of any noncustodial parent if known.

(c) Any proceeding concerning a child who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining 14 years of age, but not ~~18~~ 22 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter and chapter 52A of this title, unless the State's Attorney files the charge directly as a youthful offender petition in the Family Division.

\* \* \*

Sec. 4. 33 V.S.A. § 5280 is amended to read:

§ 5280. COMMENCEMENT OF YOUTHFUL OFFENDER PROCEEDINGS IN THE FAMILY DIVISION

(a) A proceeding under this chapter shall be commenced by:

(1) the filing of a youthful offender petition by a State's Attorney; or

(2) transfer to the Family Court of a proceeding from the Criminal Division of the Superior Court as provided in section 5281 of this title.

(b) A State's Attorney may commence a proceeding in the Family Division of the Superior Court concerning a child who is alleged to have committed an offense after attaining ~~16~~ 14 years of age but not 22 years of age that could otherwise be filed in the Criminal Division.

(c) If a State's Attorney files a petition under subdivision (a)(1) of this section, the case shall proceed as provided under subsection 5281(b) of this title.

(d) Within 15 days after the commencement of a youthful offender proceeding pursuant to subsection (a) of this section, the youth shall be offered a risk and needs screening, which shall be conducted by the Department or by a community provider that has contracted with the Department to provide risk and needs screenings. The risk and needs screening shall be completed prior to the youthful offender status hearing held pursuant to section 5283 of this title. Unless the court extends the period for the risk and needs screening for good cause shown, the Family Division shall reject the case for youthful offender treatment if the youth does not complete the risk and needs screening within 15 days of the offer for the risk and needs screening.

(1) The Department or the community provider shall report the risk level result of the screening, the number and source of the collateral contacts made, and the recommendation for charging or other alternatives to the State's Attorney.

(2) Information related to the present alleged offense directly or indirectly derived from the risk and needs screening or other conversation with the Department or community-based provider shall not be used against the youth in the youth's criminal or juvenile case for any purpose, including impeachment or cross-examination. However, the fact of participation in risk and needs screening may be used in subsequent proceedings.

(e) If a youth presents a low to moderate risk to reoffend based on the results of the risk and needs screening, the State's Attorney shall refer a youth directly to court diversion unless the State's Attorney states on the record at the hearing held pursuant to section 5283 of this title why a referral would not serve the ends of justice. If the court diversion program does not accept the case or if the youth fails to complete the program in a manner deemed satisfactory and timely by the provider, the youth's case shall return to the State's Attorney for charging consideration.

Sec. 5. 33 V.S.A. § 5281 is amended to read:

#### § 5281. MOTION IN CRIMINAL DIVISION OF SUPERIOR COURT

(a) A motion may be filed in the Criminal Division of the Superior Court requesting that a defendant under 22 years of age in a criminal proceeding who had attained 12 years of age but not 22 years of age at the time the offense is alleged to have been committed be treated as a youthful offender. The motion may be filed by the State's Attorney, the defendant, or the court on its own motion.

(b) ~~Upon~~ Unless the State's Attorney refers the youth directly to court diversion pursuant to subsection 5280(e) of this title, upon the filing of a motion under this section or the filing of a youthful offender petition pursuant to section 5280 of this title, the Family Division shall hold a hearing pursuant to section 5283 of this title. Pursuant to section 5110 of this title, the hearing shall be confidential. Copies of all records relating to the case shall be forwarded to the Family Division. Conditions of release and any Department of Corrections supervision or custody shall remain in effect until:

(1) the Family Division accepts the case for treatment as a youthful offender and orders conditions of juvenile probation pursuant to section 5284 of this title;

(2) any conditions of release or bail are modified, amended, or vacated pursuant to 13 V.S.A. chapter 229; or

(3) the case is otherwise concluded.

(c)(1) If the Family Division rejects the case for youthful offender treatment pursuant to subsection 5284 of this title, the case shall be transferred to the Criminal Division. The conditions of release imposed by the Criminal Division shall remain in effect, and the case shall proceed as though the motion for youthful offender treatment or youthful offender petition had not been filed.

(2) Subject to Rule 11 of the Vermont Rules of Criminal Procedure and Rule 410 of the Vermont Rules of Evidence, the Family Division's denial of the motion for youthful offender treatment and any information related to the youthful offender proceeding shall be inadmissible against the youth for any purpose in the subsequent Criminal Division proceeding.

(d) If the Family Division accepts the case for youthful offender treatment, the case shall proceed to a confidential merits hearing or admission pursuant to sections 5227–5229 of this title.

Sec. 6. 33 V.S.A. § 5282 is amended to read:

#### § 5282. REPORT FROM THE DEPARTMENT

(a) Within 30 days after the youth has completed the risk and needs screening pursuant to section 5280 of this title, unless the court extends the period for good cause shown or the State's Attorney refers the youth directly to court diversion pursuant to subsection 5280(e) of this title, the Department for Children and Families shall file a report with the Family Division of the Superior Court.

(b) A report filed pursuant to this section shall include the following elements:

(1) a recommendation as to whether diversion is appropriate for the youth because the youth is a low to moderate risk to reoffend;

(2) a recommendation as to whether youthful offender status is appropriate for the youth; and

(3) a description of the services that may be available for the youth.

(c) A report filed pursuant to this section is privileged and shall not be disclosed to any person other than:

(1) the Department;

(2) the court;

(3) the State's Attorney;

(4) the youth, the youth's attorney, and the youth's guardian ad litem;

(5) the youth's parent, guardian, or custodian if the youth is under 18 years of age, unless the court finds that disclosure would be contrary to the best interest of the child;

(6) the Department of Corrections; or

(7) any other person when the court determines that the best interests of the youth would make such a disclosure desirable or helpful.

Sec. 7. 33 V.S.A. § 5283 is amended to read:

§ 5283. HEARING IN FAMILY DIVISION

(a) Timeline. A Unless the State's Attorney refers the youth directly to court diversion pursuant to subsection 5280(e) of this title, a youthful offender status consideration hearing shall be held no later than 35 60 days after the transfer of the case from the Criminal Division or filing of a youthful offender petition in the Family Division.

(b) Notice. Notice of the hearing shall be provided to the State's Attorney; the youth; the youth's parent, guardian, or custodian; the Department; and the Department of Corrections.

(c) Hearing procedure.

(1) If the motion is contested, all parties shall have the right to present evidence and examine witnesses. Hearsay may be admitted and may be relied on to the extent of its probative value. If reports are admitted, the parties shall be afforded an opportunity to examine those persons making the reports, but sources of confidential information need not be disclosed.

(2) For individuals who had attained 18 years of age but not 22 years of age at the time the act is alleged to have been committed, hearings under 5284(a) of this title shall be open to the public. All other youthful offender proceedings shall be confidential.

(d) Burden of proof. The burden of proof shall be on the moving party to prove by a preponderance of the evidence that a child should be granted youthful offender status. If the court makes the motion, the burden shall be on the youth.

(e) Further hearing. On its own motion or the motion of a party, the court may schedule a further hearing to obtain reports or other information necessary for the appropriate disposition of the case.

Sec. 8. 33 V.S.A. § 5285(d) is amended to read:

(d) If a youth's status as a youthful offender is revoked and the case is transferred to the Criminal Division pursuant to subdivision (c)(2) of this section, the court shall enter a conviction of guilty based on the admission to or finding of merits, hold a sentencing hearing and impose sentence. Unless it serves the interest of justice, the case shall not be transferred back to the Family Division pursuant to section 5203 of this title. When determining an appropriate sentence, the court may take into consideration the youth's degree of progress toward or regression from rehabilitation while on youthful offender status. The Criminal Division shall have access to all Family Division records of the proceeding.

Sec. 9. 33 V.S.A. § 5286 is amended to read:

§ 5286. REVIEW PRIOR TO 18 YEARS OF AGE

(a) If a youth is ~~adjudicated~~ on probation as a youthful offender prior to reaching 18 years of age, the Family Division shall review the youth's case before he or she reaches 18 years of age and set a hearing to determine whether the court's jurisdiction over the youth should be continued past 18 years of age. The hearing may be joined with a motion to terminate youthful offender status under section 5285 of this title. The court shall provide notice and an opportunity to be heard at the hearing to the State's Attorney, the youth, the Department for Children and Families, and the Department of Corrections.

(b) After receiving a notice of review under this section, the State may file a motion to modify or revoke pursuant to section 5285 of this title. If such a motion is filed, it shall be consolidated with the review under this section and all options provided for under section 5285 of this title shall be available to the court.



(c) The following reports shall be filed with the court prior to the hearing:

(1) The Department for Children and Families and the Department of Corrections shall jointly report their recommendations, with supporting justifications, as to whether the Family Division should continue jurisdiction over the youth past 18 years of age and, if continued jurisdiction is recommended, propose a case plan for the youth to ensure compliance with and completion of the juvenile disposition.

(2) If the Departments recommend continued supervision of the youthful offender past 18 years of age, the Departments shall report on the services which would be available for the youth.

(d) If the court finds that it is in the best ~~interest~~ interests of the youth and consistent with community safety to continue the case past 18 years of age, it shall make an order continuing the court's jurisdiction up to 22 years of age. The Department for Children and Families and the Department of Corrections shall jointly develop a case plan for the youth and coordinate services and share information to ensure compliance with and completion of the juvenile disposition.

(e) If the court finds that it is not in the best ~~interest~~ interests of the youth to continue the case past 18 years of age, it shall terminate the disposition order, discharge the youth, and dismiss the case in accordance with subsection 5287(c) of this title.

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

## NEW BUSINESS

### Second Reading

#### Favorable with Proposal of Amendment

#### H. 460.

An act relating to sealing and expungement of criminal history records.

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

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 2658 is amended to read:

§ 2658. ~~PROSTITUTION CONVICTION; MOTION TO VACATE BY~~  
VICTIM OF HUMAN TRAFFICKING

(a) As used in this section:

(1) “Qualifying crime” means a criminal offense in this State that is not listed in 33 V.S.A. § 5204(a).

(2) ~~“victim~~ Victim of human trafficking” means:

~~(1)(A)~~ (A) a victim of a violation of section 2652 or 2653 of this title;

or

~~(2)(B)~~ (B) “a victim of a severe form of trafficking” as defined by 22 U.S.C. § 7102(14) (federal Trafficking Victims Protection Act).

(b) A person convicted of ~~prostitution in violation of section 2632 of this title~~ a qualifying crime may file a motion to vacate the conviction if it was obtained as a result of the person having been a victim of human trafficking. The motion shall be in writing, describe the supporting evidence with particularity, and include copies of any documents showing that the moving party is entitled to relief under this section.

(c) The court shall hold a hearing on the motion, provided that the court may dismiss a motion without a hearing if the court finds that the motion fails to assert a claim for which relief may be granted.

(d)(1) The court shall grant the motion if it finds by a preponderance of the evidence that:

(A) the moving party was convicted of ~~prostitution in violation of section 2632 of this title~~ a qualifying crime; and

(B) the conviction was obtained as a result of the moving party’s having been a victim of human trafficking.

(2) If the motion is granted, the court shall vacate the conviction, strike the adjudication of guilt, and expunge the record of the criminal proceedings. The court shall issue an order to expunge, or redact the moving party’s name from, all records and files related to the moving party’s arrest, citation, investigation, charge, adjudication of guilt, criminal proceedings, and probation for the offense.

(e) Official documentation of a person’s status as a victim of human trafficking provided by a federal, state, or local government agency shall create a presumption that the person’s ~~prostitution~~ conviction was obtained as a result of having been a victim of human trafficking. Such documentation shall not be required to grant a motion under this section.

Sec. 2. 13 V.S.A. § 7601 is amended to read:

§ 7601. DEFINITIONS

As used in this chapter:

(1) “Court” means the Criminal Division of the Superior Court.

(2) “Criminal history record” means all information documenting an individual’s contact with the criminal justice system, including data regarding identification, arrest or citation, arraignment, judicial disposition, custody, and supervision.

(3) “Predicate offense” means a criminal offense that can be used to enhance a sentence levied for a later conviction, and includes operating a vehicle under the influence of alcohol or other substance in violation of 23 V.S.A. § 1201, domestic assault in violation of section 1042 of this title, and stalking in violation of section 1062 of this title. “Predicate offense” shall not include misdemeanor possession of marijuana, ~~or~~ a disorderly conduct offense under section 1026 of this title, or possession of a controlled substance in violation of 18 V.S.A. § 4230(a), 4231(a), 4232(a), 4233(a), 4234(a), 4234a(a), 4234b(a), 4235(b), or 4235a(a).

(4) “Qualifying crime” means:

(A) a misdemeanor offense that is not:

(i) a listed crime as defined in subdivision 5301(7) of this title;

(ii) an offense involving sexual exploitation of children in violation of chapter 64 of this title;

(iii) an offense involving violation of a protection order in violation of section 1030 of this title;

(iv) prostitution as defined in section 2632 of this title, or prohibited conduct under section 2601a of this title; or

(v) a predicate offense;

(B) a violation of subsection 3701(a) of this title related to criminal mischief;

(C) a violation of section 2501 of this title related to grand larceny;

(D) a violation of section 1201 of this title related to burglary, excluding any burglary into an occupied dwelling, as defined in subdivision 1201(b)(2) of this title; ~~or~~

(E) a violation of 18 V.S.A. § 4223 related to fraud or deceit;

(F) a violation of section 1802 of this title related to uttering a forged or counterfeited instrument;

(G) a violation of 18 V.S.A. § 4230(a) related to possession of marijuana;

(H) a violation of 18 V.S.A. § 4231(a) related to possession of cocaine;

(I) a violation of 18 V.S.A. § 4232(a) related to possession of LSD;

(J) a violation of 18 V.S.A. § 4233(a) related to possession of heroin;

(K) a violation of 18 V.S.A. § 4234(a) related to possession of depressant, stimulant, and narcotic drugs;

(L) a violation of 18 V.S.A. § 4234a(a) related to possession of methamphetamine;

(M) a violation of 18 V.S.A. § 4234b(a) related to possession of ephedrine and pseudoephedrine;

(N) a violation of 18 V.S.A. § 4235(b) related to possession of hallucinogenic drugs;

(O) a violation of 18 V.S.A. § 4235a(a) related to possession of ecstasy; or

(P) any offense for which a person has been granted an unconditional pardon from the Governor.

Sec. 3. 13 V.S.A. § 7602 is amended to read:

§ 7602. EXPUNGEMENT AND SEALING OF RECORD,  
POSTCONVICTION; PROCEDURE

(a)(1) A person may file a petition with the court requesting expungement or sealing of the criminal history record related to the conviction if:

(A) the person was convicted of a qualifying crime or qualifying crimes arising out of the same incident or occurrence; or

(B) the person was convicted of an offense for which the underlying conduct is no longer prohibited by law or designated as a criminal offense;

(C) pursuant to the conditions set forth in subsection (g) of this section, the person was convicted of a violation of 23 V.S.A. § 1201(a) related to operating under the influence of alcohol or other substance, excluding a violation of that section resulting in serious bodily injury or death to any person other than the operator, or related to operating a school bus with a blood alcohol concentration of 0.02 or more or operating a commercial vehicle with a blood alcohol concentration of 0.04 or more; or

(D) pursuant to the conditions set forth in subsection (h) of this section, the person was convicted under 1201(c)(3)(A) of a violation of subdivision 1201(a) of this title related to burglary when the person was 25 years of age or younger, and the person did not carry a dangerous or deadly weapon during commission of the offense.

(2) The State's Attorney or Attorney General shall be the respondent in the matter.

(3) The court shall grant the petition without hearing if the petitioner and the respondent stipulate to the granting of the petition. The respondent shall file the stipulation with the court, and the court shall issue the petitioner a ~~certificate~~ an order of expungement and provide notice of the order in accordance with this section.

(4) This section shall not apply to an individual licensed as a commercial driver pursuant to 23 V.S.A. chapter 39 seeking to seal or expunge a record of a conviction for a felony offense committed in a motor vehicle as defined in 23 V.S.A. § 4.

\* \* \*

(g) For petitions filed pursuant to subdivision (a)(1)(C) of this section, only petitions to seal may be considered or granted by the court. This subsection shall not apply to an individual licensed as a commercial driver pursuant to 23 V.S.A. chapter 39. Unless the court finds that sealing would not be in the interests of justice, the court shall grant the petition and order that the criminal history record be sealed in accordance with section 7607 of this title if the following conditions are met:

(1) At least 10 years have elapsed since the date on which the person successfully completed the terms and conditions of the sentence for the conviction, or if the person has successfully completed the terms and conditions of an indeterminate term of probation that commenced at least 10 years previously.

(2) At the time of the filing of the petition:

(A) the person has only one conviction of a violation of 23 V.S.A. § 1201, which shall be construed in accordance with 23 V.S.A. § 1211; and

(B) the person has not been convicted of a crime arising out of a new incident or occurrence since the person was convicted of a violation of 23 V.S.A. § 1201(a).

(3) Any restitution ordered by the court has been paid in full.

(4) The court finds that sealing of the criminal history record serves the interests of justice.

(h) For petitions filed pursuant to subdivision (a)(1)(D) of this section, unless the court finds that expungement or sealing would not be in the interests of justice, the court shall grant the petition and order that the criminal history record be expunged or sealed in accordance with section 7606 or 7607 of this title if the following conditions are met:

(1) At least 15 years have elapsed since the date on which the person successfully completed the terms and conditions of the sentence for the conviction, or the person has successfully completed the terms and conditions of an indeterminate term of probation that commenced at least 15 years previously.

(2) The person has not been convicted of a crime arising out of a new incident or occurrence since the person was convicted of a violation of subdivision 1201(c)(3)(A) of this title.

(3) Any restitution ordered by the court has been paid in full.

(4) The court finds that expungement or sealing of the criminal history record serves the interests of justice.

Sec. 4. 13 V.S.A. § 7603 is amended to read:

§ 7603. EXPUNGEMENT AND SEALING OF RECORD, NO  
CONVICTION; PROCEDURE

(a) Unless either party objects in the interests of justice, the court shall issue an order sealing the criminal history record related to the citation or arrest of a person:

(1) ~~12 months after the dismissal~~ within 60 days after the final disposition of the case if:

(A) the court does not make a determination of probable cause at the time of arraignment ~~or dismisses the charge at the time of arraignment;~~ or

(B) the charge is dismissed before trial without prejudice; or

(2) at any time if the prosecuting attorney and the defendant stipulate that the court may grant the petition to seal the record.

(b) If a party objects to sealing or expunging a record pursuant to this section, the court shall schedule a hearing to determine if sealing or expunging the record serves the interests of justice. The defendant and the prosecuting attorney shall be the only parties in the matter.

(c), (d) [Repealed.]

(e) Unless either party objects in the interests of justice, the court shall issue an order expunging a criminal history record related to the citation or arrest of a person:

(1) ~~not more than 45 days after~~ within 60 days after the final disposition of the case if:

(A) ~~acquittal~~ if the defendant is acquitted of the charges; or

(B) ~~dismissal~~ if the charge is dismissed with prejudice ~~before trial~~;

(2) at any time if the prosecuting attorney and the defendant stipulate that the court may grant the petition to expunge the record.

(f) Unless either party objects in the interests of justice, the court shall issue an order to expunge a record sealed pursuant to subsection (a) or (g) of this section ~~after the statute of limitations has expired~~ eight years after the date on which the record was sealed.

(g) A person may file a petition with the court requesting sealing or expungement of a criminal history record related to the citation or arrest of the person at any time. The court shall grant the petition and issue an order sealing or expunging the record if it finds that sealing or expunging the record serves the interests of justice, or if the parties stipulate to sealing or expungement of the record.

(h) The court may expunge any records that were sealed pursuant to this section prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subsection, the court shall provide to the State's Attorney's office that prosecuted the case written notice of its intent to expunge the record.

Sec. 5. 13 V.S.A. § 7606 is amended to read:

#### § 7606. EFFECT OF EXPUNGEMENT

(a) ~~Upon entry of an expungement order, the order shall be legally effective immediately and the person whose record is expunged shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense. The court shall issue an order to expunge all records and files related to the arrest, citation, investigation, charge, adjudication of guilt, criminal proceedings, and probation related to the sentence. The court shall issue the person a certificate stating that such person's behavior after the conviction has warranted the issuance of the order and that its effect is to annul the record of arrest, conviction, and sentence. Order and notice. Upon finding that the requirements for expungement have been met, the court shall issue an order that shall include provisions that its effect is to annul the record of the~~

arrest, conviction, and sentence and that such person shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense. The court shall provide notice of the expungement to the respondent, Vermont Crime Information Center (VCIC), the arresting agency, and any other entity that may have a record related to the order to expunge. The VCIC shall provide notice of the expungement to the Federal Bureau of Investigation's National Crime Information Center.

(b) Effect.

(1) Upon entry of an expungement order, the order shall be legally effective immediately and the person whose record is expunged shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense.

(2) In any application for employment, license, or civil right or privilege or in an appearance as a witness in any proceeding or hearing, a person may be required to answer questions about a previous criminal history record only with respect to arrests or convictions that have not been expunged.

(3) The response to an inquiry from any person regarding an expunged record shall be that "NO CRIMINAL RECORD EXISTS."

(4) Nothing in this section shall affect any right of the person whose record has been expunged to rely on it as a bar to any subsequent proceedings for the same offense.

~~(c) Nothing in this section shall affect any right of the person whose record has been expunged to rely on it as a bar to any subsequent proceedings for the same offense Process.~~

(1) The court shall remove the expunged offense from any accessible database that it maintains.

(2) Until all charges on a docket are expunged, the case file shall remain publicly accessible.

(3) When all charges on a docket have been expunged, the case file shall be destroyed pursuant to policies established by the Court Administrator.

(d) Special index.

(1) The court shall keep a special index of cases that have been expunged together with the expungement order ~~and the certificate issued pursuant to this chapter.~~ The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the expungement.



(2) The special index and related documents specified in subdivision (1) of this subsection shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(3) Inspection of the expungement order ~~and the certificate~~ may be permitted only upon petition by the person who is the subject of the case. The ~~Administrative Judge~~ Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

~~(4) All other court documents in a case that are subject to an expungement order shall be destroyed [Repealed].~~

(5) The Court Administrator shall establish policies for implementing this subsection.

~~(e) Upon receiving an inquiry from any person regarding an expunged record, an entity shall respond that "NO RECORD EXISTS."~~

Sec. 6. 13 V.S.A. § 7607 is amended to read:

#### § 7607. EFFECT OF SEALING

(a) Order and notice. Upon entry of an order to seal, the order shall be legally effective immediately and the person whose record is sealed shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense. ~~The court shall issue the person a certificate stating that such person's behavior after the conviction has warranted the issuance of the order and that its effect is to annul the record of arrest, conviction, and sentence.~~ The court shall provide notice of the sealing to the respondent, Vermont Crime Information Center (VCIC), the arresting agency, and any other entity that may have a record related to the order to seal. The VCIC shall provide notice of the sealing to the Federal Bureau of Investigation's National Crime Information Center.

(b) Effect.

(1) Except as provided in subdivision (c) of this section, upon entry of a sealing order, the order shall be legally effective immediately and the person whose record is sealed shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense.

(2) In any application for employment, license, or civil right or privilege or in an appearance as a witness in any proceeding or hearing, a person may be required to answer questions about a previous criminal history record only with respect to arrests or convictions that have not been sealed.

(3) The response to an inquiry from any member of the public regarding a sealed record shall be that “NO CRIMINAL RECORD EXISTS.”

(c) Exceptions. Notwithstanding any other provision of law or a sealing order:

(1) An entity that possesses a sealed record may continue to use it for any litigation or claim arising out of the same incident or occurrence or involving the same defendant.

(2) An entity A criminal justice agency as defined in 20 V.S.A. § 2056a may use the criminal history record sealed in accordance with section 7602 or 7603 of this title, regarding a person who was cited or arrested, for future criminal investigations or prosecutions without limitation for criminal justice purposes as defined in 20 V.S.A. § 2056a. A sealed record of a prior violation of 23 V.S.A. § 1201(a) shall be admissible as a predicate offense for the purpose of imposing an enhanced penalty for a subsequent violation of that section, in accordance with the provisions of 23 V.S.A. § 1210.

(d) Upon receiving a sealing order, an entity shall: Process.

(1) seal the investigation or prosecution record; The court shall bar viewing of the sealed offense in any accessible database that it maintains.

(2) enter a copy of the sealing order into the record; Until all charges on a docket have been sealed, the case file shall remain publicly accessible.

(3) flag the record as “SEALED” to prevent inadvertent disclosure of sealed information; and When all charges on a docket have been sealed, the case file shall become exempt from public access.

(4) upon receiving an inquiry from any person regarding a sealed record, respond that “NO RECORD EXISTS.”

(e) Special index.

(1) The court shall keep a special index of cases that have been sealed together with the sealing order. The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the sealing.

(2) The special index and related documents specified in subdivision (1) of this subsection shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(3) Except as provided in subsection (c) of this section, inspection of the sealing order may be permitted only upon petition by the person who is the

subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

(4) The Court Administrator shall establish policies for implementing this subsection.

Sec. 7. 13 V.S.A. § 7610 is added to read:

§ 7610. CRIMINAL HISTORY RECORD SEALING SPECIAL FUND

There is established the Criminal History Record Sealing Special Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. Fees collected pursuant to 32 V.S.A. § 1431(e) for the filing of a petition to seal a criminal history record of a violation of 23 V.S.A. § 1201(a) shall be deposited into and credited to this Fund. This Fund shall be available to the Office of the Court Administrator, the Department of State's Attorneys and Sheriffs, the Department of Motor Vehicles, and the Vermont Crime Information Center to offset the administrative costs of sealing such records. Balances in the Fund at the end of the fiscal year shall be carried forward and remain in the Fund.

Sec. 8. 23 V.S.A. § 1205 is amended to read:

§ 1205. CIVIL SUSPENSION; SUMMARY PROCEDURE

\* \* \*

(e) Effective date of suspension.

(1) First offense. Unless a hearing is requested, a suspension under this section of the license of a person who the officer has reasonable grounds to believe violated section 1201 of this title a first time becomes effective on the 11th day after the person receives notice or is deemed to have received notice under subsection (c) of this section. If a hearing is requested, a suspension shall not become effective unless the court orders a suspension after hearing as provided in this section.

(2) Second or subsequent offense. A suspension of a person's license under this section shall become effective on the 11th day after the person receives notice or is deemed to have received notice under subsection (c) of this section if:

(A) the officer has reasonable grounds to believe the person has violated section 1201 of this title; and

(B) ~~after July 1, 1991~~ within the last 20 years, the person has:

(i) had his or her operator's license suspended pursuant to this section; or

(ii) been convicted of a violation of section 1201 of this title.

\* \* \*

Sec. 9. 23 V.S.A. § 1210 is amended to read:

§ 1210. PENALTIES

(a) Screening. Before sentencing a defendant under this section, the ~~Court~~ court may order that the defendant submit to an alcohol assessment screening. Such a screening report may be considered at sentencing in the same manner as a presentence report. At sentencing, the defendant may present relevant evidence, including the results of any independent alcohol assessment ~~which~~ that was conducted at the person's own expense. Evidence regarding any such screening or an alcohol assessment performed at the expense of the defendant shall not be admissible for any other purpose without the defendant's consent.

(b) First offense. A person who violates section 1201 of this title may be fined not more than \$750.00, or imprisoned for not more than two years, or both.

(c) Second offense. A person convicted of violating section 1201 of this title who has been convicted of another violation of that section within the last 20 years shall be fined not more than \$1,500.00 or imprisoned not more than two years, or both. At least 200 hours of community service shall be performed, or 60 consecutive hours of the sentence of imprisonment shall be served and may not be suspended or deferred or served as a supervised sentence, except that credit for a sentence of imprisonment may be received for time served in a residential alcohol facility pursuant to sentence if the program is successfully completed.

(d) Third offense. A person convicted of violating section 1201 of this title who has previously been convicted two times of a violation of that section, including at least one violation within the last 20 years, shall be fined not more than \$2,500.00 or imprisoned not more than five years, or both. At least 96 consecutive hours of the sentence of imprisonment shall be served and may not be suspended or deferred or served as a supervised sentence, except that credit for a sentence of imprisonment may be received for time served in a residential alcohol facility pursuant to sentence if the program is successfully completed. The ~~Court~~ court may impose a sentence that does not include a term of imprisonment or that does not require that the 96 hours of imprisonment be served consecutively only if the ~~Court~~ court makes written findings on the record that such a sentence will serve the interests of justice and public safety.

(e)(1) Fourth or subsequent offense. A person convicted of violating section 1201 of this title who has previously been convicted three or more times of a violation of that section, including at least one violation within the last 20 years, shall be fined not more than \$5,000.00 or imprisoned not more than 10 years, or both. At least 192 consecutive hours of the sentence of imprisonment shall be served and may not be suspended or deferred or served as a supervised sentence, except that credit for a sentence of imprisonment may be received for time served in a residential alcohol treatment facility pursuant to sentence if the program is successfully completed. ~~The Court~~ court shall not impose a sentence that does not include a term of imprisonment unless the ~~Court~~ court makes written findings on the record that there are compelling reasons why such a sentence will serve the interests of justice and public safety.

(2) The Department of Corrections shall provide alcohol and substance abuse treatment, when appropriate, to any person convicted of a violation of this subsection.

\* \* \*

Sec. 10. 32 V.S.A. § 1431 is amended to read:

§ 1431. FEES IN SUPREME AND SUPERIOR COURTS

\* \* \*

(e) Prior to the filing of any postjudgment motion in the Civil, Criminal, or Environmental Division of the Superior Court, including motions to reopen civil suspensions ~~and motions for sealing or expungement in the Criminal Division pursuant to 13 V.S.A. § 7602,~~ or motions to reopen existing cases in the Probate Division of the Superior Court, there shall be paid to the clerk of the court for the benefit of the State a fee of \$90.00 except for small claims actions and estates. A filing fee of \$90.00 shall be paid to the clerk of the court for a civil petition for minor settlements. The \$90.00 filing fee shall apply for a motion to seal a criminal history record of a violation of 23 V.S.A. § 1201(a) pursuant to 13 V.S.A. § 7602(a)(1)(C), but shall not apply for any other motion to seal or expunge a criminal history record pursuant to 13 V.S.A. § 7602.

\* \* \*

Sec. 11. VERMONT SENTENCING COMMISSION; COUNCIL OF STATE GOVERNMENTS; JUSTICE OVERSIGHT COMMITTEE; REPORTS ON EXPUNGEMENT AND SEALING

During the 2019 legislative interim:

(1) the Vermont Sentencing Commission, established under 13 V.S.A. § 5451, shall conduct a comprehensive assessment of the statutes governing the expungement and sealing of criminal history records in Vermont, including reviewing the crimes eligible for expungement or sealing, the process by which criminal history records are expunged or sealed, the mechanism by which expunged or sealed records are indexed, and the effect of sealing or expungement. As a part of its assessment, the Commission shall evaluate all Vermont civil offenses and the crime of negligent operation of a motor vehicle under 23 V.S.A. § 1091(a) for their suitability for expungement or sealing eligibility.

(2) on or before November 1, 2019, the Commission shall report to the Joint Legislative Justice Oversight Committee and the House and Senate Committees on Judiciary with recommendations regarding:

(A) improvements to the expungement and sealing process; and

(B) any additional crimes or civil offenses appropriate for expungement or sealing eligibility.

(3) the Joint Legislative Justice Oversight Committee, working with the Council of State Governments Justice Center, shall conduct a review of the Vermont statutes governing expungement and sealing of criminal history records and develop a comprehensive policy to help individuals with a criminal record overcome barriers to employment and licensing through clearing their records. Any recommendations for reform of the expungement and sealing chapter and other relevant statutes shall be introduced in the form of proposed legislation for the 2020 legislative session.

## Sec. 12. SURCHARGES STUDY GROUP

During the 2019 legislative interim, the Vermont Center for Crime Victim Services, the Office of the Court Administrator, Vermont Legal Aid, and a representative of the special investigative units created pursuant to 24 V.S.A. § 1940 shall examine the issue of requiring a petitioner to pay outstanding surcharges prior to a court granting an expungement or sealing petition. On or before October 15, 2019, the group shall report to the Joint Legislative Justice Oversight Committee with its findings and any recommendations for legislative action.

## Sec. 13. REVIEW OF PROSTITUTION AND HUMAN TRAFFICKING LAWS

The Attorney General's Office, the Center for Crime Victim Services, and the Network Against Domestic and Sexual Violence, in consultation with other entities with expertise in these issues, shall review 13 V.S.A. chapter 59,

subchapter 2 (prostitution) and 13 V.S.A. chapter 60 (human trafficking), 13 V.S.A. § 1311 (unlawful sheltering; aiding a runaway), and 33 V.S.A. § 5304 (designated shelters for runaway children) for the purpose of making recommendations to the General Assembly regarding modernization of these laws and employment of best practices in addressing the issue of prostitution and human trafficking. The group shall also make a recommendation as to whether 13 V.S.A. § 2658 (motion to vacate by victim of human trafficking) should be amended to allow a person to file a motion to vacate a conviction for any criminal offense if it was obtained as a result of the moving party's having been a victim of human trafficking. The group shall report its recommendations to the General Assembly not later than October 15, 2019. Recommendations may be made through proposed legislation and do not require a report.

#### Sec. 14. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that Sec. 3 (expungement and sealing of record; postconviction; procedure) shall take effect on October 1, 2019.

(Committee vote: 4-0-1)

(For House amendments, see House Journal for March 21, 2019, pages 580-586)

#### **Reported favorably by Senator Campion for the Committee on Finance.**

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

(Committee vote: 5-0-2)

#### **Reported favorably by Senator Sears for the Committee on Appropriations.**

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

(Committee vote: 6-0-1)

**H. 533.**

An act relating to workforce development.

**Reported favorably with recommendation of proposal of amendment by Senator Clarkson for the Committee on Economic Development, Housing and General Affairs.**

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Workforce Training; Vermont Training Program \* \* \*

Sec. 1. VERMONT TRAINING PROGRAM; WORKFORCE TRAINING ALLOCATIONS

(a) The Agency of Commerce and Community Development shall allocate Vermont Training Program funding to increase by 10 percent in each of the next two years:

(1) the number of trainees who receive a credential of value or participate in a registered apprenticeship; and

(2) the amount of training funds provided to businesses with 50 or fewer employees.

(b) In its annual report submitted pursuant to 10 V.S.A. § 531(k) the Agency shall specifically address:

(1) whether it was able to achieve the allocations specified in subsection (a) of this section, and if not, the reasons;

(2) the distribution of training funds by the number of employees of each business that benefitted from training;

(3) the distribution of training funds that resulted in an employee obtaining a credential of value or apprenticeship; and

(4) the extent to which the Program benefitted businesses with 50 or fewer employees.

Sec. 2. 10 V.S.A. § 531 is amended to read:

§ 531. THE VERMONT TRAINING PROGRAM

\* \* \*

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.



In addition to the reporting requirements under section 540 of this title, the report shall identify:

- (1) all active and completed contracts and grants;
- (2) from among the following, the category the training addressed:
  - (A) preemployment training or other training for a new employee to begin a newly created position with the employer;
  - (B) preemployment training or other training for a new employee to begin in an existing position with the employer;
  - (C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;
  - (D) training for an incumbent employee who, upon completion of training assumes a different position with the employer;
  - (E) training for an incumbent employee to upgrade skills;
- (3) for the training identified in subdivision (2) of this subsection whether the training is ~~onsite~~ on-site or classroom-based;
- (4) the number of employees served;
- (5) the average wage by employer;
- (6) any waivers granted;
- (7) the identity of the employer, or, if unknown at the time of the report, the category of employer;
- (8) the identity of each training provider;
- (9) whether training results in a wage increase for a trainee, and the amount of increase; ~~and~~
- (10) the aggregated median wage of employees invoiced for training during the reporting period;
- (11) the percentage median growth in wages for all wage earners in the State during the reporting period; and
- (12) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.

### Sec. 3. WORKFORCE TRAINING; PRIORITY SECTORS

The Department of Labor shall work with qualified training providers to increase the availability of training programs that lead to a credential of value

in the health care, construction, manufacturing, and child care sectors, as follows:

(1) The Department shall coordinate with the Office of Economic Opportunity within the Department for Children and Families to support training opportunities for individuals interested in becoming employed in the home or commercial weatherization industry, including:

(A) recruiting Vermonters who are eligible for funding under the federal Workforce Innovation Opportunity Act to participate in training programs;

(B) identifying operations for weatherization training programs; and

(C) providing stipends and wage subsidies for training participants if funding is available.

(2) The Department shall coordinate with the Child Development Division within the Department for Children and Families to support training opportunities for new or incumbent workers in the field of early care and learning.

(3) The Department shall work to connect health care, long term care, and mental health providers with postsecondary education providers, including adult career and technical education, to expand pre-apprenticeships, registered apprenticeships, and other occupational training programs in health care.

Sec. 4. 16 V.S.A. § 2846 is amended to read:

§ 2846. NONDEGREE ADVANCEMENT GRANTS

(a) The Corporation may establish ~~grant programs~~ an advancement grant program for residents pursuing nondegree education and training opportunities who do not meet the definition of student in subdivision 2822(3) of this title, and who may not meet the requirements of this subchapter.

(b) Nondegree Advancement grants may be used at institutions that are not approved postsecondary education institutions.

(c) The Corporation may adopt rules or establish policies, procedures, standards, and forms for nondegree advancement grants, including the requirements for applying for and using the grants and the eligibility requirements for the institutions where the grants may be used.

Sec. 5. 10 V.S.A. § 546 is added to read:

§ 546. STATE POSTSECONDARY ATTAINMENT GOAL

(a) It is the policy of the State of Vermont to:

(1) promote awareness of career pathways and the value of postsecondary education and training;

(2) expand access to postsecondary education and training to students of all ages;

(3) increase completion of postsecondary education and training programs by ensuring that Vermonters have the supports they need to succeed; and

(4) maximize partnerships across employment sectors to assist the State in achieving its labor force and education goals.

(b) It shall be the goal of the State of Vermont that not less than 70 percent of Vermonters will hold a credential of value by the year 2025.

\* \* \* Postsecondary Career and Technical Education \* \* \*

#### Sec. 6. POSTSECONDARY CAREER AND TECHNICAL EDUCATION SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

(A) Like many rural states, Vermont faces demographic realities that have resulted in an historically low unemployment rate and created obstacles for employers that seek to hire and retain enough fully trained employees.

(B) Notwithstanding this high employer demand, due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary to qualify for available jobs.

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of adult workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, and business-lead groups such as the Vermont Talent Pipeline Management Project. The State should continue to work closely with these providers to identify and meet the needs of employers and employees.

(2) Purpose. Consistent with the goals and purposes of 2018 Acts and Resolves No. 189, pursuant to which the State Workforce Development Board and other stakeholders are currently engaged in planning the design and implementation of a fully integrated workforce development system, it is the purpose of the General Assembly to explore the creation of a fully integrated adult career and technical education system that:

(A) provides Vermonters throughout the State with high quality programs that are standardized, replicable, and offered with regularity and consistency;

(B) coordinates, or integrates where appropriate, the many programs and providers to maximize the efficient use of training resources; and

(C) features a governance structure that provides consistency across the system whenever appropriate, but also provides the flexibility necessary to respond to local and regional workforce demands.

(b) Report. On or before January 15, 2020, the Department of Labor shall design a coordinated plan for an integrated postsecondary career and technical education system, and shall provide a progress report and request for any necessary legislative changes to the House and Senate committees of jurisdiction, in consultation with the following stakeholders:

(1) the Agency of Education;

(2) the Agency of Commerce and Community Development;

(3) the Agency of Human Services;

(4) the Vermont State Colleges;

(5) the State Workforce Development Board;

(6) the Vermont Adult Technical Education Association;

(7) the Vermont Association of Career and Technical Education Directors;

(8) the regional development corporations;

(9) Vermont employers and industry organizations;

(10) the Vermont Student Assistance Corporation; and

(11) the Vermont Superintendents Association.

\* \* \* Military Recruitment \* \* \*

## Sec. 7. MILITARY RECRUITMENT PROGRAM

(a) The Department of Labor shall work with the Vermont National Guard and public and private employers to design and implement an on-site military base and installation recruitment program that encourages service members separating from military service to relocate to Vermont.

(b) The Department shall coordinate with the Agency of Commerce and Community Development to support marketing and outreach for recruitment events.

(c) The Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning implementation and outcomes of this program during the 2020 legislative session.

\* \* \* Workforce Training and Credentialing; Nurse Educators;  
New Americans; Workers with Barriers to Employment \* \* \*

#### Sec. 8. OFFICE OF PROFESSIONAL REGULATION; REPORT

(a) The Office of Professional Regulation, in consultation with the Vermont Board of Nursing, Vermont State Colleges, the University of Vermont, Norwich University, and other interested stakeholders, shall review statutory, regulatory, and accreditation standards for nursing programs within the State and nationally with the purpose of identifying barriers to recruitment and retention of nurse educators in nursing education programs.

(b) The Office of Professional Regulation shall evaluate the appropriateness of the level of credential and experience currently required for nurse educators in clinical settings.

(c) On or before December 15, 2019, the Office of Professional Regulation shall report its findings, including recommendations for any statutory or regulatory changes, or economic development initiatives, to facilitate recruitment and retention of nurse faculty, to the House Committees on Commerce and Economic Development and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations.

#### Sec. 9. SUPPORTING NEW AMERICANS IN THE WORKFORCE

(a) The State of Vermont shall take steps necessary to provide support to employers and to New Americans in the Vermont workforce as follows:

(1) The Department of Labor shall simplify the process and reduce barriers for employers seeking to access Department funding for English language classes.

(2) The Department of Labor shall work with U.S. Committee for Refugees and Immigrants (USCRI) Vermont to increase employers' awareness of free services available through USCRI Vermont, including on site English language classes.

(3) The Department of Labor shall develop and make available to employers a collection of best practices for addressing the unique language, transportation, cultural, and other challenges New Americans face in the workforce.

(4) The Department of Labor, in collaboration with the Community College of Vermont or other partners, shall explore the development of a work readiness certificate or program for New American employees.

(5) The Department of Labor, in collaboration with the Vermont Chamber of Commerce or other partners, shall explore the development of a “Diversity, Equity, and Inclusivity” certificate or program, or similar initiative, for employers seeking to establish a New American–friendly workplace.

(6) The Department of Labor, in collaboration with the Department of Human Resources, shall explore measures to ensure that the State’s Employee Assistance Program offers services and support that is responsive to the particular pressures and challenges facing New Americans. The Departments shall share best practices with private employers that offer similar employee assistance programs.

(7) The Agency of Commerce and Community Development shall explore whether State marketing funds should be targeted to New Americans in other states to inform them of Vermont’s inclusive workplace practices and employment opportunities.

(b) To the extent not otherwise addressed in its work pursuant to subsection (a) of this section, the Department shall assess:

(1) recommendations identified in relevant studies and reports;

(2) cultural competency support needed in Vermont’s employment settings;

(3) training, apprenticeship, and mentorship needs and opportunities;

(4) tools and supports needed for refugees to effectively apply preexisting educational and professional credentials in Vermont settings; and

(5) additional supports needed to ensure employment opportunities, including child care and transportation.

(c) The State entities named in subsection (a) of this section shall report to the General Assembly concerning the implementation of this section on or before January 15, 2020.

Sec. 10. CORRECTIONS; WORKFORCE TRAINING

(a) The Department of Corrections, the Department of Labor, the Division of Vocational Rehabilitation, and the Department of Economic Development shall work together and with other relevant partners to develop an outreach strategy to provide Vermont employers with information, strategies, and best practices in hiring and retaining employees who are New Americans, in recovery from substance misuse, or have been involved with the justice system. The outreach strategy will include components related to:

(1) minimizing barriers for offenders to obtaining and maintaining employment; and

(2) minimizing the impact of program and supervision requirements on the offender's employment, including monitoring and facilitating compliance with Department of Corrections case plan goals based on best practices and consistent with public safety.

(b) On or before December 1, 2019, the Departments of Corrections and Labor shall report to the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions concerning the implementation of this section.

\* \* \* Relocation Incentives \* \* \*

Sec. 11. NEW WORKER RELOCATION INCENTIVE PROGRAM

(a) The Agency of Commerce and Community Development shall design and implement the New Worker Relocation Incentive Program, which shall include a simple certification process to certify new workers and certify qualifying expenses for a grant under this section.

(b) A new worker may be eligible for a grant under the Program for qualifying expenses in the amount of not more than \$7,500.00, consistent with the following limitations, and subject to available funding and procedures the Agency adopts to implement the program:

(1) A base grant for relocation to any area in Vermont shall be \$5,000.00.

(2) A grant for relocation to a designated labor market area may be enhanced, not to exceed \$7,500.00.

(3) The Agency shall assess applications on a rolling basis and give first priority, at any point in the application process, to workers in identified priority sectors, which may include health care, early child care and learning,

lodging and restaurant industry, manufacturing, technology, and construction trades.

(4) A new worker may apply for a grant beginning January 1, 2020 and shall be paid when proof of residency and tax liability reaches the equivalent of the amount claimed.

(5) A remote worker may apply for a grant under the Program when all funds from the New Remote Worker Grant Program created in 2018 Acts and Resolves No. 197, Sec. 1 are encumbered.

(c) The Agency shall:

(1) adopt procedures for implementing the Program;

(2) promote awareness of the Program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns; and

(3) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the Program.

(d) As used in this section:

(1) "New worker" means an individual who:

(A)(i) is a full-time employee of a business with its domicile or primary place of business outside Vermont and performs the majority of his or her employment duties remotely from a home office or a coworking space located in this State; or

(ii) is a full-time employee of a business located in Vermont; and

(B) becomes a full-time resident of this State on or after January 1, 2020.

(2) "Qualifying expenses" mean actual costs that a new worker incurs for:

(A) moving expenses;

(B) payment of student loan debt;

(C) down payment assistance; and

(D) initial rental deposits.

(e) On or before October 1, 2020, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:



- (1) a description of the procedures adopted to implement the Program;
- (2) the promotion and marketing of the Program;
- (3) any additional recommendations for qualifying new worker expenses or qualifying workers that should be eligible under the Program, and
- (4) any recommendations for the maximum amount of the grant.

\* \* \* Business Portal \* \* \*

Sec. 12. 2018 Acts and Resolves No. 196, Sec. 1 is amended to read:

Sec. 1. SIMPLIFYING GOVERNMENT FOR SMALL BUSINESSES

(a) The Secretary of State shall serve as the chair of a steering committee, composed of the Secretary of State, the Secretary of Commerce and Community Development, and the Secretary of Digital Services or their designees.

(b) The Secretary of State, in collaboration with the steering committee, and in collaboration with other State agencies and departments and interested stakeholders as necessary, shall:

(1) review and consider the necessary procedural and substantive steps to enhance the Secretary of State's one-stop business portal for businesses, entrepreneurs, and citizens to provide information about starting and operating a business in Vermont; and

(2) submit on or before December 15, ~~2018~~ 2019:

(A) a design proposal that includes a project scope, timeline, roadmap, and cost projections; ~~and~~

(B) any statutory or regulatory changes needed to implement the proposal; and

(C) a sustainable funding model for the portal.

(c) The steering committee shall evaluate the cost and efficacy, and integrate into the current one-stop portal to the extent feasible, features that:

(1) enhance State websites to simplify registrations and provide a clear compilation of other State business requirements, including permits and licenses;

(2) simplify the mechanism for making payments to the State by allowing a person to pay amounts he or she owes to the State for taxes, fees, or other charges to a single recipient within State government;

(3) simplify annual filing requirements by allowing a person to make a single filing to a single recipient within State government and check a box if nothing substantive has changed from the prior year;

(4) provide guidance, assistance with navigation, and other support to persons who are forming or operating a small business;

(5) after registration, provide information about additional and ongoing State requirements and a point of contact to discuss questions or explore any assistance needed;

(6) provide guidance and information about State and federal programs and initiatives, as well as State partner organizations and Vermont-based businesses of interest; and

(7) map communication channels for project updates, including digital channels such as e-mail, social media, and other communications.

(d) State agencies and departments shall provide assistance to the steering committee upon its request.

(e) The steering committee shall focus its review on providing services through the one-stop business portal primarily for the benefit of businesses with 20 or fewer employees.

(f) The Agency of Digital Services shall assign a project manager or business analyst to report directly to the Secretary of State to assist with the implementation of this act through June 30, ~~2019~~ 2020 for the purpose of developing and implementing a one-stop navigable portal for businesses, entrepreneurs, and citizens to access information about starting a business in Vermont, and to provide ongoing support to businesses interfacing with State government.

\* \* \* Agency of Commerce and Community Development;  
Structure and Organization \* \* \*

Sec. 13. AGENCY OF COMMERCE AND COMMUNITY  
DEVELOPMENT; STRUCTURE AND ORGANIZATION;  
REPORT

On or before January 15, 2020, the Secretary of Commerce and Community Development shall review and report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning the organization of the Agency's workforce recruitment efforts and related functions.

\* \* \* Appropriations \* \* \*

Sec. 14. APPROPRIATIONS

(a) In fiscal year 2020 the following amounts are appropriated from the General Fund as follows:

(1) \$1,725,000.00 to the Agency of Commerce and Community Development:

(A) \$225,000.00 to identify, recruit, and provide relocation assistance to workers, including:

(i) identifying target audiences;

(ii) targeting through digital and social media;

(iii) executing the State's core Economic Development Marketing Plan through paid, owned, and earned media, utilizing technology, data, and analysis tools; and

(iv) implementing strategies that convert visitors to residents and awarding grants for regional partnerships to help recruitment efforts at the local and regional levels; and

(B) \$1,500,000.00 to provide incentives that assist workers and families relocating to Vermont under the New Worker Relocation Incentive Program created in Sec. 11 of this act; and

(2) \$275,000.00 to the Department of Labor to expand opportunities for apprenticeships, training, and postsecondary career and technical education through the workforce education and training fund created in 10 V.S.A. § 543 and to perform its duties pursuant to 10 V.S.A. § 540(1).

(b) Of the amounts appropriated to the Department of Labor for the workforce education and training fund created in 10 V.S.A. § 543, the Department shall use \$70,000.00 to design a coordinated plan for an integrated postsecondary career and technical education system pursuant to Sec. 6 of this act and to provide services and support for New Americans pursuant to Sec. 9 of this act.

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

Sec. 15. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that Sec. 6 (postsecondary career and technical education system) shall take effect on passage.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 26, 2019, page 683 and March 27, 2019, page 705)

**Reported favorably with recommendation of proposal of amendment by Senator Starr for the Committee on Appropriations.**

The Committee recommends that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendment thereto:

By striking out Sec. 14 and its reader assistance in their entireties and inserting lieu thereof the following:

\* \* \* Duties Contingent on Funding; Use of Funds \* \* \*

**Sec. 14. DUTIES CONTINGENT ON FUNDING; USE OF FUNDS**

(a) The duty of the Agency of Commerce and Community Development to design and implement the New Worker Relocation Incentive Program pursuant to Sec. 11 of this act is contingent upon the appropriation of funds in fiscal year 2020 from the General Fund for that purpose.

(b) Of the amounts appropriated to the Department of Labor in fiscal year 2019 or prior years for the workforce education and training fund created in 10 V.S.A. § 543, the Department shall use \$70,000.00 to design a coordinated plan for an integrated postsecondary career and technical education system pursuant to Sec. 6 of this act and to provide services and support for New Americans pursuant to Sec. 9 of this act.

(Committee vote: 6-0-1)

**H. 541.**

An act relating to changes that affect the revenue of the State.

**Reported favorably with recommendation of proposal of amendment by Senator Cummings for the Committee on Finance.**

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Income Taxes \* \* \*  
\* \* \* Capital Gains Exclusion \* \* \*

Sec. 1. 32 V.S.A. § 5811 is amended to read:

**§ 5811. DEFINITIONS**

The following definitions shall apply throughout this chapter unless the context requires otherwise:

\* \* \*

(21) "Taxable income" means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

\* \* \*

(B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

\* \* \*

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend income: either the first \$5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable income or \$250,000.00, whichever is less;

\* \* \*

(28) "Taxable income" means, in the case of an estate or a trust, federal taxable income determined without regard to 26 U.S.C. § 168(k) and:

\* \* \*

(B) decreased by the following items of income:

\* \* \*

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h), reduced by the total amount of any qualified dividend income: either the first \$5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (28)(B)(ii) shall not exceed 40 percent of federal taxable income or \$250,000.00, whichever is less; and

\* \* \*

\* \* \* Medical Deduction \* \* \*

Sec. 2. 32 V.S.A. § 5811(21) is amended to read:

(21) “Taxable income” means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

\* \* \*

(C) Decreased by the following exemptions and deductions:

(i) a personal exemption of \$4,150.00 per person for the taxpayer, for the spouse or the deceased spouse of the taxpayer whose filing status under section 5822 of this chapter is married filing a joint return or surviving spouse, and for each individual qualifying as a dependent of the taxpayer under 26 U.S.C. § 152, provided that no exemption may be claimed for an individual who is a dependent of another taxpayer;

(ii) a standard deduction determined as follows:

(I) for taxpayers whose filing status under section 5822 of this chapter is unmarried (other than surviving spouses or heads of households) or married filing separate returns, \$6,000.00;

(II) for taxpayers whose filing status under section 5822 of this chapter is head of household, \$9,000.00;

(III) for taxpayers whose filing status under section 5822 of this chapter is married filing joint return or surviving spouse, \$12,000.00;

(iii) an additional deduction of \$1,000.00 for each federal deduction under 26 U.S.C. § 63(f) that the taxpayer qualified for and received; and

(iv) an amount equal to the itemized deduction for medical expenses taken at the federal level by the taxpayer, under 26 U.S.C. § 213, minus the amount of the Vermont standard deduction and Vermont personal exemptions taken by the taxpayer under this subdivision (C).

~~(D) the~~ The dollar amounts of the personal exemption allowed under subdivision (i) of ~~this subdivision (21)(C) of this subdivision (21)~~, the standard deduction allowed under subdivision (ii) of ~~this subdivision (21)(C) of this subdivision (21)~~, and the additional deduction allowed under subdivision (iii) of ~~this subdivision (21)(C) of this subdivision (21)~~ shall be adjusted annually for inflation by the Commissioner of Taxes beginning with taxable year 2018 by using the Consumer Price Index and the same methodology as used for adjustments under 26 U.S.C. § 1(f)(3); provided, however, that as used in this subdivision, “consumer price index” means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

\* \* \* Personal Income Tax Rates \* \* \*

Sec. 3. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. H.2 is amended to read:

Sec. H.2 PERSONAL INCOME TAX RATES

(a) 2009 Spec. Sess. Acts and Resolves No. 2, Sec. 20 is repealed.

(b) For taxable year 2018 and after, income tax rates under 32 V.S.A. § 5822(a)(1)–(5), after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows:

(1) taxable income that without the passage of this act would have been subject to a rate of 3.55 percent shall be taxed at the rate of 3.35 percent instead;

(2) taxable income that without the passage of this act would have been subject to a rate of 6.80 percent shall be taxed at the rate of 6.60 percent instead;

(3) taxable income that without the passage of this act would have been subject to a rate of 7.80 percent shall be taxed at the rate of 7.60 percent instead;

~~(4) taxable income that without the passage of this act would have been subject to a rate of 8.80 percent or 8.95 percent shall be taxed at the rate of 8.75 percent instead; the tax brackets for taxable income taxed at 8.80 percent and 8.95 percent in taxable year 2017 shall be combined to be taxed at a rate of 8.75 percent for taxable year 2018 and after.~~

(c) For taxable year 2018 only, income tax rates under 32 V.S.A. § 5822(a)(1)–(5), after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows: taxable income that without the passage of this act would have been subject to a rate of 8.80 percent or 8.95 percent shall be taxed at the rate of 8.75 percent

instead; the tax brackets for taxable income taxed at 8.80 percent and 8.95 percent in taxable year 2017 shall be combined to be taxed at a rate of 8.75 percent for taxable year 2018.

(d) For taxable year 2019 and after, income tax rates under 32 V.S.A. § 5822(a)(1)–(5), after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows:

(1) the tax brackets for taxable year 2019 and after shall revert to the five-bracket structure used in taxable year 2017, after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2);

(2) taxable income taxed at 8.80 percent in taxable year 2017 shall be subject to a rate of 8.75 in taxable year 2019 and after, and taxable income subject to a rate of 8.95 percent in taxable year 2017 shall be subject to a rate of 8.90 in taxable year 2019 and after.

(e)(e) When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall revise the tables in 32 V.S.A. § 5822(a)(1)–(5) to reflect the changes to the tax rates and tax brackets made in this section.

\* \* \* Tax Credit Affordable Housing; Down Payment Assistance \* \* \*

Sec. 4. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

(a) As used in this section:

(1) “Affordable housing project” or “project” means:

(A) a rental housing project identified in 26 U.S.C. § 42(g); or

(B) owner-occupied housing identified in 26 U.S.C. § 143 (c)(1) or that qualifies under Vermont Housing Finance Agency criteria governing owner-occupied housing.

(2) “Affordable housing tax credits” means the tax credit provided by this subchapter.

(3) “Allocating agency” or “Agency” means the Vermont Housing Finance Agency.

(4) “Committee” means the Joint Committee on Tax Credits consisting of five members: a representative from the Department of Housing and Community Affairs Development, the Vermont Housing and Conservation Board, the Vermont Housing Finance Agency, the Vermont State Housing Authority, and the Office of the Governor.



(5) “Credit certificate” means a certificate issued by the allocating agency to a taxpayer that specifies the amount of affordable housing tax credits that can be applied against the taxpayer’s individual or corporate income tax, or franchise, captive insurance premium, or insurance premium tax liability as provided in this subchapter.

(6) “Eligible applicant” means any municipality, ~~private sector developer~~, State agency as defined in 10 V.S.A. § 6301a, the Vermont Housing Finance Agency, a for-profit organization, or a nonprofit organization qualifying under 26 U.S.C. § 501(c)(3) or cooperative housing organization, the purpose of which is to create and retain affordable housing for Vermonters with lower income and ~~which that~~ has in its bylaws a requirement that the housing the organization creates be maintained as affordable housing for Vermonters with lower income on a perpetual basis or that meets the application requirements of the allocation plan.

(7) “Eligible cash contribution” means an amount of cash:

(A) contributed to the owner, developer, or sponsor of an affordable housing project and determined by the allocating agency as eligible for affordable housing tax credits; or

(B) paid to the Agency in connection with the purchase of affordable housing tax credits.

(8) “Section 42 credits” means tax credit provided by 26 U.S.C. §§ 38 and 42.

(9) “Allocation plan” means the plan recommended by the Committee and approved by the Vermont Housing Finance Agency, which sets forth the eligibility requirements and process for selection of eligible rental housing projects to receive affordable housing tax credits and eligible owner-occupied housing projects to receive loans or grants under this section. The allocation plan shall include:

(A) requirements for creation and retention of affordable housing for persons with low income; and

(B) requirements to ensure that eligible rental housing is maintained as affordable by subsidy covenant, as defined in 27 V.S.A. § 610 on a perpetual basis and that eligible owner-occupied housing or program funds for owner-occupied housing remain as an affordable housing source for future owners or buyers, and meets all other requirements of the Vermont Housing Finance Agency related to affordable housing.

(10) “Taxpayer” means a taxpayer who makes an eligible cash contribution or the assignee or transferee of or successor to such taxpayer as determined by the Department of Taxes.

(b) Eligible tax credit allocations.

(1) Affordable housing credit allocation for rental housing.

(A) An eligible applicant may apply to the allocating agency for an allocation of affordable rental housing tax credits under this section related to an affordable housing project authorized by the allocating agency under the allocation plan. In the case of a specific affordable rental housing project, the eligible applicant shall also be the owner or a person having the right to acquire ownership of the building and shall apply prior to placement of the affordable housing project in service. ~~In the case of owner-occupied housing units, the applicant shall ensure that the allocated housing or program funds remain as an affordable housing resource for future owners.~~ The allocating agency shall issue a letter of approval if it finds that the applicant meets the priorities, criteria, and other provisions of subdivision (B) of this subdivision (b)(1). The burden of proof shall be on the applicant.

(B) Upon receipt of a completed application, the allocating agency shall award an allocation of affordable housing tax credits with respect to a project to an applicant, provided the applicant demonstrates to the satisfaction of the allocating agency all of the following:

(i) The owner of the project has received from the allocating agency a binding commitment for, a reservation or allocation of, or an out-of-cap determination letter for, Section 42 credits, or meets the requirements of the allocation plan ~~for development or financing of units to be owner-occupied.~~

(ii) The project has received community support.

(2) Affordable housing credit allocation for loans or grants for owner-occupied housing.

(A) The Vermont Housing Finance Agency shall have the authority to allocate affordable housing tax credits to provide funds to make loans or grants to eligible applicants for affordable owner-occupied housing. An eligible applicant may apply to the allocating agency for a loan or grant under this section related to an affordable owner-occupied housing project authorized by the allocating agency under the allocation plan. In the case of a specific affordable owner-occupied housing project, the eligible applicants shall also be the owner or a person having the right to acquire ownership of the unit and shall apply prior to sale of the unit to the homeowner.

(B) The Agency shall require that the loan or grant recipient use such funds to maintain the unit as an affordable owner-occupied unit or as an affordable housing source for future owners or buyers.

(C) The Agency shall use the proceeds of loans or grants made under subdivision (b)(2)(A) of this section for future loans or grants to eligible applicants for affordable owner-occupied housing projects.

(D) The Agency may assign its rights under any loan or grant made under subdivision (b)(2)(A) of this section to the Vermont Housing and Conservation Board or any State agency or nonprofit organization qualifying under 26 U.S.C. § 501(c)(3) provided such assignee acknowledges and agrees to comply with the provisions of subdivision (b)(2) of this section.

(3) Down Payment Assistance Program.

(A) The Vermont Housing Finance Agency shall have the authority to allocate affordable housing tax credits to finance down payment assistance loans that meet the following requirements:

(i) the loan is made in connection with a mortgage through an Agency program;

(ii) the borrower is a first-time ~~homebuyer~~ home buyer of an owner-occupied primary residence; and

(iii) the borrower uses the loan for the borrower's down payment or closing costs, or both.

(B) The Agency shall require the borrower to repay the loan upon the transfer or refinance of the residence.

(C) The Agency shall use the proceeds of loans made under the Program for future down payment assistance.

(c) Amount of credit. A taxpayer ~~who makes an eligible cash contribution~~ shall be entitled to claim against the taxpayer's individual income, corporate, franchise, captive insurance premium, or insurance premium tax liability a credit in an amount specified on the taxpayer's credit certificate. The first-year allocation of a credit amount to a taxpayer shall also be deemed an allocation of the same amount in each of the following four years.

(d) Availability of credit. The amount of affordable housing tax credit ~~allocated with respect to a project set forth on the taxpayer's credit certificate~~ shall be available to the taxpayer every year for five consecutive tax years, beginning with the tax year in which the eligible cash contribution is made. Total tax credits available to the taxpayer shall be the amount of the first-year allocation plus the succeeding four years' deemed allocations.

(e) Claim for credit. A taxpayer claiming affordable housing tax credits shall submit with each return on which such credit is claimed ~~a copy of the allocating agency's credit allocation to the affordable housing project and the~~

taxpayer's credit certificate and with respect to credits issued under subdivision (b)(1), a copy of the allocating agency's credit allocation to the affordable housing project. Any unused affordable housing tax credit may be carried forward to reduce the taxpayer's tax liability for no more than 14 succeeding tax years, following the first year the affordable housing tax credit is allowed.

(f) [Repealed.]

(g)(1) In any fiscal year, the allocating agency may award up to:

(A) \$400,000.00 in total first-year credit allocations to all applicants for rental housing projects, for an aggregate limit of \$2,000,000.00 over any given five-year period that credits are available under this subdivision (A);

\* \* \*

~~(2) In any fiscal year, total first-year credit allocations under subdivision (1) of this subsection plus succeeding-year deemed allocations shall not exceed \$3,500,000.00. If the full amount of first-year credits authorized by an award are not allocated to a taxpayer, the Agency may reclaim the amount not allocated and re-award such allocations to other applicants, and such re-awards shall not be subject to the limits set forth in subdivision (1) of this subsection.~~

(h)(1) In fiscal year 2016 through fiscal year ~~2022~~ 2019, the allocating agency may award up to \$125,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(2) of this section.

~~(2) In any fiscal year, total first-year credit allocations under subdivision (1) of this subsection plus succeeding-year deemed allocations shall not exceed \$625,000.00.~~ 2020 through fiscal year 2026, the allocating agency may award up to \$250,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(3) of this section.

\* \* \* Downtown Tax Credit Program \* \* \*

Sec. 5. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

Subchapter 11J. Vermont Downtown and Village Center Tax Credit Program  
§ 5930aa. DEFINITIONS

As used in this subchapter:

(1) "Qualified applicant" means an owner or lessee of a qualified building involving a qualified project, but does not include ~~a religious entity operating with a primarily religious purpose;~~ a State or federal agency or a political subdivision of either; or an instrumentality of the United States.

(2) “Qualified building” means a building built ~~prior to 1983~~ at least 30 years before the date of application, located within a designated downtown or village center, which upon completion of the project supported by the tax credit will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) “Qualified code ~~or technology~~ improvement project” means a project:

(A)(i) to install or improve platform lifts suitable for transporting personal mobility devices, limited use/ or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety; ~~or~~

~~(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;~~

\* \* \*

(7) “Qualified project” means a qualified code ~~or technology~~ improvement, qualified façade improvement, ~~qualified technology infrastructure project~~, or qualified historic rehabilitation project as defined by this subchapter.

(8) “State Board” means the Vermont Downtown Development Board established pursuant to 24 V.S.A. chapter 76A.

\* \* \*

#### § 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX CREDITS

(a) Historic rehabilitation tax credit. The qualified applicant of a qualified historic rehabilitation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, corporate income tax, or bank franchise or insurance premiums tax liability a credit of 10 percent of qualified rehabilitation expenditures as defined in the Internal Revenue Code, 26 U.S.C. § 47(c), properly chargeable to the federally certified rehabilitation.

(b) Façade improvement tax credit. The qualified applicant of a qualified façade improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 25 percent of qualified expenditures up to a maximum tax credit of \$25,000.00.

(c) Code or technology improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum credit of ~~\$40,000.00~~ \$60,000.00 for the installation or improvement of a limited use/ or limited application elevator, a maximum tax credit of ~~\$50,000.00~~ \$75,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, ~~a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system,~~ and a maximum tax credit of \$50,000.00 for the combined costs of all other qualified code improvements.

#### § 5930dd. CLAIMS; AVAILABILITY

(a) A taxpayer claiming credit under this subchapter shall submit to the Department of Taxes with the first return on which a credit is claimed a copy of the State Board's tax credit allocation.

(b) A credit under this subchapter shall be available for the first tax year in which the qualified project is complete. In the alternative, the State Board may allocate the credit available under this subchapter and make an allocation available upon completion of any distinct phase of a qualified project. The allocation and distinct phases of the qualified project shall be identified in the application package approved by the State Board.

(c) If within ~~five~~ three years after the date of the credit allocation to the applicant no claim for tax credit has been filed, the tax credit allocation shall be rescinded, unless the project has an approved federal application for a phased (60 month) project pursuant to Treasury Regulation 1.48-12(b)(2)(v), in which case the credit will not be rescinded until five years from the date of the credit allocation.

\* \* \*

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$2,400,000.00~~ \$2,700,000.00;

\* \* \*

\* \* \* Rooms Tax; Booking Agents \* \* \*

Sec. 6. 32 V.S.A. § 9202 is amended to read:

§ 9202. DEFINITIONS

The following words, terms, and phrases when used in this chapter shall have the meanings ascribed to them in this section unless the context clearly indicates a different meaning:

\* \* \*

(4) "Operator" means any person, or his or her agent, operating a hotel, whether as owner or proprietor or lessee, sublessee, mortgagee, licensee, or otherwise; and any person, or his or her agent, charging for a taxable meal or alcoholic beverage; and any person, or his or her agent, engaged in both of the foregoing activities. The term "operator" shall include booking agents. In the event that an operator is a corporation or other entity, the term "operator" shall include any officer or agent of such corporation or other entity who, as an officer or agent of the corporation, is under a duty to pay the gross receipts tax to the Commissioner as required by this chapter.

\* \* \*

(8) "Rent" means the consideration received for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, and also any amount for which the occupant is liable for the occupancy without any deduction therefrom whatsoever; and any monies received in payment for time-share rights at the time of purchase; provided, however, that such money received shall not be considered rent and thus not taxable if a deeded interest is granted to the purchaser for the time-share rights. The term "rent" shall include all amounts collected by booking agents except the tax required to be collected under this chapter. The term "rent" shall not include rental charges for living quarters, sleeping, or household accommodations to any student necessitated by attendance at a school as defined herein.

\* \* \*

(20) “Booking agent” means a person who facilitates the rental of an occupancy and collects rent for an occupancy and who has the right, access, ability, or authority, through an Internet transaction or any other means, to offer, reserve, book, arrange for, remarket, distribute, broker, resell, or facilitate an occupancy that is subject to the tax under this chapter.

Sec. 7. 32 V.S.A. § 9271 is amended to read:

§ 9271. LICENSES REQUIRED

Each operator prior to commencing business shall register with the Commissioner each place of business within the State where he or she operates a hotel or sells taxable meals or alcoholic beverages; provided, however, that an operator who sells taxable meals through a vending machine shall not be required to hold a license for each individual machine, and a booking agent shall not be required to hold a separate license for each property the rental of that it facilitates. Upon receipt of an application in such form and containing such information as the Commissioner may require for the proper administration of this chapter, the Commissioner shall issue without charge a license for each such place in such form as he or she may determine, attesting that such registration has been made. No person shall engage in serving taxable meals or alcoholic beverages or renting hotel rooms without the license provided in this section. The license shall be nonassignable and nontransferable and shall be surrendered to the Commissioner if the business is sold or transferred or if the registrant ceases to do business at the place named.

\* \* \* Property Transfer Tax; Controlling Interest \* \* \*

Sec. 8. 32 V.S.A. § 9601 is amended to read:

§ 9601. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

\* \* \*

(2) “Person” means every natural person, association, trust, or corporation, partnership, limited liability company, or other legal entity.

\* \* \*

(5) “Transfer” includes a grant, assignment, conveyance, will, trust, decree of court, transfer or acquisition of a direct or indirect controlling interest in any person with title to property, or any other means of transferring title to property or vesting title to property in any person.



(6) “Value” means:

(A) ~~in~~ In the case of any transfer of title to property which that is not a gift and which that is not made for a nominal or no consideration, the amount of the full actual consideration for such transfer, paid or to be paid, including the amount of any liens or encumbrances on the property existing before the transfer and not removed thereby.

(B) ~~in~~ In the case of a gift, or a transfer for nominal or no consideration, “value” means the fair market value of the property transferred.

(C) In the case of a controlling interest in any person that has title to property, the fair market value of the property, apportioned based on the percentage of the ownership interest transferred or acquired in the person.

(D) “Value” shall not include the fair market value of private alternative energy sources as defined in section 3845 of this title.

\* \* \*

(12) “Controlling interest” means:

(A) In the case of a corporation, either 50 percent or more of the total combined voting power of all classes of stock of such corporation, or 50 percent or more of the capital, profits, or beneficial interest in such voting stock of such corporation.

(B) In the case of a partnership, limited liability company, association, trust, or other entity, 50 percent or more of the capital, profits, or beneficial interest in such partnership, limited liability company, association, trust, or other entity.

(C) For purposes of the tax imposed pursuant to section 9602 of this title, all acquisitions of persons acting in concert are aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place; provided, however, interests in any partnership, limited liability company, association, or other entity originally purchased in connection with the federal low-income housing tax credit program under 26 U.S.C. § 42 shall not be counted in determining a change in the “controlling interest.” The Commissioner shall adopt standards by regulation to determine when persons are acting in concert. In adopting a regulation for this purpose, the Commissioner shall consider the following:

(i) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership.

(ii) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interest supports a finding that they are acting as a single person. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, the acquisitions must be considered separate acquisitions.

Sec. 9. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:

\* \* \*

Sec. 10. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

\* \* \*

(6) Transfers to effectuate a mere change of identity or form of ownership or organization where there is no change in beneficial ownership;

\* \* \*

(25) Transfer made by a limited liability company to a member in connection with a complete dissolution of the limited liability company, pursuant to which transfer no gain or loss is recognized under the Internal Revenue Code, except where the Commissioner finds that a major purpose of such dissolution is to avoid the property transfer tax;

(26) Transfers of controlling interests in a person with a fee interest in property if the transfer of the property would qualify for exemption if accomplished by deed of the property between the parties to the transfer of the controlling interest.

Sec. 11. 32 V.S.A. § 9606(a) is amended to read:

(a)(1) In the case of property transfer by deed, A a property transfer return complying with this section shall be delivered to a town clerk at the time a deed evidencing a transfer of title to property is delivered to the clerk for recording.

(2) In the case of transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, a property transfer return complying with this section shall be delivered to the Commissioner within 30 days after the transfer or acquisition.

\* \* \*

(e)(1) In the case of property transferred by deed, ~~The~~ the Commissioner of Taxes is authorized to disclose to any person any information appearing on a property transfer tax return, including statistical information derived therefrom, and such information derived from research into information appearing on property transfer tax returns as is necessary to determine if the property being transferred is subject to 10 V.S.A. chapter 151, except the Commissioner shall not disclose the Social Security number, federal identification number, e-mail address, or telephone number of any person pursuant to this subsection.

(2) In the case of transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, the return submitted to the Commissioner shall be treated as a tax return and tax return information under 32 V.S.A. § 3102.

Sec. 12. 32 V.S.A. § 9607 is amended to read:

§ 9607. ACKNOWLEDGMENT OF RETURN AND TAX PAYMENT

Upon the receipt by a town clerk of a property transfer return and certificate and the fee required under subdivision 1671(a)(6) of this title, the clerk shall forthwith mail or otherwise deliver to the transferee of title to property with respect to which such return was filed a signed and written acknowledgment of the receipt of that return and certificate. A copy of that acknowledgment, or any other form of acknowledgment approved by the Commissioner, shall be affixed to the deed evidencing the transfer of property or the document evidencing the transfer or acquisition of a direct or indirect controlling interest in any person with title to property with respect to which the return and certificate was filed. The acknowledgment so affixed to a deed or document, however, shall not disclose the amount of tax paid with respect to any return or transfer.

Sec. 13. 32 V.S.A. § 9608(a) is amended to read:

(a) Except as to transfers ~~which that~~ that are exempt pursuant to subdivision 9603(17) of this title, no town clerk shall record, or receive for recording, any deed or document evidencing the transfer or acquisition of a direct or indirect controlling interest in any person with title to property to which is not attached a properly executed transfer tax return, complete and regular on its face, and a

certificate in the form prescribed by the Natural Resources Board and the Commissioner of Taxes that the conveyance of the real property and any development thereon by the seller is in compliance with or exempt from the provisions of 10 V.S.A. chapter 151. The certificate shall indicate whether or not the conveyance creates the partition or division of land. If the conveyance creates a partition or division of land, there shall be appended the current "Act 250 Disclosure Statement," required by 10 V.S.A. § 6007. A town clerk who violates this section shall be fined \$50.00 for the first such offense and \$100.00 for each subsequent offense. A person who purposely or knowingly falsifies any statement contained in the certificate required is punishable by fine of not more than \$500.00 or imprisonment for not more than one year, or both.

Sec. 14. 32 V.S.A. § 9618 is amended to read:

#### § 9618. DUTY TO REPORT STOCK ACQUISITIONS

Each person who acquires a controlling interest in a corporation, whether by one or more than one transfer of stock, shall, if the fair market value of all real property held in this State by the corporation exceeds \$500,000.00, report to the Commissioner of Taxes, within 30 days after the acquisition, the fair market value of all real property held in this State by the corporation at the time of the acquisition of the controlling interest. ~~As used in this section, a "controlling interest" means 50 percent or more of the total combined voting power of all classes of stock of the corporation.~~

\* \* \* Land Gains Tax \* \* \*

Sec. 15. 32 V.S.A. § 10002 is amended to read:

#### § 10002. LAND AND RESIDENCES

(a) "Land" means all land, whether or not improved, but does not include land not exceeding 10 acres, necessary for the use of a dwelling used by the seller of such land as his or her principal residence, that has been purchased and subdivided by the transferor within the six years prior to the sale or exchange of the land. Buildings or other structures are not included in this definition of land. "Land" also means timber or rights to timber when that timber or those timber rights are sold within six years of their purchase, provided the underlying land is also sold within six years. "Underlying land" means the land from which timber or timber rights have been separated, whether subdivided or not. As used in this subsection, the term "subdivision" means a subdivision under local zoning bylaws, or, in a municipality which does not have duly adopted permanent zoning and subdivision bylaws, "subdivision" means a tract or tracts of land, owned or controlled by a person,

that the person has partitioned or divided for the purpose of sale or transfer. Subdivision shall be deemed to have occurred on the conveyance of the first lot or the filing of a plat, plan, or deed in the town records, whichever first occurs. A subdivision shall not include a boundary adjustment between adjacent parcels.

\* \* \*

(p) Also excluded from the definition of “land” is a transfer of ~~undeveloped~~ land in a Vermont neighborhood or neighborhood development area, a downtown development district, a village center, a growth center, or a new town center development district designated under 24 V.S.A. chapter 76A ~~which is the first transfer of that parcel following the original designation of the Vermont neighborhood or neighborhood development area.~~

\* \* \*

Sec. 16. 32 V.S.A. § 10006(d) is added to read:

(d) If the property does not qualify as “land” under subsection 10002(a) of this chapter, the parties to the transaction are relieved of any obligation to pay the tax, file a return, or withhold the tax imposed by this chapter. If the property qualifies as “land” under subsection 10002(a) of this chapter, but an exclusion is claimed under any of the remaining subsections of section 10002, the parties to the transaction must still comply with the obligations to pay, file, and withhold, as specified under this chapter.

\* \* \* Fuel Tax \* \* \*

Sec. 17. 33 V.S.A. § 2503 is amended to read:

§ 2503. FUEL TAX

(a)(1) There is imposed a tax on the retail sale of heating oil, propane, kerosene, and other dyed diesel fuel delivered ~~to a residence or business in~~ Vermont, at the rate of \$0.02 per gallon.

\* \* \*

(d) No tax under this section shall be imposed for any month ending after June 30, ~~2019~~ 2024.

\* \* \* Healthcare Provisions \* \* \*

Sec. 18. 2019 Acts and Resolves No. 6, Sec. 105 is amended to read:

Sec. 105. EFFECTIVE DATES

\* \* \*

(b) Sec. 73 (further amending 32 V.S.A. § 10402) shall take effect on July 1, ~~2019~~ 2021.

Sec. 19. REPEAL OF ORIGINAL HEALTH CARE CLAIMS TAX  
HEALTH IT-FUND REVENUE SUNSET

2013 Acts and Resolves No. 73, Sec. 53 (Health IT-Fund sunset) is repealed.

Sec. 20. 2013 Acts and Resolves No. 73, Sec. 60(10), as amended by 2017 Acts and Resolves No. 73, Sec. 14 and 2018 Acts and Resolves No. 187, Sec. 5, is further amended to read:

(10) Secs. 48–51 (health claims tax) shall take effect on July 1, 2013 and Sec. 52 and 53 (health claims tax revenue; Health IT-Fund; sunset) shall take effect on July 1, ~~2019~~ 2021.

\* \* \* Repeal \* \* \*

Sec. 21. 2017 Acts and Resolves No. 73, Sec. 18d is amended to read:

Sec. 18d. REPEAL

33 V.S.A. § 1955a (home health agency assessment) is repealed on July 1, ~~2019~~ 2021.

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

Sec. 22. EFFECTIVE DATES

This act shall take effect on passage, except for:

(1) Sec. 1 (capital gains exclusion) shall take effect on July 1, 2019 and apply to the sales of assets on or after that date.

(2) Notwithstanding 1 V.S.A. § 214, Secs. 2 (medical deduction) and 3 (personal income tax rates) shall take effect retroactively on January 1, 2019 and apply to taxable year 2019 and after.

(3) Secs. 5 (downtown and village center tax credit), 6–7 (rooms tax), 8–14 (property transfer tax), and 17 (fuel tax) shall take effect on July 1, 2019.

(4) Secs. 15–16 (land gains tax) shall take effect on January 1, 2020.

(Committee vote: 7-0-0)

(No House amendments)

**Amendment to proposal of amendment of the Committee on Finance to  
H. 541 to be offered by Senators Cummings, Balint, Brock, Campion,  
MacDonald, Pearson and Sirotkin**

Senators Cummings, Balint, Brock, Campion, MacDonald, Pearson and Sirotkin move to amend the proposal of amendment of the Committee on Finance in Sec. 4, 32 V.S.A. § 5930, in subsection (g), by striking out the ellipsis after subdivision (1)(A) and inserting in lieu thereof the following:

(B) ~~\$300,000.00~~ \$425,000.00 in total first-year credit allocations for loans or grants for owner-occupied unit financing or down payment loans as provided in subdivision (b)(2) of this section consistent with the allocation plan, including for new construction and manufactured housing, for an aggregate limit of ~~\$1,500,000.00~~ \$2,125,000.00 over any given five-year period that credits are available under this subdivision (B).

**H. 543.**

An act relating to capital construction and State bonding.

**Reported favorably with recommendation of proposal of amendment  
by Senator Benning for the Committee on Institutions.**

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Capital Appropriations \* \* \*

Sec. 1. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that of the \$123,180,000.00 authorized in this act, not more than \$63,103,628.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

(b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of a Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

Sec. 2. STATE BUILDINGS

(a) The following sums are appropriated to the Department of Buildings and General Services (BGS), and the Commissioner is authorized to direct funds appropriated in this section to the projects contained in this section; however, no project shall be canceled unless the Chairs of the Senate

Committee on Institutions and the House Committee on Corrections and Institutions are notified before that action is taken.

(b) The following sums are appropriated in FY 2020:

<u>(1) Statewide, BGS engineering and architectural project costs:</u>	<u>\$3,583,423.00</u>
<u>(2) Statewide, physical security enhancements:</u>	<u>\$275,000.00</u>
<u>(3) Statewide, major maintenance:</u>	<u>\$6,500,000.00</u>
<u>(4) Statewide, planning, use, and contingency:</u>	<u>\$500,000.00</u>
<u>(5) Burlington, 108 Cherry Street, parking garage repairs:</u>	<u>\$3,000,000.00</u>
<u>(6) Montpelier, 120 State Street, stair towers and rear entry:</u>	<u>\$3,500,000.00</u>
<u>(7) Montpelier, State House, new carpeting or carpeting repair near the Governor's ceremonial office, the Cedar Creek Room, and the Card Room:</u>	<u>\$45,000.00</u>
<u>(8) Montpelier, Department of Labor, facilities modernization project:</u>	<u>\$120,000.00</u>
<u>(9) Newport, Northeast State Correctional Facility, direct digital HVAC control system replacement:</u>	<u>\$900,000.00</u>
<u>(10) Rutland, Asa Bloomer, major renovation:</u>	<u>\$250,000.00</u>
<u>(11) Southern State Correctional Facility, door control project:</u>	<u>\$1,450,000.00</u>

(c) The following sums are appropriated in FY 2021:

<u>(1) Statewide, BGS engineering and architectural project costs:</u>	<u>\$3,735,000.00</u>
<u>(2) Statewide, physical security enhancements:</u>	<u>\$275,000.00</u>
<u>(3) Statewide, major maintenance:</u>	<u>\$6,600,313.00</u>
<u>(4) Statewide, planning, use, and contingency:</u>	<u>\$500,000.00</u>
<u>(5) Burlington, 108 Cherry Street, parking garage repairs:</u>	<u>\$7,500,000.00</u>
<u>(6) Montpelier, State House, historical restorations:</u>	<u>\$75,000.00</u>
<u>(7) Montpelier, Department of Labor, facilities modernization project:</u>	<u>\$300,000.00</u>



<u>(8) Newport, Northeast State Correctional Facility, direct digital HVAC control system replacement:</u>	<u>\$900,000.00</u>
<u>(9) Rutland, Asa Bloomer, major renovation:</u>	<u>\$250,000.00</u>
<u>(10) Southern State Correctional Facility, door control project:</u>	<u>\$1,000,000.00</u>
<u>Appropriation – FY 2020</u>	<u>\$20,123,423.00</u>
<u>Appropriation – FY 2021</u>	<u>\$21,135,313.00</u>
<u>Total Appropriation – Section 2</u>	<u>\$41,258,736.00</u>

Sec. 3. HUMAN SERVICES

(a) The following sums are appropriated in FY 2020 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Statewide, secure residential recovery facility, replacement, land acquisition, design, permitting, and construction documents: \$3,000,000.00

(2) Statewide, correctional facility, life safety and security needs and enhancements: \$250,000.00

(3) Statewide, correctional facility, replacement of Chittenden Regional Correctional Facility, planning and feasibility: \$250,000.00

(4) Serenity House, residential treatment center, completion of addition and renovations: \$100,000.00

(b) The sum of \$4,750,000.00 is appropriated in FY 2020 to the Agency of Human Services for the Department of Vermont Health Access, Integrated Eligibility and Enrollment system.

(c) The following sums are appropriated in FY 2021 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Statewide, secure residential recovery facility, replacement, land acquisition, design, permitting, and construction: \$1,500,000.00

(2) Statewide, correctional facility, life safety and security needs and enhancements: \$225,000.00

(d) The sum of \$3,900,000.00 is appropriated in FY 2021 to the Agency of Human Services for the Department of Vermont Health Access, Integrated Eligibility and Enrollment system.

(e)(1) The Department of Buildings and General Services is authorized to use the funds appropriated in subdivision (a)(3) of this section to evaluate options for the site location of a new correctional facility to replace the Chittenden Regional Correctional Facility. The evaluation shall be conducted in coordination with the Department of Corrections and shall be within the context of developing an overall strategic plan for statewide correctional facilities. It shall also include conducting feasibility studies and program analysis, site selection, and purchase opportunities for a new correctional facility that is part of a campus.

(2) On or before February 15, 2020, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall submit a recommendation for a site location for the new correctional facility to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, based on the evaluation described in subdivision (1) of this subsection. It is the intent of the General Assembly that when evaluating site locations, preference shall be first given to State-owned property.

(3) The Commissioner of Buildings and General Services shall notify the House Committee on Corrections and Institutions and the Senate Committee on Institutions at least monthly of updates on the recommendation described in this subsection.

(f) For the project described in subsection (b) of this section:

(1) Installments. The funds shall be appropriated in three installments, as follows:

(A) \$3,250,000.00 upon passage of the act, which shall include \$250,000 to be used as described in Sec. 32 of this act (First Installment);

(B) \$750,000.00 following Joint Fiscal Committee approval to release the funds at its September meeting (Second Installment); and

(C) \$750,000.00 following Joint Fiscal Committee approval to release the funds at its November meeting (Third Installment).

(2) Reports. On or before September 1 and November 1, the Secretary of Human Services and the Secretary of Digital Services shall submit a report on the status of the project. The September and November reports shall include status updates on the projects scheduled for completion in calendar year 2019, as described in the memo from the IT Consultant for the Joint Fiscal Office to the Legislative Joint Fiscal Office, dated April 5, 2019. The September and November reports shall be submitted to the Chair and Vice Chair of the Joint Information Technology Oversight Committee and the

Chairs of the House Committees on Corrections and Institutions and on Health Care and the Senate Committees on Health and Welfare and on Institutions. A copy of each report shall also be submitted to the Joint Fiscal Committee.

(3) Recommendations and approvals.

(A) Prior to the September meeting of the Joint Fiscal Committee, the Chair and Vice Chairs of the Joint Information Technology Oversight Committee and the Chairs of the House Committees on Corrections and Institutions and on Health Care and the Senate Committees on Health and Welfare and on Institutions shall provide recommendations to the Joint Fiscal Committee on whether to approve the Second Installment. The Joint Fiscal Committee at its September meeting shall review the report described in subdivision (2) of this subsection (f), consider the recommendations described in this subdivision (3)(A), and vote on whether to approve the Second Installment.

(B) Prior to the November meeting of the Joint Fiscal Committee, the Chair and Vice Chairs of the Joint Information Technology Oversight Committee, the Chairs of the House Committees on Corrections and Institutions and on Health Care, and the Senate Committees on Health and Welfare and on Institutions, shall provide recommendations to the Joint Fiscal Committee on whether to approve the Third Installment. The Joint Fiscal Committee shall review at its November meeting the report described in subdivision (2) of this subsection (f), consider the recommendations described in this subdivision (3)(B), and vote on whether to approve the Third Installment.

<u>Appropriation – FY 2020</u>	<u>\$8,350,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$5,625,000.00</u>
<u>Total Appropriation – Section 3</u>	<u>\$13,975,000.00</u>

Sec. 4. JUDICIARY

The sum of \$1,496,398.00 is appropriated in FY 2020 to the Judiciary for the case management IT system.

<u>Appropriation – FY 2020</u>	<u>\$1,496,398.00</u>
<u>Total Appropriation – Section 4</u>	<u>\$1,496,398.00</u>

Sec. 5. COMMERCE AND COMMUNITY DEVELOPMENT

(a) The following sums are appropriated in FY 2020 to the Department of Buildings and General Services for the Agency of Commerce and Community Development:

<u>(1) Major maintenance at historic sites statewide:</u>	<u>\$250,000.00</u>
<u>(2) Schooner Lois McClure, repairs and upgrades:</u>	<u>\$50,000.00</u>
<u>(3) Highgate Native American Cemetery, slope stabilization, Monument Road:</u>	<u>\$100,000.00</u>
<u>(4) Grand Isle, maintenance at historic county courthouse:</u>	<u>\$50,000.00</u>

(b) The following sums are appropriated in FY 2020 to the Agency of Commerce and Community Development for the following projects described in this subsection:

<u>(1) Underwater preserves:</u>	<u>\$25,000.00</u>
<u>(2) Placement and replacement of roadside historic markers:</u>	<u>\$25,000.00</u>

(c) The sum of \$250,000.00 is appropriated in FY 2021 to the Department of Buildings and General Services for the Agency of Commerce and Community Development for major maintenance at statewide historic sites.

(d) The following sums are appropriated in FY 2021 to the Agency of Commerce and Community Development for the following projects described in this subsection:

<u>(1) Underwater preserves:</u>	<u>\$25,000.00</u>
<u>(2) Placement and replacement of roadside historic markers:</u>	<u>\$25,000.00</u>

<u>Appropriation – FY 2020</u>	<u>\$500,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$300,000.00</u>
<u>Total Appropriation – Section 5</u>	<u>\$800,000.00</u>

#### Sec. 6. GRANT PROGRAMS

(a) The following sums are appropriated in FY 2020 for Building Communities Grants established in 24 V.S.A. chapter 137:

<u>(1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program:</u>	<u>\$200,000.00</u>
<u>(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program:</u>	<u>\$200,000.00</u>

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$200,000.00

(4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program:

\$200,000.00

(5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services):

\$100,000.00

(6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education):

\$100,000.00

(7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program:

\$200,000.00

(8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs Capital Projects Competitive Grant Program:

\$200,000.00

(9) To the Enhanced 911 Board for the Enhanced 911 Compliance Grants Program:

\$400,000.00

(b) The following sums are appropriated in FY 2021 for Building Communities Grants established in 24 V.S.A. chapter 137:

(1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program:

\$200,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program:

\$200,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the cultural facilities grant program:

\$200,000.00

(4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program:

\$200,000.00

(5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services):

\$100,000.00

(6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education):  
\$100,000.00

(7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program:  
\$200,000.00

(8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs Capital Projects Competitive Grant Program: \$200,000.00

(c) It is the intent of the General Assembly that the Enhanced 911 Compliance Grants Program shall cease to exist on June 30, 2021.

<u>Appropriation – FY 2020</u>	<u>\$1,800,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$1,400,000.00</u>
<u>Total Appropriation – Section 6</u>	<u>\$3,200,000.00</u>

Sec. 7. EDUCATION

(a) The sum of \$50,000.00 is appropriated in FY 2020 to the Agency of Education for emergency aid for school construction.

(b) The sum of \$50,000.00 is appropriated in FY 2021 to the Agency of Education for the project described in subsection (a) of this section.

<u>Appropriation – FY 2020</u>	<u>\$50,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$50,000.00</u>
<u>Total Appropriation – Section 7</u>	<u>\$100,000.00</u>

Sec. 8. UNIVERSITY OF VERMONT

(a) The sum of \$1,300,000.00 is appropriated in FY 2020 to the University of Vermont for construction, renovation, and major maintenance.

(b) The sum of \$1,000,000.00 is appropriated in FY 2021 to the University of Vermont for the projects described in subsection (a) of this section.

(c) The Vermont Division for Historic Preservation and Vermont Advisory Council on Historic Preservation shall be consulted on projects utilizing the funds appropriated in this section before the alteration or demolition of any property that is potentially of historical, architectural, archaeological, or cultural significance, including any property listed in or eligible for the State Register of Historic Places.

<u>Appropriation – FY 2020</u>	<u>\$1,300,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$1,000,000.00</u>
<u>Total Appropriation – Section 8</u>	<u>\$2,300,000.00</u>

Sec. 9. VERMONT STATE COLLEGES

(a) The sum of \$2,100,000.00 is appropriated in FY 2020 to the Vermont State Colleges for construction, renovation, and major maintenance.

(b) The sum of \$2,000,000.00 is appropriated in FY 2021 to the Vermont State Colleges for the projects described in subsection (a) of this section.

(c) The Vermont Division for Historic Preservation and Vermont Advisory Council on Historic Preservation shall be consulted on projects utilizing the funds appropriated in this section before the alteration or demolition of any property that is potentially of historical, architectural, archaeological, or cultural significance, including any property listed in or eligible for the State Register of Historic Places.

<u>Appropriation – FY 2020</u>	<u>\$2,100,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$2,000,000.00</u>
<u>Total Appropriation – Section 9</u>	<u>\$4,100,000.00</u>

Sec. 10. NATURAL RESOURCES

(a) The following sums are appropriated in FY 2020 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) Drinking Water Supply, Drinking Water State Revolving Fund:  
\$3,308,508.00

(2) Dam safety and hydrology projects: \$150,000.00

(3) State’s share of the Federal Superfund and State Lead Hazardous Waste Program (Elizabeth Mine): \$59,713.00

(b) The following sums are appropriated in FY 2020 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:

(1) Infrastructure rehabilitation, including statewide small scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, and statewide small-scale road rehabilitation projects: \$2,925,000.00

(2) Rustic Cabin Construction Program: \$797,586.00

(c) The following sums are appropriated in FY 2020 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,300,000.00

(2) Fish culture stations, address fish stocking impacts of Salisbury Fish Culture Station discharge issues, including analysis and design of treatments or other changes to Salisbury's discharge, a feasibility study of State fish hatcheries to evaluate and design potential increases in capacity at those facilities, and implementing alterations at other fish hatcheries to allow the rearing of brood stock: \$280,000.00

(3) Lake Champlain Walleye Association Inc. to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00

(d) The sum of \$130,000.00 is appropriated in FY 2020 to the Green Mountain Club Inc. for the procurement in fee simple or by easement of the Codding Hollow properties (117.5 acres in the Town of Waterville and an abutting 49.6 acres in the Town of Johnson) containing the Long Trail tread way.

(e) The sum of \$50,000.00 is appropriated in FY 2020 to the Vermont Association of Snow Travelers, Inc. for the STP LVRT(7) project for improvements to the Lamoille Valley Rail Trail.

(f) The following sums are appropriated in FY 2021 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) Drinking Water Supply, Drinking Water State Revolving Fund: \$2,221,400.00

(2) Dam safety and hydrology projects: \$895,000.00

(g) The sum of \$2,900,000.00 is appropriated in FY 2021 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, and statewide small-scale road rehabilitation projects.

(h) The following sums are appropriated in FY 2021 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: \$1,300,000.00

(2) Lake Champlain Walleye Association Inc. to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00



<u>Appropriation – FY 2020</u>	<u>\$9,025,807.00</u>
<u>Appropriation – FY 2021</u>	<u>\$7,341,400.00</u>
<u>Total Appropriation – Section 10</u>	<u>\$16,367,207.00</u>

Sec. 11. CLEAN WATER INITIATIVES

(a) The sum of \$3,450,000.00 is appropriated in FY 2020 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.

(b) The following sums are appropriated in FY 2020 to the Agency of Natural Resources for the Department of Environmental Conservation projects described in this subsection:

(1) Water Pollution Control Fund, Clean Water State/EPA Revolving Loan Fund (CWSRF) match: \$2,500,000.00

(2) Municipal Pollution Control Grants, pollution control projects and planning advances for feasibility studies: \$3,300,000.00

(c)(1) The sum of \$50,000.00 is appropriated in FY 2020 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for a grant for forestry skidder bridges.

(2) An applicant for a grant awarded pursuant to subdivision (1) of this subsection shall pay at least 25 percent of the total cost of a wooden skidder bridge, and at least 20 percent of the cost of a steel skidder bridge.

(d)(1) The following sums are appropriated in FY 2020 to the Vermont Housing and Conservation Board for the following projects:

(A) Agricultural water quality projects: \$1,100,000.00

(B) Land conservation and water quality projects: \$1,700,000.00

(2) A grant issued under subdivision (1)(A) of this subsection:

(A) shall not be considered a State grant under 6 V.S.A. chapter 215, subchapter 3 for purposes of calculating the maximum amount of a State water quality assistance award under 6 V.S.A. § 4824 or 4826; and

(B) may be used to satisfy a grant recipient’s cost share requirements.

(e) The sum of \$13,900,000.00 is appropriated in FY 2021 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects.

(f) On or before December 1, 2019:

(1) the Clean Water Board shall review and recommend Clean Water Act implementation programs funded from subdivision (e) of this section; and

(2) the Board shall submit the list of programs recommended for FY 2021 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2021 capital budget adjustment report.

(g) In FY 2020 and FY 2021, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects that are receiving funding under this section are capital eligible.

<u>Appropriation – FY 2020</u>	<u>\$12,100,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$13,900,000.00</u>
<u>Total Appropriation – Section 11</u>	<u>\$26,000,000.00</u>

#### Sec. 12. MILITARY

(a) The sum of \$700,000.00 is appropriated in FY 2020 to the Department of Military for maintenance and renovations at State armories. To the extent feasible, these funds shall be used to match federal funds.

(b) The sum of \$800,000.00 is appropriated in FY 2021 to the Department of Military for the projects described in subsection (a) of this section.

<u>Appropriation – FY 2020</u>	<u>\$700,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$800,000.00</u>
<u>Total Appropriation – Section 12</u>	<u>\$1,500,000.00</u>

#### Sec. 13. PUBLIC SAFETY

(a) The sum of \$700,000.00 is appropriated in FY 2020 to the Department of Buildings and General Services for design documents for the relocation of the Middlesex Field Station.

(b) The sum of \$1,500,000.00 is appropriated in FY 2020 to the Department of Public Safety for the School Safety and Security Grant Program, as described in Sec. 38 of this act.

(c) The sum of \$5,400,000.00 is appropriated in FY 2021 to the Department of Buildings and General Services for construction of the Williston Public Safety Field Station.

<u>Appropriation – FY 2020</u>	<u>\$2,200,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$5,400,000.00</u>
<u>Appropriation – Section 13</u>	<u>\$7,600,000.00</u>

Sec. 14. AGRICULTURE, FOOD AND MARKETS

(a) The sum of \$200,000.00 is appropriated in FY 2020 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for major maintenance at the Vermont building of the Eastern States Exposition.

(b) The sum of \$100,000.00 is appropriated in FY 2020 to the Agency of Agriculture, Food and Markets for the Produce Safety Infrastructure Grant Improvement Program. To the extent federal funds are available, the amount appropriated in this subsection shall be used as a match to federal funds. It is the intent of the General Assembly that capital funds shall not be appropriated to this project after FY 2020.

(c) The sum of \$200,000.00 is appropriated in FY 2021 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for major maintenance at the Vermont building of the Eastern States Exposition.

<u>Appropriation – FY 2020</u>	<u>\$300,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$200,000.00</u>
<u>Total Appropriation – Section 14</u>	<u>\$500,000.00</u>

Sec. 15. VERMONT RURAL FIRE PROTECTION

(a) The sum of \$75,000.00 is appropriated in FY 2020 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the dry hydrant program.

(b) The sum of \$75,000.00 is appropriated in FY 2021 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the project described in subsection (a) of this section.

<u>Appropriation – FY 2020</u>	<u>\$75,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$75,000.00</u>
<u>Total Appropriation – Section 15</u>	<u>\$150,000.00</u>

Sec. 16. DEPARTMENT OF LABOR

(a) The sum of \$300,000.00 is appropriated in FY 2020 to the Department of Labor to fund the Adult Career and Technical Education Equipment Grant Pilot Program to provide capital-eligible equipment to support adult tech programs.

(b) The sum of \$300,000.00 is appropriated in FY 2021 to the Department of Labor to fund the project described in subsection (a) of this section.

<u>Appropriation – FY 2020</u>	<u>\$300,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$300,000.00</u>
<u>Total Appropriation – Section 15</u>	<u>\$600,000.00</u>

Sec. 17. SERGEANT AT ARMS

(a) The following sums are appropriated in FY 2020 to the Sergeant at Arms for the following projects:

(1) initial installation and configuration of the core components required for the General Assembly audio system (backbone), installation and configuration of the specific House Chamber components, and technical assistance for the project: \$728,000.00

(2) chairs for Committee rooms: \$30,000.00

(b) The Sergeant at Arms shall hire a consultant to provide technical assistance with drafting and issuing a request for proposal to hire a vendor to plan, design, and install the project described in subdivision (a)(1) of this section. The consultant shall also assist the Sergeant at Arms with evaluating the responses to the request for proposal.

<u>Appropriation – FY 2020</u>	<u>\$758,000.00</u>
<u>Total Appropriation – Section 17</u>	<u>\$758,000.00</u>

Sec. 18. VERMONT HOUSING AND CONSERVATION BOARD

(a) The sum of \$1,800,000.00 is appropriated in FY 2020 to the Vermont Housing and Conservation Board for housing projects.

(b) The sum of \$1,800,000.00 is appropriated in FY 2021 to the Vermont Housing and Conservation Board for the project described in subsection (a) of this section.

<u>Appropriation – FY 2020</u>	<u>\$1,800,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$1,800,000.00</u>
<u>Total Appropriation – Section 18</u>	<u>\$3,600,000.00</u>

Sec. 19. AGENCY OF DIGITAL SERVICES

(a) The sum of \$125,000.00 is appropriated in FY 2020 to the Agency of Digital Services for digital orthophotography mapping.

(b) The sum of \$125,000.00 is appropriated in FY 2021 to the Agency of Digital Services for the project described in subsection (a) of this section.

<u>Appropriation – FY 2020</u>	<u>\$125,000.00</u>
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<u>Appropriation – FY 2021</u>	<u>\$125,000.00</u>
<u>Total Appropriation – Section 19</u>	<u>\$250,000.00</u>

\* \* \* Financing this Act \* \* \*

Sec. 20. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:

(1) of the amount appropriated in 2017 Acts and Resolves No. 160, Sec. 13(c) (Waterbury State Office Complex): \$33,404.00

(2) of the amount appropriated in 2017 Acts and Resolves No. 160, Sec. 5(d)(2) (Barre courthouse study): \$10,076.40

(b) Of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 8(a)(2) (school construction) to the Agency of Education, the amount of \$1,225,076.00 in unexpended funds reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act.

(c) Of the amount appropriated in 2018 Acts and Resolves No. 190, Sec. 5(d)(4) (Civil War Heritage Trail Sign) to the Agency of Commerce and Community Development, the amount of \$29,948.00 in unexpended funds is reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

(d) Of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 3 (cellular and broadband infrastructure) to the Vermont Telecommunications Authority for capital construction projects, the amount of \$76,836.66 in unexpended funds is reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

<u>Total Reallocations and Transfers – Section 20</u>	<u>\$1,375,341.06</u>
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Sec. 21. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

The State Treasurer is authorized to issue general obligation bonds in the amount of \$123,180,000.00 for the purpose of funding the appropriations of this act. The State Treasurer, with the approval of the Governor, shall determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.

<u>Total Revenues – Section 21</u>	<u>\$123,180,000.00</u>
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\* \* \* Policy \* \* \*

\* \* \* Buildings and General Services \* \* \*

Sec. 22. PROPERTY TRANSACTIONS; MISCELLANEOUS

(a)(1) The Commissioner of Buildings and General Services is authorized to sell the following five properties:

(A) Jay Peak Villages Townhouse V132, 236 South Village Road, Jay, Vermont;

(B) Parcel Number 17-0400027, Shallow Brook Road, TH 40, Jay, Vermont;

(C) Parcel Number 06-0040006, known as Okcha Land, 76.3 acres, Jay, Vermont;

(D) Vermont Aquiros Farms, 1294 Loop Road, Troy, Vermont; and

(E) Parcel Number 7020043.000, 4452 Darling Hill Road, Burke, Vermont.

(2) Notwithstanding 29 V.S.A. § 166(d), the net proceeds of the sale of the properties described in subdivision (1) of this subsection (a) shall be transferred to the Newport Economic Development Settlement Fund at the Department of Economic Development (Dept ID 7120010481).

(b)(1) The Commissioner of Buildings and General Services is authorized to transfer a 20-by-20-foot parcel located on the Monocacy National Battlefield Park located at 5201 Urbana Pike, Frederick, Maryland, to the United States National Park Service.

(2) The Commissioner of Buildings and General Services, on behalf of the Division for Historic Preservation, is also authorized to enter into an agreement to transfer the 10th Vermont Volunteer Infantry Regiment Monument at the Monocacy National Battlefield Park in Frederick, Maryland, to the United States National Park Service. The transfer shall be subject to conditions that ensure rights of access, public visitation, and preservation of the Monument.

Sec. 23. 29 V.S.A. § 821(a) is amended to read:

(a) State buildings.

(1) “Asa Bloomer State Office Building” shall be the name of the building now known as the “Hulett” office building in the city of Rutland.

\* \* \*

(14) “Francis B. McCaffrey Courthouse” shall be the name of the courthouse at 9 Merchants Row in Rutland.

Sec. 24. 2016 Acts and Resolves No. 88, Sec. 3a is amended to read:

Sec. 3a. REPEAL

2 V.S.A. chapter 30 (Capitol Complex Security Advisory Committee) is repealed on ~~June 30, 2019~~ June 30, 2021.

Sec. 25. 2013 Acts and Resolves No. 1, Sec. 100(c), as amended by 2014 Acts and Resolves No. 179, Sec. E.113.1, 2015 Acts and Resolves No. 58, Sec. 113.1, 2017 Acts and Resolves No. 84, Sec. 29, and 2018 Acts and Resolves No. 190, Sec. 19 is further amended to read:

(c) Sec. 97 (general obligation debt financing) shall take effect on ~~July 1, 2019~~ July 1, 2020.

Sec. 26. 32 V.S.A. § 310 is amended to read:

§ 310. FORM OF ANNUAL CAPITAL BUDGET AND 10-YEAR  
CAPITAL PROGRAM PLAN

\* \* \*

(b) The capital budget request for the following biennium shall be presented as the next increment of the 10-year plan. Elements of the plan shall include:

\* \* \*

(C) ~~The capital~~ Capital needs and projections shall be for the current and the next nine fiscal years, with longer-term projections presented for programs with reasonably predictable longer-term needs.

(D) Capital needs and projections shall be presented independently of financing requirements or opportunities.

(E) Capital needs and projections shall include an estimated cost of deferred infrastructure maintenance in State buildings and facilities.

\* \* \*

Sec. 27. STATE HOUSE SPACE; SHORT-TERM; ASSESSMENT

On or before January 15, 2020, the Sergeant at Arms and the Commissioner of Buildings and General Services shall conduct an assessment of space needs for legislative staff and Capitol Police offices and prepare a report with options for space reconfiguration to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

\* \* \* Corrections \* \* \*

Sec. 28. COUNCIL ON STATE GOVERNMENTS; CORRECTIONS;  
STUDY

The Legislative Branch shall coordinate with the Executive and Judicial Branches to engage the Council on State Governments (CSG) to conduct a review of programming and population trends in Vermont's correctional facilities. The review may include an evaluation of the women's population in Vermont and the programming and services needed to meet their needs, the detention population, and barriers that exist to reducing the population. As part of its evaluation, CSG may convene a group of interested stakeholders to guide its work.

\* \* \* Human Services \* \* \*

Sec. 29. 2017 Acts and Resolves No. 84, Sec. 3, as amended by 2018 Acts and Resolves No. 190, Sec. 2, is further amended to read:

Sec. 3. HUMAN SERVICES

\* \* \*

(b) The following sums are appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Human Services:

\* \* \*

(2) Chittenden County Regional Correctional Facility and Northwest State Correctional Facility, renovations, beds for therapeutic placement and Southern State Correctional Facility, fit-up for one soft-cell at Chittenden County Regional Correctional Facility and one soft-cell at Southern State Correctional Facility: \$600,000.00

\* \* \*

~~(c) For the amount appropriated in subdivision (b)(2) of this section:~~

~~(1) it is the intent of the General Assembly that the funds be used to construct a therapeutic environment in the Chittenden Regional Correctional Facility and in the Northwest State Correctional Facility for persons in the custody of the Department of Corrections who do not meet the clinical criteria for inpatient hospitalization but would benefit from a more therapeutic placement. The therapeutic environment shall include three beds in the Chittenden Regional Correctional Facility and ten or more beds in the Alpha Unit at the Northwest State Correctional Facility.~~

~~(2) the Commissioner of Buildings and General Services may use up to \$100,000.00 of the funds appropriated in subdivision (b)(1) of this section to~~



support this project. [Repealed.]

\* \* \*

Sec. 30. REPLACEMENT OF MIDDLESEX SECURE RESIDENTIAL RECOVERY FACILITY; INTENT

(a) To the extent that the Department of Disabilities, Aging, and Independent Living amends its rules pertaining to therapeutic community residences to allow secure residential recovery facilities to utilize emergency involuntary procedures and that these rules are identical to the rules adopted by the Department of Mental Health governing the use of emergency involuntary procedures in psychiatric inpatient units, it is the intent of the General Assembly that the State shall replace the Middlesex Secure Residential Recovery Facility by:

(1) constructing a physically secure State-owned secure residential recovery facility for up to an additional 16 beds that meets the security standards currently used at the Middlesex Secure Residential Recovery Facility; and

(2) exploring the placement of interim secure residential recovery beds or permanent beds that could be flexible to meet other potential therapeutic community residential uses as determined by the Department of Mental Health.

(b) On or before December 15, 2019, the Department shall submit a report to the House Committees on Appropriations, on Corrections and Institutions, and on Health Care and to the Senate Committees on Appropriations, on Institutions, and on Health and Welfare containing an analysis of operating secure residential recovery beds at Rutland Regional Medical Center and Rutland Mental Health Services.

Sec. 31. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; RULEMAKING

The Department of Disabilities, Aging, and Independent Living shall amend its rules, pursuant to 3 V.S.A. chapter 25, pertaining to therapeutic community residences to allow secure residential recovery facilities to utilize emergency involuntary procedures so that those amended rules are finally adopted on or before June 1, 2020, unless that deadline is extended by the Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843(c). These rules shall be identical to the rules adopted by the Department of Mental Health that govern the use of emergency involuntary procedures in psychiatric inpatient units.

\* \* \* Information Technology \* \* \*

Sec. 32. INFORMATION TECHNOLOGY REVIEW

(a) The Executive Branch shall transfer, upon request, one vacant position for use in the Legislative Joint Fiscal Office (JFO) for a staff position, or the JFO may hire a consultant, to provide support to the General Assembly to conduct independent reviews of State information technology projects and operations.

(b) The Secretary of Digital Services shall:

(1) provide to the JFO access to the reviews conducted by Independent Verification and Validation (IVV) firms hired to evaluate the State's current and planned information technology projects, as requested;

(2) ensure that IVV firms' contracts allow the JFO to make requests for information related to the projects that it is reviewing and that such requests are provided to the JFO in a confidential manner; and

(3) provide to the JFO access to all other documentation related to current and planned information technology projects and operations, as requested.

(c) The JFO shall maintain a memorandum of understanding with the Executive Branch relating to any documentation provided under subsection (b) of this section that shall protect security and confidentiality.

(d) In FY 2020 and FY 2021, the JFO is authorized to use up to \$250,000.00 of the amounts appropriated in Sec. 3(b) of this act to fund activities described in this section.

\* \* \* Labor \* \* \*

Sec. 33. 2018 Acts and Resolves No. 190, Sec. 21 is amended to read:

Sec. 33a. ADULT CAREER AND TECHNICAL EDUCATION  
EQUIPMENT GRANT PILOT PROGRAM

(a) The General Assembly hereby establishes a pilot grant program to authorize the Department of Labor, in consultation with the State Workforce Development Board, to administer the Adult Career and Technical Education Equipment Grant Pilot Program to support the purchase of equipment necessary for the delivery of occupational training for students enrolled in a postsecondary course offered by Vermont's Career and Technical Education Centers.

(b) Career and Technical Education Centers are the only eligible applicants for grants awarded under the Program. Grants may only be awarded to

applicants who demonstrate how use of the grant-funded equipment will be shared with at least one other Career and Technical Education Center, a State correctional facility, or an accredited post-secondary college or university located in Vermont.

(c) An applicant's training program shall qualify for a grant described in subsection (a) of this section if it includes all of the following requirements:

(1) meets current occupational demand, as evidenced by current labor market information;

(2) aligns with a career pathway or set of stackable credentials involving a college or university accredited in Vermont;

~~(3) guarantees delivery of equipment to more than one region of the State;~~

(4) is supported with a business or industry partnership;

~~(5)~~(4) sets forth how equipment will be maintained, insured, shared, and transported, if applicable; and

~~(6)~~(5) is endorsed by the Adult Career and Technical Education Association.

(e)(d) Grants awarded under this program shall be used to purchase capital-eligible equipment. Grants shall not be used to support curriculum development, instruction, or program administration.

(d)(e) On or before July 15, 2018, the Department shall develop and publish a simplified grant application that meets the criteria described in subsection (b) of this section. The Department shall consult with the Agency of Education and the State Workforce Development Board in reviewing applications and selecting grantees.

(e)(f) Grantees shall have ownership over any share of equipment purchased with the use of these funds. Any equipment purchased from this program may also be used by secondary career technical education programs.

(f)(g) On or before February 15, 2019, the Department of Labor shall submit a report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions that includes the following:

(1) how the funds were used, expected outcomes, recommended performance metrics to ensure success of the program, and any other relevant information that would inform future decisions about the use of this program;

(2) assessment of the functionality and accessibility of shared-equipment agreements; and

(3) how, and the extent to which, the program shall be funded in the future.

\* \* \* Sunset of Adult Career and Technical Education  
Equipment Grant Program \* \* \*

Sec. 33b. REPEAL OF ADULT CAREER AND TECHNICAL  
EDUCATION EQUIPMENT GRANT PROGRAM

The Adult Career and Technical Education Equipment Grant Program established in Sec. 33a of this act shall be repealed on ~~July 1, 2019~~ July 1, 2021.

\* \* \* Military \* \* \*

Sec. 34. 2017 Acts and Resolves No. 84, Sec. 12, as amended by 2018 Acts and Resolves No. 190, Sec. 9, is further amended to read:

Sec. 12. MILITARY

\* \* \*

(b) The following sums are appropriated in FY 2019 to the Department of Military for the projects described in this subsection:

(1) Maintenance, renovations, roof replacements, ADA renovations, and energy upgrades at State armories. To the extent feasible, these funds shall be used to match federal funds: \$780,000.00

(2) Bennington Armory, site acquisition and permitting: \$60,000.00

\* \* \*

\* \* \* Natural Resources \* \* \*

Sec. 35. 2017 Acts and Resolves No. 84, Sec. 11, as amended by 2018 Acts and Resolves No. 190, Sec. 8, is further amended to read:

Sec. 11. CLEAN WATER INITIATIVES

\* \* \*

(l) The following sums are appropriated in FY 2019 to the Municipal Mitigation Assistance Program in the Agency of Transportation:

(1) Municipal Highway and Stormwater Mitigation Program:

~~\$1,000,000.00~~ \$359,860.00

(2) Better Roads Program: ~~\$1,400,000.00~~ \$2,040,140.00

\* \* \*

\* \* \* Municipal Public Water Supply Systems \* \* \*

Sec. 36. 24 V.S.A. § 4755 is amended to read:

§ 4755. LOAN; LOAN AGREEMENTS; GENERAL PROVISIONS

(a) Except as provided by subsection (c) of this section, the Bond Bank may make loans to a municipality on behalf of the State for one or more of the purposes set forth in section 4754 of this chapter. Each of the loans shall be made subject to the following conditions and limitations:

\* \* \*

(3) The loan shall be evidenced by a municipal bond, payable by the municipality over a term not to exceed ~~30~~ 40 years or the projected useful life of the project, whichever is less, except:

(A) there shall be no deferral of payment;

(B) the term of the loan shall not exceed ~~20~~ 30 years when required by section 4763c of this title; ~~and~~

(C) the loan may be evidenced by any other permitted debt instrument payable as permitted by chapter 53 of this title; and

(D) the term of the loan shall not exceed 30 years for clean water projects.

\* \* \*

Sec. 37. 24 V.S.A. § 4763c is amended to read:

§ 4763c. LOANS TO MUNICIPALITIES FOR MUNICIPAL PUBLIC WATER SUPPLY SYSTEMS

(a) The Secretary may certify to the Vermont Municipal Bond Bank established by section 4571 of this title the award of a loan to a municipality to assist with a public water supply system project, when the Secretary finds that:

(1) the project is necessary;

(2) the proposed type, size, and estimated cost of the project are suitable for its intended purpose; and

(3) the municipality will have the technical, financial, and managerial ability to operate the facility in compliance with federal and State law.

(b) The certification by the Secretary shall specify the interest rate, and indicate which of the following loan conditions concerning construction loans apply:

(1) The term shall not exceed ~~20~~ 30 years, and the annual interest rate, plus the administrative fee, shall be no more than three percent or less than zero percent, except that when the applicant municipality is disadvantaged as defined by subdivision 4752(12) of this title, the term shall not exceed ~~30~~ 40 years. When the applicant municipality is disadvantaged as defined in subdivision 4752(12), the annual interest rate, plus the administrative fee, shall be no less than minus three percent.

\* \* \*

(3) Loans awarded to a municipality that have not initiated repayment prior to January 1, 2019 may be extended as provided by subdivisions (b)(1) and (b)(2) of this section.

\* \* \* School Safety and Security \* \* \*

Sec. 38. 2017 Acts and Resolves No. 84, as amended by 2018 Acts and Resolves No. 190, Sec. 26, is further amended to read:

Sec. 36a. SCHOOL SAFETY AND SECURITY CAPITAL GRANT PROGRAM

(a) Creation. There is created the School Safety and Security Capital Grant Program to be administered by the Department of Public Safety to enhance safety and security in Vermont schools, ~~as defined in 16 V.S.A. § 3447.~~

(1) As used in this section, "school" means:

(A) public schools, as defined in 16 V.S.A. § 11;

(B) schools administered by regional career technical center school districts, as defined in 16 V.S.A. § 1571;

(C) joint contract schools, as described in 16 V.S.A. § 571; and

(D) approved independent schools, as defined in 16 V.S.A. § 166.

(2) The amount appropriated in ~~Sec. 10 of this act~~ 2018 Acts and Resolves No. 190, Sec. 10, adding 2017 Acts and Resolves No. 84, Sec. 13(c)(1), and in Sec. 13(b) of this act, shall be used to fund this Program.

\* \* \*

(c) Guidelines. The following guidelines shall apply to capital grants for school safety measures:

\* \* \*

(3) The Program is authorized to award ~~one capital grants grant~~ of up to \$25,000.00 per school. Each school shall be required to provide a 25 percent match to the grant amount. The required match shall be met through dollars raised and not in-kind services.

\* \* \*

(f) FY 2020 Grant Awards. In FY 2020, the Program may award a grant to an eligible school that applied for but did not receive a grant award in FY 2019.

\* \* \* Sunset of School Security Grant Program \* \* \*

Sec. 36b. REPEAL OF SCHOOL SECURITY GRANT PROGRAM

The School Safety and Security Grant Program established in Sec. 26 of this act shall be repealed on ~~July 1, 2019~~ June 30, 2020.

\* \* \*

\* \* \* Effective Date \* \* \*

Sec. 39. EFFECTIVE DATE

This act shall take effect on passage, except that Sec. 22(a) (sale of Jay Peak properties) shall not take effect until the final disposition of *State of Vermont v. Quiros, et al.*, Docket No. 217-4-16 (Wncv), including all appeals, is determined, and shall not take effect at all if that final disposition holds that the State has not acquired the properties.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 29, 2019, page 725)

**Reported favorably with recommendation of proposal of amendment by Senator McCormack for the Committee on Appropriations.**

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

First: In Sec. 1, legislative intent, in subsection (a), by striking out “\$63,103,628.00” and inserting in lieu thereof \$62,853,628.00

Second: In Sec. 3, human services, in subsection (a), by striking out subdivision (a)(3), renumbering the remaining subdivisions, and inserting a new subdivision (a)(4) and (a)(5) to read as follows:

(4) Statewide, community mental health beds: \$364,000.00

(5) Statewide, correctional transitional housing: \$364,000.00

in subsection (c), by inserting after subdivision (c)(2), a subdivision (c)(3) to read as follows:

(3) Statewide, correctional facility, justice reinvestment II: \$250,000.00

and by striking out subsection (e), relettering the remaining subsections, and striking out all after the new subsection (e) to read as follows:

<u>Appropriation – FY 2020</u>	<u>\$8,828,000.00</u>
<u>Appropriation – FY 2021</u>	<u>\$5,875,000.00</u>
<u>Total Appropriation – Section 3</u>	<u>\$14,703,000.00</u>

Third: In Sec. 17, Sergeant at Arms, by striking out the section in its entirety and inserting in lieu thereof a new Sec. 17 to read as follows:

Sec. 17. SERGEANT AT ARMS

The sum of \$30,000.00 is appropriated in FY 2020 to the Sergeant at Arms for chairs for Committee rooms.

<u>Appropriation – FY 2020</u>	<u>\$30,000.00</u>
<u>Total Appropriation – Section 17</u>	<u>\$30,000.00</u>

Fourth: By striking out Sec. 28, Council on State Governments; Corrections; study, in its entirety and inserting in lieu thereof a new Sec. 28 to read as follows:

Sec. 28. 2017 Acts and Resolves No. 84, Sec. 3, as amended by 2018 Acts and Resolves No. 190, Sec. 2, is further amended to read:

Sec. 3. HUMAN SERVICES

\* \* \*

(f)(1) On or before December 1, 2019, the Commissioner of Buildings and General Services and the Commissioner for Children and Families shall develop and present design plans for the Woodside Juvenile Rehabilitation Center to the Joint Legislative Justice Oversight Committee and the Joint Fiscal Committee.

(2) The amount appropriated in subdivision (b)(3) of this section shall only become available after the Joint Legislative Justice Oversight Committee and the Joint Fiscal Committee approve the plans described in subdivision (1) of this section.

Fifth: In Sec. 11, clean water initiatives, in subdivision (f)(1), by inserting pursuant to 10 V.S.A. § 1389(a)(B)(ii) after the word “section”

(Committee vote: 7-0-0)



## NOTICE CALENDAR

### Second Reading

#### Favorable with Proposal of Amendment

#### H. 16.

An act relating to boards and commissions.

**Reported favorably with recommendation of proposal of amendment  
by Senator White for the Committee on Government Operations.**

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Vermont State Archives and Records Administration; State Boards and  
Commissions Registry \* \* \*

Sec. 1. 3 V.S.A. § 116a is amended to read:

§ 116a. ~~MAINTENANCE OF INVENTORY OF STATE BOARDS AND~~  
COMMISSIONS REGISTRY

(a)(1) ~~The Secretary of State~~ Vermont State Archives and Records Administration shall maintain and make available on ~~his or her official~~ its website ~~an inventory~~ a registry of the State boards and commissions, and shall update that ~~inventory~~ registry when changes are made that affect the information provided in the ~~inventory~~ registry.

(2)(A) The ~~inventory~~ registry shall include the names of the members of each State board and commission, their term length and expiration, and their appointing authority.

(B) Each State board and commission shall be responsible for providing to the ~~Secretary of State~~ Vermont State Archives and Records Administration this ~~inventory~~ registry information and any updates to it in a manner prescribed by the State Archivist.

(3) The registry shall track the dates of the initial creation of State boards and commissions created by State law and of any amendments to those laws for the purpose of the intended five-year expiration of those State boards and commissions described in subsection (b) of this section.

(b)(1) It is the intent of the General Assembly that, except for State boards and commissions required by interstate compact and except as otherwise provided by law, a State board or commission created by State law shall cease to exist after five years from the date of its initial creation, five years from the

last date that the statutory or session law containing the State board or commission was amended, or on January 1, 2025, whichever date is latest.

(2)(A) In each biennial session beginning in the year 2025, the Office of Legislative Council, in consultation with the Vermont State Archives and Records Administration and based on the registry's date tracking described in subdivision (a)(3) of this section, shall prepare for the General Assembly's review a list of the State boards and commissions subject to expiration under this subsection.

(B) A State board or commission shall only expire pursuant to legislative enactment.

(c) As used in this section, "State boards and commissions board or commission" means a professional or occupational licensing boards board or commissions commission, advisory boards board or commissions commission, appeals boards board, promotional boards board, interstate boards board, supervisory boards and councils board or council, and or any other boards or commissions of the State similar entity that:

(1) is created by State law, by federal law and contains State appointees, or by executive order;

(2) is established as or is attached to an Executive Branch entity;

(3) has statewide jurisdiction or carries out a State function; and

(4) is not composed of members appointed exclusively by regional, county, or municipal entities.

Sec. 2. 2018 (Sp. Sess.) Acts and Resolves No. 2, Sec. 15 is amended to read:

#### Sec. 15. EFFECTIVE DATES

This act shall take effect on July 1, 2018, except that Sec. 12, 3 V.S.A. § 116a (~~Secretary of State VSARA; maintenance of inventory of State boards and commissions registry~~), shall take effect on January 1, ~~2019~~ 2023.

#### Sec. 3. VERMONT STATE ARCHIVES AND RECORDS ADMINISTRATION; POSITION

(a) There is created within the Secretary of State's Vermont State Archives and Records Administration one new permanent classified Registry Administrator to create and maintain the registry described in 3 V.S.A. § 116a.

(b) Any funding necessary to support the position created in subsection (a) of this section shall be derived from the Secretary of State Services Fund, with no General Fund dollars.

\* \* \* Standard Per Diem and Expense Reimbursement \* \* \*

Sec. 4. 32 V.S.A. § 1010 is amended to read:

§ 1010. MEMBERS OF CERTAIN BOARDS

(a) Except for those members serving ex officio or otherwise regularly employed by the State, the ~~compensation of the~~ members of the following ~~Boards~~ boards shall be entitled to receive \$50.00 in per diem compensation:

- (1) Board of Bar Examiners
- (2) Board of Libraries
- (3) Vermont Milk Commission
- (4) Board of Education
- (5) State Board of Health
- (6) Emergency Board
- (7) Board of Liquor and Lottery
- (8) Human Services Board
- (9) State Fish and Wildlife Board
- (10) State Board of Mental Health
- (11) Vermont Employment Security Board
- (12) Capitol Complex Commission
- (13) Natural Gas and Oil Resources Board
- (14) Transportation Board
- (15) Vermont Veterans' Home Board of Trustees
- (16) Advisory Council on Historic Preservation
- (17) The Electricians' Licensing Board
- (18) Offender Work Programs Board
- (19) Emergency Personnel Survivors Benefit Review Board
- (20) Community High School of Vermont Board

(b)(1) Notwithstanding any other provision of law, members of professional or occupational licensing boards or commissions, advisory boards or commissions, appeals boards, promotional boards, interstate boards, supervisory boards and councils, or any other boards, ~~or commissions, or~~ similar entities that are not listed in subsection (a) of this section but are

otherwise entitled by act of the General Assembly to receive per diem compensation, shall be entitled to receive per diem compensation in the amount of \$50.00 per day for each day devoted to official duties. This subsection shall not reduce the amount of per diem compensation heretofore provided by act of the General Assembly to members of boards or commissions entitled to receive more than \$50.00 per day.

(2) "Per diem" means the amount of compensation to which a member of a statutory board or commission is entitled for:

(1)(A) attendance at a regular or special meeting of such board or commission or any committee thereof; or

(2)(B) performance of other duties directly related to the efficient conduct of necessary board business as assigned and approved by the chairperson, provided that payment for such duties shall be at the per diem rate prorated for actual time spent performing duties. Proration shall be calculated based on an eight-hour day. Under no circumstances shall the daily payment exceed the per diem amount.

(c) The members of the boards and ~~departments~~ commissions, including those members serving ex officio or otherwise regularly employed by the State, shall be entitled to receive their actual and necessary expenses when away from home or office upon their official duties.

(d) Notwithstanding the provisions of subsections (a) and (b) of this section, a member shall not be entitled to receive State per diem compensation for any meeting or other official duty for which specific compensation is provided by another source.

(e) The Governor may authorize per diem compensation and expense reimbursement in accordance with this section for members of boards and commissions, including temporary study commissions, created by Executive Order.

(f) Members of the Parole Board shall be entitled to receive \$100.00 per diem for each day of official duties together with reimbursement of reasonable expenses incurred in the performance of their duties.

\* \* \* Travel Information Council \* \* \*

Sec. 5. 10 V.S.A. § 484 is amended to read:

§ 484. TRAVEL INFORMATION COUNCIL; CREATION, MEMBERSHIP, TERMS

(a) The Travel Information Council is created to administer the provisions of this chapter.

(1) The Agency of Transportation shall be responsible for the administration and maintenance of the official business directional sign program, information plazas, and other tourist information facilities deemed appropriate by the Council.

(2) The Agency of Commerce and Community Development shall be responsible for the collection and distribution of travel information, as deemed appropriate by the Council.

(b)(1) The ~~Travel Information~~ Council may ~~make~~ adopt rules, consistent with this chapter relating to the determination of locations for official business directional signs and to all other matters necessary and appropriate to the administration of this chapter. In ~~making~~ adopting those rules it shall give consideration to the adequacy of information provided by highway directional signs and the preservation of scenic and aesthetic values and shall consult with the Agency of Transportation as to matters of highway safety.

(2) It shall determine whether official business directional signs at a particular location shall be displayed in tiers or upon panels.

(3) It shall advise the Agency of Commerce and Community Development on policies and matters pertaining to collection and distribution of tourist information.

(c)(1) The ~~Travel Information~~ Council shall have seven members, comprising the Secretary of Commerce and Community Development or designee, who shall chair the ~~council~~ Council, and six appointed members as follows: one representing the lodging industry, one the restaurant industry, one the recreation industry, one the Agency of Transportation, one the general public, and one agriculture.

(2) The six appointed members shall be appointed by the Governor with the advice and consent of the Senate ~~with the six initially appointed members appointed as of the effective date of this chapter, with three initial members appointed for one year terms, and three for two year terms. Three appointed in two-year staggered terms so that three members shall be~~ are appointed biennially thereafter annually. The members are eligible for reappointment.

(3) Members of the Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010, which shall be paid by the Agency of Transportation.

(d)(1) The ~~Travel Information~~ Council shall designate, in each State transportation district, a person to represent business, a person to represent the public, and a person to represent the district planning or development agencies

as a committee to act for it in those districts in considering applications for signs and the location thereof.

(2) The members of the committee shall serve at the pleasure of the Council, and a majority of a committee shall constitute a quorum for the conduct of any business.

(3) A person aggrieved by a decision of a committee may ask for and shall be granted a hearing before the ~~Travel Information~~ Council and may appeal on questions of law to the Superior Court under V.R.C.P. 74 from a decision of the Council.

\* \* \* Travel and Recreation Council \* \* \*

Sec. 6. 10 V.S.A. § 652 is amended to read:

§ 652. TRAVEL AND RECREATION COUNCIL; MEMBERSHIP

(a) ~~A travel and recreation council~~ The Travel and Recreation Council is created. It shall comprise the following members:

(1) the Secretary of Commerce and Community Development, or designee;

(2) the Secretary of Natural Resources, or designee;

(3) the Secretary of Transportation, or designee;

(4) the Secretary of Agriculture, Food and Markets, or designee;

(5) the Commissioner of Tourism and Marketing, or designee; and

(6) ten members from the private sector appointed by the Governor.

(b)(1) The ten members appointed by the Governor shall serve a term of three years, beginning July 1, or the unexpired portion thereof. For the initial appointments, the Governor shall appoint three for one year, four for two years, and three for three years.

(2) When appointing members, the Governor shall consider persons who have understanding of the travel and recreation industry and who will adequately represent the various interests in the State.

(c) The Council shall elect its chair annually from among its members.

(d) The Council shall meet at least quarterly at the call of the ~~chair~~ Chair or the agency secretary.

(e) Members of the Council shall be entitled to receive per diem compensation and reimbursement for of expenses in accordance with as

permitted under 32 V.S.A. § 1010, which shall be paid by the Agency of Commerce and Community Development.

\* \* \* Vermont Community Development Board \* \* \*

Sec. 7. 10 V.S.A. § 685 is amended to read:

§ 685. THE VERMONT COMMUNITY DEVELOPMENT BOARD

(a) There ~~shall be~~ is created within the Agency of Commerce and Community Development the Vermont Community Development Board consisting of nine members who shall be residents of the State.

(b)(1) The members shall be appointed by the Governor for a term of three years, or for the unexpired portion thereof. For the initial appointments, the Governor shall appoint three for one year, three for two years, and three for three years.

(2) In the appointment of the members, consideration shall be given to the selection of such persons as shall adequately represent the interests of various sections of the State and the principal beneficiaries of the program.

(c) The Chair shall be appointed annually by the Governor from among the members.

(d) Members of the Board shall be ~~compensated at the rate of \$30.00 per day for time spent in the performance of their duties, and they shall be reimbursed for necessary expenses incurred therein~~ entitled to receive per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010, which shall be paid by the Agency.

(e) No person who receives a significant portion of his or her income directly or indirectly from the community development activities governed by this subchapter shall be a member of the Board.

(f) The Agency shall provide staff assistance and administrative support to the Board.

(g) Prior to January 15 of each year, the Board shall submit a report of its activities and grants for the preceding year to the Governor and General Assembly.

\* \* \* State and Regional Economic Development and Planning Services  
Oversight Panel \* \* \*

Sec. 8. REPEAL

2010 Acts and Resolves No. 146, Sec. G.6 (State and Regional Economic Development and Planning Services; Oversight Panel) is repealed.

\* \* \* Development Cabinet \* \* \*

Sec. 9. 3 V.S.A. § 2293 is amended to read:

§ 2293. DEVELOPMENT CABINET

~~(a) Legislative purpose. The General Assembly deems it prudent to establish a permanent and formal mechanism to assure collaboration and consultation among State agencies and departments, in order to support and encourage Vermont's economic development, while at the same time conserving and promoting Vermont's traditional settlement patterns, its working and rural landscape, its strong communities, and its healthy environment, all in a manner set forth in this section.~~

~~(b) Development Cabinet.~~

~~(1) A Development Cabinet is created, to consist of the Secretaries of the Agencies of Administration, of Agriculture, Food and Markets, of Commerce and Community Development, of Education, of Natural Resources, and of Transportation. The Governor or the Governor's designee shall chair the Development Cabinet.~~

~~(2) The Development Cabinet shall advise the Governor on how best to implement the purposes of this section, and shall recommend changes as appropriate to improve implementation of those purposes.~~

~~(3) The Development Cabinet may establish interagency work groups to support its mission, drawing membership from any agency or department of State government. Any interagency work groups established under this subsection shall evaluate, test the feasibility of, and suggest alternatives to economic development proposals, including proposals for public-private partnerships, submitted to them for consideration. The Development Cabinet shall refer to appropriate interagency workgroups any economic development proposal that has a significant impact on the inventory or use of State land or buildings.~~

~~(c) Implementation. All State agencies that have programs or take actions affecting land use, including those identified under 3 V.S.A. chapter 67, shall, through or in conjunction with the members of the Development Cabinet:~~

~~(1) Support conservation of working lands and open spaces.~~

~~(2) Strengthen agricultural and forest product economies, and encourage the diversification of these industries.~~

~~(3) Develop and implement plans to educate the public by encouraging discussion at the local level about the impacts of poorly designed growth, and~~



~~support local efforts to enhance and encourage development and economic growth in the State's existing towns and villages.~~

~~(4) Administer tax credits, loans, and grants for water, sewer, housing, schools, transportation, and other community or industrial infrastructure, in a manner consistent with the purposes of this section.~~

~~(5) To the extent possible, endeavor to make the expenditure of State appropriations consistent with the purposes of this section.~~

~~(6) Encourage development in, and work to revitalize, land and buildings in existing village and urban centers, including "brownfields," housing stock, and vacant or underutilized development zones. Each agency is to set meaningful and quantifiable benchmarks.~~

~~(7) Encourage communities to approve settlement patterns based on maintaining the State's compact villages, open spaces, working landscapes, and rural countryside.~~

~~(8) Encourage relatively intensive residential development close to resources such as schools, shops, and community centers and make infrastructure investments to support this pattern.~~

~~(9) Support recreational opportunities that build on Vermont's outstanding natural resources, and encourage public access for activities such as boating, hiking, fishing, skiing, hunting, and snowmobiling. Support and work collaboratively to make possible sound development and well-planned growth in existing recreational infrastructure.~~

~~(10) Provide means and opportunity for downtown housing for mixed social and income groups in each community.~~

~~(11) [Repealed.]~~

~~(12) Encourage timely and efficient processing of permit applications affecting land use, including 10 V.S.A. chapter 151 and the subdivision regulations adopted under 18 V.S.A. § 1218, in order to encourage the development of affordable housing and small business expansion, while protecting Vermont's natural resources.~~

~~(13) Participate in creating a long-term economic development plan, including making available the members of any agency or department of State government as necessary and appropriate to support the mission of an interagency work group established under subsection (b) of this section.~~

~~(d) Interagency work group.~~

~~(1) Pursuant to the recommendations of the Oversight Panel on Economic Development created in 2010 Acts and Resolves No. 146, Sec. G6, the Development Cabinet shall create an interagency work group as provided in subsection (b) of this section with the Secretary of Commerce and Community Development serving as its chair.~~

~~(2) The mission of the work group shall be to develop a long-term economic development plan for the State, which shall identify goals and recommend actions to be taken over 10 years, and which shall be consistent with the four principles of economic development identified in 10 V.S.A. § 3 and the relevant population-level outcomes for economic development set forth in 3 V.S.A. § 2311.~~

~~(e) Long-term economic development plan.~~

~~(1) On or before January 15, 2014, and every two years thereafter, the Development Cabinet or its work group shall complete a long-term economic development plan as required under subsection (d) of this section and recommend it to the Governor.~~

~~(2) Commencing with the plan due on or before January 15, 2016, the Development Cabinet or its work group may elect only to prepare and recommend to the Governor an update of the long-term economic development plan.~~

~~(3) Administrative support for the economic development planning efforts of the Development Cabinet or its work group shall be provided by the Agency of Commerce and Community Development.~~

~~(f) Limitations. This Cabinet is strictly an information gathering and coordinating cabinet and confers no additional enforcement powers. [Repealed.]~~

~~\*\*\* Commission on International Trade and State Sovereignty \*\*\*~~

~~Sec. 10. 3 V.S.A. § 23 is amended to read:~~

~~§ 23. THE COMMISSION ON INTERNATIONAL TRADE~~

~~(a) Definitions. For the purposes of this section: “International Trade Agreement” means a trade agreement between the federal government and a foreign country. International Trade Agreement does not include a trade agreement between the State and a foreign country to which the federal government is not a party.~~

~~(b) Membership. There is created a Commission on International Trade and State Sovereignty consisting of:~~

~~(1) the Chair of the House Committee on Commerce or his or her designee;~~

~~(2) the Chair of the Senate Committee on Economic Development, Housing and General Affairs or his or her designee;~~

~~(3) a representative of a nonprofit environmental organization, appointed by the Governor from a list provided by the Vermont Natural Resources Council;~~

~~(4) a representative of organized labor, appointed by the Governor from a list provided by Vermont AFL-CIO, Vermont NEA, and the Vermont State Employees' Association;~~

~~(5) the Secretary of Commerce and Community Development or his or her designee;~~

~~(6) the Attorney General or his or her designee;~~

~~(7) a representative of an exporting Vermont business, appointed by the Governor;~~

~~(8) a representative of a Vermont business actively involved in international trade, appointed by the Governor;~~

~~(9) the Secretary of Agriculture, Food and Markets or his or her designee; and~~

~~(10) a representative of a Vermont chamber of commerce, appointed by the Governor.~~

~~(c) Powers and duties.~~

~~(1) The Commission shall conduct an annual assessment of the legal and economic impacts of International Trade Agreements on State and local laws, State sovereignty, and the business environment.~~

~~(2) It shall provide a mechanism for citizens and legislators to voice their concerns, which it shall use to make policy recommendations to the General Assembly, to the Governor, to Vermont's congressional delegation, or to the trade representatives of the United States government. Recommendations shall be designed to protect Vermont's job and business environment, and State sovereignty from any negative impacts of trade agreements.~~

~~(3) It may recommend legislation or preferred practices and shall work with interested groups in other states to develop means to resolve the conflicting goals and tension inherent in the relationship between international trade and State sovereignty.~~

~~(4) As provided for in 9 V.S.A. chapter 111A, the Commission shall consider and develop formal recommendations with respect to how the State should best respond to challenges and opportunities posed by a particular International Agreement.~~

~~(d) Reporting. The Commission shall submit an annual report, which shall be prepared by the Secretary of Commerce and Community Development, to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, the Governor, and Vermont's congressional delegation. The report shall contain information acquired pursuant to activities carried out under subsection (c) of this section. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.~~

~~(e) Staff services. The Commission shall be entitled to staff services of the Agency of Commerce and Community Development, the Legislative Council, and the Joint Fiscal Committee.~~

~~(f) Per diem. For attendance at a meeting when the General Assembly is not in session, legislative members of the Commission shall be entitled to the same per diem compensation and reimbursement for actual and necessary expenses as provided members of Standing Committees under 2 V.S.A. § 406. Except for members employed by the State, members of the Commission shall be entitled to the same per diem compensation as provided under 32 V.S.A. § 1010(a) and mileage reimbursement as provided under 32 V.S.A. § 1267. [Repealed.]~~

~~\* \* \* Film and New Media Advisory Board \* \* \*~~

~~Sec. 11. 3 V.S.A. § 2471d is amended to read:~~

~~§ 2471d. VERMONT FILM AND NEW MEDIA ADVISORY BOARD~~

~~The Secretary of Commerce and Community Development shall appoint a Film and New Media Advisory Board to make recommendations to the Secretary on promoting Vermont as a location for commercial film and television production and facilitating the participation of local individuals and companies in such productions. The primary function of the Advisory Board is to recommend to the Secretary strategies to link Vermonters employed in the film and new media, video, or other creative arts, to economic opportunities in their trades in Vermont. [Repealed.]~~

\* \* \* Vermont Rehabilitation Corporation \* \* \*

Sec. 12. 10 V.S.A. chapter 12, subchapter 6 is amended to read:

Subchapter 6. Family Farm Assistance

§ 271. PURPOSES

~~It is the intention of the General Assembly in enacting this subchapter to provide a limited source of loan funds to family farmers or prospective family farmers under terms and conditions that will reduce their investment costs to an extent that offers them a reasonable chance to succeed. [Repealed.]~~

§ 272. DEFINITIONS

As used in this subchapter:

(1) ~~“Authority” means the Vermont Economic Development Authority.~~

(2) ~~“Family farmer” means a person who is a resident of this State and who is, or will become, engaged in farming on his or her own behalf managing and operating the farm on a full-time basis and whose net worth (including his or her dependents and spouse) does not exceed \$150,000.00.~~

(3) ~~“Farming” shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, orchard, or forest crops, or the raising of livestock, poultry, equines, fish, or bees. Farming also includes the storage, preparation, retail sale, and transportation of agricultural commodities accessory to the cultivation or use of such land.~~

(4) ~~“Vermont Rehabilitation Corporation” means the nonprofit quasi-public corporation for which articles of association have been filed with the Secretary of State on April 26, 1935. [Repealed.]~~

§ 273. FARMERS LOAN PROGRAM; ELIGIBILITY; APPLICATION

(a) ~~The Vermont Rehabilitation Corporation shall establish a family farm assistance loan program to: strengthen existing farms, encourage diversification and innovative farming techniques, increase energy efficiency and reduce energy consumption, and assist beginning farmers to start new farms, provided that beginning farmers will not produce commodities that are already in surplus.~~

(b) ~~In order to be eligible an applicant shall be:~~

(1) ~~a family farmer who is a resident of this State;~~

(2) ~~an owner or prospective purchaser of agricultural land in the State or depreciable farm machinery, equipment, or livestock to be used in the State;~~

~~(3) a person of sufficient education, training, or experience in the type of farming for which the applicant requests the loan;~~

~~(4) an operator or proposed operator of a farm for whom the loan reduces investment costs to an extent that offers him or her a reasonable chance to succeed;~~

~~(5) a credit-worthy person under such standards as the Vermont Rehabilitation Corporation may, in its discretion, establish; and~~

~~(6) in compliance with the requirements of subdivisions 262(2) through (4) and subdivisions (6) through (10) of this title. For purposes of this subchapter, the terms "eligible facility" and "facility" as used in section 262 shall be defined to include all farming operations.~~

~~(c) Applicants for the family farmer assistance loan program under this subchapter shall apply to the Vermont Rehabilitation Corporation, which shall review proposed farm projects, and the applicant's qualifications and grant loans under the provisions of this subchapter, subject to such reasonable terms and conditions as the Vermont Rehabilitation Corporation deems appropriate.~~

~~(d) Any person who obtains a loan under this subchapter shall not be eligible for loan assistance under subchapter 5 of this chapter during the period in which the subchapter 6 loan is outstanding.~~

~~(e) All meetings of the Vermont Rehabilitation Corporation board of directors that concern the family farm assistance program shall be subject to 1 V.S.A. chapter 5, subchapter 5. [Repealed.]~~

#### ~~§ 274. LOAN TERMS AND CONDITIONS~~

~~(a) Within the limits of funds available, the Vermont Rehabilitation Corporation may make loans to eligible applicants upon such terms and conditions as may reasonably be expected to be fulfilled by the applicant. In no event shall the total principal obligation of all Vermont Economic Development authority loans granted under this subchapter to any family farmer exceed \$50,000.00.~~

~~(b) The Vermont Rehabilitation Corporation shall require the farmer to execute a note, loan agreement, security agreement, mortgage, or other evidence of indebtedness in favor of the Authority sufficient to protect reasonably the security of the mortgage or secured loan. All payments shall be made to the Authority for the use of section 234 of this title. The Vermont Economic Development Authority shall service all loans made by the Vermont Rehabilitation Corporation under this subchapter. In the event of default by a loan recipient under this subchapter, the Authority shall consult with the~~

~~Vermont Rehabilitation Corporation prior to commencing any collection or foreclosure action. [Repealed.]~~

~~§ 275. FUNDING~~

~~In fiscal year 1986, the Vermont Rehabilitation Corporation, in its discretion, may loan up to \$400,000.00 of the Vermont Jobs Fund established by section 234 of this title for the purposes of this subchapter. Depending on its assessment of the progress of the family farm assistance program, the General Assembly may adjust the loan limits from those established for fiscal year 1986 and may establish appropriate loan limits in fiscal years 1987 and 1988. [Repealed.]~~

~~§ 277. PERSONNEL AND ADMINISTRATIVE SUPPORT~~

~~(a) The Secretary of Agriculture, Food and Markets, with the consent of the Vermont Rehabilitation Corporation, may use a portion of the funds provided under section 275 of this title, not to exceed \$20,000.00 in any fiscal year, to contract for assistance in reviewing loan applications, making recommendations to the board, reviewing compliance with loan conditions, and carrying out such other activities as the Secretary of Agriculture, Food and Markets may direct.~~

~~(b) The Secretary of Agriculture, Food and Markets may provide the Vermont Rehabilitation Corporation with additional personnel and other support as he or she deems necessary to carry out the purposes of this subchapter. [Repealed.]~~

~~\*\*\* State Natural Resources Conservation Council  
Board of Adjustment \*\*\*~~

~~Sec. 13. 10 V.S.A. chapter 31, subchapter 1 is amended to read:~~

~~Subchapter 1. Conservation, Development, and Use of Natural Resources~~

~~\*\*\*~~

~~§ 731. FAILURE TO OBSERVE LAND-USE ORDINANCE;  
CONFERENCES~~

~~(a) In the event that the supervisors of a district find that the provisions of a land-use ordinance adopted according to the provisions of this chapter are not being observed on particular lands, and that such nonobservance tends substantially to increase erosion on such lands and substantially interferes with the prevention or control of erosion or conservation of natural resources on other lands within the district, the supervisors may summon the owner of the land to appear before them to discuss the failure of the owner to observe the regulations, and to perform particular work, operations, or avoidances as~~

required by ordinance of the district, when the nonobservance tends substantially to increase erosion on the lands and substantially interferes with the prevention or control of erosion or conservation of natural resources on other lands within the district.

(b) By conference thus convoked, the supervisors and the owner of land not observing the ordinance adopted by the district, shall together make and sign a finding as to the issues ~~which~~ that are involved in the failure of the owner to observe the ordinance of the district.

(c)(1) Upon the basis of such findings and if, after conference, it appears to the supervisors that there are great practical difficulties or unnecessary hardship involved in the full observance of the ordinance of the district, the ~~supervisor~~ supervisors shall endeavor to work out a program with the owner, as shall be acceptable to the owner and shall enable the owner to comply with the ordinance.

(2)(A) Alternatively, upon the basis of their findings, the supervisors may authorize such variance from the ordinances in their application to the lands of the owner who has not complied with the ordinance of the district, when such variance will relieve practical difficulties or unnecessary hardship to that owner and when such variance is not contrary to public interest and is in accordance with the purpose of land use regulations.

(B) The supervisors may request the landowner not complying with an ordinance to sign a stipulation setting forth the conditions agreed upon by the landowner and supervisors so that the practical difficulties or unnecessary hardship may be overcome and the work proceed by the consent of such landowner upon the land.

(d) Nothing in this chapter shall be construed so as to make ineffective any remedies available under the laws of the State.

~~§ 732. NONCOMPLIANCE; REFERENCE TO BOARD OF ADJUSTMENT; COMPOSITION OF BOARD; TERMS, COMPENSATION, CONDUCT~~

~~(a) When by conference the supervisors and the landowner not complying with the ordinances of the district are unable to agree on the conditions under which compliance may be effected, the supervisors shall refer the matter to a board of adjustment which shall be appointed by the State Council upon request of the supervisors.~~

~~(b) The board of adjustment shall consist of three members appointed for a term of one year. The board shall elect its own chair. Vacancies in the board of adjustment shall be filled in the same manner as original appointments. The~~



~~members of the board shall receive compensation for their services at a rate not to exceed the per diem rate as defined by 32 V.S.A. § 1010(b) in addition to expenses incurred in the discharge of their duties. The State Council shall pay the necessary administrative and other expenses of operation incurred by the board upon vouchers signed by the chair of the board. The board shall adopt rules to govern its procedure, which rules shall be in accordance with the provisions of this chapter and with the provisions of any recommendations made by the State Council. Any two members of the board shall constitute a quorum. The chair, or in the chair's absence such other member of the board as the chair may designate to serve as acting chair, may administer oaths and compel the attendance of witnesses. All meetings of the board shall be open to the public. The board shall keep an accurate record of its proceedings, and shall file all documents and memoranda of proceedings with the state council, when each grievance has been adjusted. [Repealed.]~~

#### § 733. POWERS OF BOARD

~~Upon the basis of such inquiry as it deems it necessary to conduct, and upon the basis of findings resulting therefrom, the board of adjustment shall have authority by order to authorize such variance from the ordinances in their application to the lands of the owner who has not complied with the ordinance of the district, when such variance will relieve practical difficulties or unnecessary hardship to such owner and when such variance is not contrary to public interest and is in accordance with the purpose of land-use regulations. The board of adjustment may request the landowner not complying with an ordinance to sign a stipulation setting forth the conditions agreed upon by the landowner and supervisors so that the practical difficulties or unnecessary hardship may be overcome and work proceed by the consent of such landowner upon his land. However, nothing in this chapter shall be construed so as to make ineffective any remedies available under the laws of the state. [Repealed.]~~

#### § 734. SUPERVISORS MAY PETITION SUPERIOR COURT, WHEN

If a landowner does not sign such stipulation, the supervisors may petition the Superior Court to require such landowner to bring his or her land into conformity with the ordinance, and the ~~Court~~ court shall order such relief as it may deem necessary in the interest of public health, safety, and welfare. However, no landowner shall by ordinance or otherwise be required to pay any money or perform any act that shall not be for the protection of his or her own land nor shall he or she be required to pay any money, perform any act, or carry out any practice that shall not be in just proportion to the benefits that he or she will receive and further provided that he or she shall not be required to

pay any money, perform any act, or carry out any practice that shall not be deemed to be necessary for the public good.

\* \* \*

\* \* \* Pesticide Advisory Council \* \* \*

Sec. 14. 6 V.S.A. § 1102 is amended to read:

§ 1102. PESTICIDE ADVISORY COUNCIL ESTABLISHED

\* \* \*

(d) The functions of the Council are:

\* \* \*

(6) To recommend targets with respect to the State goal of achieving an overall reduction in the use of pesticides consistent with sound pest or vegetative management practices and to ~~issue an annual report to the General Assembly, detailing~~ measure the State's progress in reaching those targets and attaining that goal. The targets should be designed to enable evaluation of multiple measures of pesticide usage, use patterns, and associated risks. Targets should take into consideration at a minimum the following:

(A) reducing the amount of acreage where pesticides are used;

(B) reducing the risks associated with the use of pesticides;

(C) increasing the acreage managed by means of integrated pest management techniques;

(D) decreasing, within each level of comparable risk, the quantity of pesticides applied per acre; and

(E) making recommendations regarding the implementation of other management practices that result in decreased pesticide use.

\* \* \*

\* \* \* Vermont Milk Commission \* \* \*

Sec. 15. 6 V.S.A. § 2937 is amended to read:

§ 2937. ANNUAL PERIODIC REPORT

The Commission ~~shall~~ may report ~~annually as needed~~ on its activities to the House and Senate Committees on Agriculture ~~on or before January 15, beginning in 2009.~~

\* \* \* Sustainable Agriculture Council \* \* \*

Sec. 16. 6 V.S.A. § 4701 is amended to read:

§ 4701. SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION PROGRAM

(a) The purpose of this section is to promote research and education that will encourage the development and use of economically and ecologically sound sustainable agriculture practices such as organic methods, biological control, integrated pest management, soil improvement, cultivation, harvesting and irrigation techniques, and transportation and marketing innovations, through:

(1) ~~The~~ the control of pests and diseases of agricultural importance through alternatives that reduce or eliminate the use of pesticides and petrochemicals;

(2) ~~The~~ the production, processing, and distribution of food and fiber in ways that consider the interactions among soils, plants, water, air, animals, tillage, machinery, labor, energy, and transportation to enhance the viability of agricultural soils, public health, and resource conservation;

(3) ~~The~~ the expansion of marketing opportunities and promotion of products produced through the practice of sustainable agriculture ~~which~~ that will encourage the purchase of Vermont grown foods and promote regional food security; ~~and~~

(4) ~~The~~ the coordination of research and education activities on sustainable agriculture among private and public agencies and individuals within Vermont.

(b) ~~A Sustainable Agriculture Council is established, to be chaired by the Secretary of Agriculture, Food and Markets. The Council shall include the Secretary of Education and representatives, appointed by the Secretary of Agriculture, Food and Markets, of the College of Agriculture at the University of Vermont, University of Vermont Extension, Vermont Technical College and farm organizations, and a representative of the low input sustainable agriculture program of the U.S. Department of Agriculture. The Council shall meet on call of the Secretary and shall make recommendations regarding:~~

~~(1) Goals and priorities for ongoing public and private research of particular relevance to Vermont agriculture, and for the coordination of research and demonstration projects on sustainable agriculture.~~

~~(2) The dissemination of research results, the identification of future research needs and other useful information on sustainable agriculture.~~

~~(3) The use of State-owned lands, participating farmer managed land, and land owned by the University of Vermont and State Colleges System for continuing research on sustainable agriculture practices.~~

~~(4) Techniques for financing the integration of sustainable agriculture practices into farming operations.~~

~~(5) The teaching of sustainable agriculture practices in schools at the elementary, secondary, and postsecondary levels. [Repealed.]~~

(c) The Secretary of Agriculture, Food and Markets is authorized to apply for, accept, and make use of grants from public and private sources to achieve the objectives of this section, in accordance with the provisions of 32 V.S.A. § 5. In awarding grants, preference shall be given to individuals, especially farmers, conducting on-farm research.

~~(d) By January 15, annually, the Council shall prepare a report for distribution to participating organizations and the public summarizing developments in sustainable agriculture in Vermont and nationally. The report shall also make recommendations for future activities that will promote the objectives of this section. [Repealed.]~~

\* \* \* Vermont Transportation Authority \* \* \*

#### Sec. 17. REPEAL

29 V.S.A. chapter 16 (Vermont Transportation Authority) is repealed.

\* \* \* Capitol Complex Commission \* \* \*

Sec. 18. 29 V.S.A. § 182 is amended to read:

#### § 182. DEFINITIONS

As used in this chapter:

\* \* \*

(2) “~~Capitol complex commission~~ Complex Commission” means a commission consisting of ~~five~~ seven members.

(A) Four members shall be appointed by the ~~governor~~ Governor, with the advice and consent of the ~~senate~~ Senate, for a term of three years. One member shall be appointed by the Speaker of the House, and one member shall be appointed by the Senate Committee on Committees, each for a term of two years. The ~~fifth~~ seventh member shall be appointed by the Montpelier ~~city council~~ City Council for a term of two years.

(B) The ~~chair~~ Chair of the ~~capitol complex commission~~ Capitol Complex Commission shall be designated by the ~~governor~~ Governor.

~~(C) No more~~ Not fewer than two members of the ~~commission~~ Commission shall be residents of the ~~city~~ City of Montpelier, and ~~no a member may~~ shall not be an exempt employee of the ~~state~~ State of Vermont or a State legislator.

~~(D) The commissioner of buildings and general services~~ Commissioner of Buildings and General Services shall be the executive secretary of the ~~board~~ Commission and shall have no vote.

\* \* \*

\* \* \* Vermont Enhanced 911 Board \* \* \*

Sec. 19. VERMONT ENHANCED 911 BOARD; SECRETARY OF ADMINISTRATION; REPORT AND RECOMMENDATION

(a) On or before January 15, 2020, the Secretary of Administration shall report to the Senate Committee on Government Operations and the House Committee on Energy and Technology with a recommendation regarding to which agency or department the Vermont Enhanced 911 Board shall report beginning in Fiscal Year 2021.

(b) In formulating the recommendation required by this section, the Secretary shall receive input from the State and local agencies and departments impacted by any changes.

\* \* \* Artificial Intelligence Task Force \* \* \*

Sec. 20. 2018 Acts and Resolves No. 137, Sec. 1 is amended to read:

Sec. 1. ARTIFICIAL INTELLIGENCE TASK FORCE; REPORT

\* \* \*

(e) Meetings.

\* \* \*

(3) The Task Force shall meet not more than 10 15 times and, except that this limitation on meetings shall not apply to any public hearing the Task Force holds for the purpose of obtaining public testimony regarding artificial intelligence. The Task Force shall cease to exist on June 30, 2019 January 15, 2020.

\* \* \*

(h) Reports. On or before February 15, 2019, the Task Force shall submit an update to the Senate Committee on Government Operations and the House Committee on Energy and Technology. On or before ~~June 30, 2019~~ January 15, 2020, the Task Force shall submit a final report to the Senate

Committee on Government Operations and the House Committee on Energy and Technology that shall include:

\* \* \*

\* \* \* Contract Negotiations \* \* \*

Sec. 21. 3 V.S.A. § 925 is amended to read:

§ 925. MEDIATION; FACT FINDING

\* \* \*

(i)(1) If In the case of the Vermont State Colleges or the University of Vermont, if the dispute remains unresolved 20 days after transmittal of findings and recommendations to the parties or within a time frame mutually agreed upon by the parties that may be no more than an additional 30 days, each party shall submit as a single package its last best offer on all disputed issues to the Board. Each party's last best offer shall be filed with the Board under seal and shall be unsealed and placed in the public record only when both parties' last best offers are filed with the Board. The Board shall hold one or more hearings. Within 30 days of the certifications, the Board shall select between the last best offers of the parties, considered in its their entirety without amendment.

(2) In the case of the State of Vermont or the Department of State's Attorneys and Sheriffs, if the dispute remains unresolved 20 days after transmittal of findings and recommendations to the parties or within a time frame mutually agreed upon by the parties that may be no more than an additional 30 days, each party shall submit as a single package its last best offer on all disputed issues to the Board, or upon the request of either party, to an arbitrator mutually agreed upon by the parties. If the parties cannot agree on an arbitrator, the American Arbitration Association shall appoint a neutral third party to act as arbitrator. Each party's last best offer shall be filed with the Board or the arbitrator under seal and shall be unsealed and placed in the public record only when both parties' last best offers are filed with the Board or the arbitrator. The Board or the arbitrator shall hold one or more hearings. Within 30 days of the certifications, the Board or the arbitrator shall select between the last best offers of the parties, considered in their entirety without amendment.

(j) Notwithstanding the provisions of subsection (i) of this section,:

(1) In the case of the Vermont State Colleges or the University of Vermont, should the Board find the last best offers of both parties unreasonable and likely to produce undesirable results, or likely to result in a long-lasting negative impact upon the parties' collective bargaining

relationship, then the Board may select the recommendation of the fact finder under subsection (g) of this section as to those disputed issues submitted to the Board in the last best offers.

(2) In the case of the State of Vermont or the Department of State's Attorneys and Sheriffs, should the Board or the arbitrator find the last best offers of both parties unreasonable and likely to produce undesirable results, or likely to result in a long-lasting negative impact upon the parties' collective bargaining relationship, then the Board or the arbitrator may select the recommendation of the fact finder under subsection (g) of this section as to those disputed issues submitted to the Board or the arbitrator in the last best offers.

~~(k)(1) In the case of the State of Vermont or the Department of State's Attorneys and Sheriffs, the decision of the Board shall be final, and the terms of the chosen agreement shall be binding on each party, subject to appropriations in accordance with subsection 982(d) of this title. In the case of the University of Vermont or the Vermont State Colleges, the decision of the Board shall be final and binding on each party.~~

(2) In the case of the State of Vermont or the Department of State's Attorneys and Sheriffs, the decision of the Board or the arbitrator shall be final, and the terms of the chosen agreement shall be binding on each party, subject to appropriations in accordance with subsection 982(d) of this title.

(l) Nothing herein shall be construed to permit an arbitrator or the Board to issue an order under subsection (i) of this section binding upon the parties that is in conflict with any statute or any rule or regulation that is not bargainable.

Sec. 22. 21 V.S.A. § 1733 is amended to read:

§ 1733. ARBITRATION

(a)(1) ~~Nothing herein in this chapter~~ shall prevent the legislative body of a municipal employer and the exclusive bargaining agent from voluntarily submitting a contract impasse to final and binding arbitration or for the municipality by a referendum vote from adopting binding arbitration procedures, in the following form:

The arbitrator shall have the power to determine all issues in dispute involving wages, hours, and conditions of employment as defined by ~~this chapter~~ 21 V.S.A. chapter 22.

(2)(A) Notwithstanding any provision of subdivision (1) of this section, if an impasse continues between the legislative body of a municipal employer and the exclusive bargaining agent for municipal public safety employees for 20 days after a fact finder has made its report public under subsection 1732(e)

of this title, the legislative body of the municipal employer and the exclusive bargaining agent for the municipal public safety employees shall submit the contract impasse to final and binding arbitration pursuant to the provisions of this section.

(B) Notwithstanding section 1732 of this chapter to the contrary, after the mediator has certified to the Commissioner of Labor that the impasse continues, the legislative body of a municipal employer and the exclusive bargaining agent for municipal public safety employees may agree to proceed directly to final and binding arbitration pursuant to the provisions of this section without first submitting the dispute to fact finding pursuant to section 1732 of this chapter.

(C) The provisions of this subdivision (2) shall not apply to negotiations between the legislative body of a municipal employer and the exclusive bargaining agent for a bargaining unit that includes both municipal public safety employees and other municipal employees.

\* \* \*

Sec. 23. 21 V.S.A. § 1722 is amended to read:

§ 1722. DEFINITIONS

As used in this chapter:

\* \* \*

(22) “Municipal public safety employee” means a municipal employee who is:

(A) a firefighter as defined in 20 V.S.A. § 3151(3);

(B) an ambulance service, emergency medical personnel, or first responder service as defined in 24 V.S.A. § 2651; or

(C) a law enforcement officer who has been certified by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. § 2358.

Sec. 24. APPLICATION

Secs. 21-23 of this act (contract negotiations) shall apply to contract negotiations that begin on or after July 1, 2019.

\* \* \* Effective Date \* \* \*

Sec. 25. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(Committee vote: 4-0-1)

(For House amendments, see House Journal for January 31, 2019, pages 99-101 and February 1, 2019, page 108)



**Reported favorably with recommendation of proposal of amendment by Senator Ashe for the Committee on Appropriations.**

The Committee recommends that the Senate propose to the House that the bill be amended as recommended by the Committee on Government Operations with the following amendment thereto:

By striking out in its entirety Sec. 3 (Vermont State Archives and Records Administration; position) and inserting in lieu thereof the following:

Sec. 3. [Deleted.]

(Committee vote: 6-0-1)

**H. 330.**

An act relating to repealing the statute of limitations for civil actions based on childhood sexual abuse.

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

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 12 V.S.A. § 522 is amended to read:

§ 522. ACTIONS BASED ON CHILDHOOD SEXUAL ABUSE

(a) A civil action brought by any person for recovery of damages for injury suffered as a result of childhood sexual abuse ~~shall~~ may be commenced ~~within six years of~~ at any time after the act alleged to have caused the injury or condition, ~~or six years of the time the victim discovered that the injury or condition was caused by that act, whichever period expires later.~~ The victim need not establish which act in a series of continuing sexual abuse or exploitation incidents caused the injury.

(b) If a complaint is filed alleging an act of childhood sexual abuse ~~which occurred more than six years prior to the date the action is commenced,~~ the complaint shall immediately be sealed by the clerk of the court. The complaint shall remain sealed until the answer is served or, if the defendant files a motion to dismiss under Rule 12(b) of the Vermont Rules of Civil Procedure, until the court rules on that motion. If the complaint is dismissed, the complaint and any related papers or pleadings shall remain sealed. Any hearing held in connection with the motion to dismiss shall be in camera.

(c) As used in this section, “childhood sexual abuse” means any act committed by the defendant against a complainant who was less than 18 years

of age at the time of the act and which act would have constituted a violation of a statute prohibiting lewd and lascivious conduct, lewd or lascivious conduct with a child, felony sexual exploitation of a minor in violation of 13 V.S.A. § 3258(c), sexual assault, or aggravated sexual assault in effect at the time the act was committed.

(d) Notwithstanding 1 V.S.A. § 214, this section shall apply retroactively to childhood sexual abuse that occurred prior to the effective date of this act, irrespective of any statute of limitations in effect at the time the abuse occurred. In an action based on childhood sexual abuse that would have been barred by any statute of limitations in effect on June 30, 2019, damages may be awarded against an entity that employed, supervised, or had responsibility for the person allegedly committing the sexual abuse only if there is a finding of gross negligence on the part of the entity.

## Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 19, 2019, pages 513-514)

## H. 530.

An act relating to the qualifications and election of the Adjutant and Inspector General.

**Reported favorably with recommendation of proposal of amendment by Senator White for the Committee on Government Operations.**

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 2 V.S.A. § 10 is amended to read:

### § 10. ELECTION OF STATE AND JUDICIAL OFFICERS

(a) At 10 o'clock and 30 minutes, forenoon, on the seventh Thursday after their biennial meeting and organization, the Senate and House of Representatives shall meet in joint assembly and proceed therein to elect the State officers, except judicial officers, whose election by the Constitution and laws devolves in the first instance upon them in joint assembly, including the Sergeant at Arms, ~~the Adjutant and Inspector General,~~ and the legislative trustees of the University of Vermont and State Agricultural College. In case election of all such officers shall not be made on that day, they shall meet in

joint assembly at 10 o'clock and 30 minutes, forenoon, on each succeeding day, Saturdays and Sundays excepted, and proceed in such election, until all such officers are elected.

\* \* \*

Sec. 2. REDESIGNATION; ADDITION OF SUBCHAPTER

20 V.S.A. chapter 21, subchapter 1, which shall include 20 V.S.A. §§ 361–369, is added to read:

Subchapter 1. General Provisions

Sec. 3. 20 V.S.A. chapter 21, subchapter 2 is added to read:

Subchapter 2. Adjutant and Inspector General Nominating Board

§ 370. ADJUTANT AND INSPECTOR GENERAL NOMINATING BOARD

(a) The Adjutant and Inspector General Nominating Board is created to nominate candidates for Adjutant and Inspector General.

(b)(1) The Board shall consist of nine members who shall be selected as follows:

(A) one member appointed by the Governor, who shall not be a current member of the Vermont National Guard;

(B) one member appointed by the Executive Director of the Vermont Office of Veterans Affairs, who shall be a veteran but shall not be a current member of the Vermont National Guard;

(C) one member appointed by the Chief Justice of the Vermont Supreme Court, who shall not be a current member of the Vermont National Guard;

(D) three members of the House, not all of whom shall be members of the same party, appointed by the Speaker of the House; and

(E) three members of the Senate, not all of whom shall be members of the same party, appointed by the Committee on Committees.

(2)(A) The members of the Board shall serve for terms of two years and may serve for not more than three consecutive terms.

(B)(i) All appointments shall be made between January 15 and February 15 of each odd-numbered year, except to fill a vacancy.

(ii) Any vacancy in the membership of the Board shall be filled by the appointing authority for the remainder of the term.

(C) Members shall serve until their successors are appointed.

(3) The members shall elect their own chair who shall serve for a term of two years.

(c) Legislative members of the Board shall be entitled to per diem compensation and reimbursement for expenses in accordance with 2 V.S.A. § 406. Members of the Board who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement for expenses in the same manner as board members are compensated under 32 V.S.A. § 1010. The compensation and reimbursement for the Board members shall be paid from the legislative appropriation.

(d) A quorum of the Board shall consist of a majority of the members.

(e) The Board may use the staff and services of the Legislative Council to, in addition to other duties, obtain information regarding candidates for Adjutant and Inspector General by soliciting comments from members of the Vermont National Guard and the public.

§ 371. DECLARATION OF CANDIDACY FOR ADJUTANT AND INSPECTOR GENERAL; REQUIREMENTS

(a)(1) All candidates for Adjutant and Inspector General shall, on or before January 15 of each even-numbered year, declare their candidacy to the Board pursuant to procedures adopted by the Board and demonstrate that they meet the qualifications set forth in subsection (b) of this section as required pursuant to procedures adopted by the Board.

(2)(A) In the case of a vacancy occurring during a term, any candidates for Adjutant and Inspector General shall, not later than 90 days after the office of Adjutant and Inspector General becomes vacant, declare their candidacy to the Board pursuant to procedures adopted by the Board and demonstrate that they meet the qualifications set forth in subsection (b) of this section as required pursuant to procedures adopted by the Board.

(B) During a vacancy in the Office of Adjutant and Inspector General, the Deputy Adjutant General shall fulfill the Duties of the Office until a new Adjutant and Inspector General is appointed by the Governor.

(b) A candidate for Adjutant and Inspector General shall:

(1) be a resident of Vermont;

(2) have attained the rank of lieutenant colonel (O-5) or above;

(3) be a current member of the U.S. Army, the U.S. Air Force, the U.S. Army Reserve, the U.S. Air Force Reserve, the Army National Guard or

the Air National Guard, or be eligible to return to active service in the Army National Guard or the Air National Guard; and

(4) be a graduate of a Senior Service College or currently enrolled in a Senior Service College.

(c) As used in this section, “resident of Vermont” means an individual who is domiciled in Vermont as evidenced by an intent to maintain a principal dwelling place in Vermont indefinitely and to return to Vermont if temporarily absent, coupled with an act or acts consistent with that intent.

#### § 372. PROCEDURES OF THE BOARD; CONFIDENTIALITY

(a) The Board shall endeavor to adopt all necessary forms and procedures for receiving and reviewing applications of candidates for Adjutant and Inspector General by September 30 of the first year of each biennial session.

(b) The Board’s procedures shall not be subject to rulemaking under 3 V.S.A. §§ 836–844 and may be adopted and revised at the discretion of the Board.

(c) All candidates shall have the right to a reasonable time period to prepare and present to the Board a response to any testimony or written complaint adverse to their candidacy for Adjutant and Inspector General.

(d)(1) Except as otherwise provided by subdivision (2) of this subsection:

(A) the proceedings of the Board shall be confidential and exempt from the Vermont Open Meeting Law, 1 V.S.A. chapter 5, subchapter 2; and

(B) all records of the Board, including information related to candidates, shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

(2) The following shall be public:

(A) the Board’s operating procedures;

(B) the Board’s application procedures and any application or other forms used by the Board, provided they do not contain information about a candidate or confidential proceedings;

(C) proceedings of the Board that are not directly related to the consideration of candidates;

(D) the names of the candidates; and

(E) the list of well-qualified candidates submitted to the Governor by the Board.

§ 373. DUTIES OF NOMINATING BOARD

(a) Evaluation. In determining whether a candidate for Adjutant and Inspector General should be submitted to the Governor for consideration, the Board shall do the following:

(1) Interview the candidate for Adjutant and Inspector General.

(2) Hold a hearing to receive information and hear testimony in relation to the candidates.

(3) Review comments received in relation to the candidate from members of the Vermont National Guard and the public. The Board may, in its discretion, conduct interviews or seek additional information related to comments received in relation to a candidate.

(4) Determine whether the candidate is well qualified for appointment by the Governor based on the candidate's application materials and interview, and any comments and related information received in relation to the candidate. The Board shall evaluate whether each candidate is well qualified based on:

(A) whether the candidate satisfies the qualifications set forth in subsection 371(b) of this chapter; and

(B) the candidate's leadership; integrity; and administrative and communication skills.

(b) Nomination. After interviewing and evaluating each of the candidates, the Board shall submit to the Governor a list of all well qualified candidates for Adjutant and Inspector General.

Sec. 4. 20 V.S.A. § 363 is amended to read:

§ 363. OFFICERS GENERALLY

(a)(1) ~~The General Assembly shall biennially elect~~ On or before April 15 of the second year of each biennial session, the Governor shall appoint, with the advice and consent of the Senate and from a list of candidates submitted by the Adjutant and Inspector General Nominating Board, an Adjutant and Inspector General, ~~who~~ for a term of two years.

(2) An Adjutant and Inspector General appointed to fill a vacancy occurring during a term shall serve the remainder of the unexpired term.

(3)(A) The Adjutant and Inspector General shall, at all times during the term of office satisfy the requirements set forth in 20 V.S.A. § 371(b).

(b) The Adjutant and Inspector General shall also be Quartermaster General with the rank of a major general.

(c)(1) The Adjutant General may appoint a ~~deputy~~ Deputy with appropriate rank, the approval of the Governor. The Adjutant General may also appoint an Assistant Adjutant General for Army, an Assistant Adjutant General for Air, an Assistant Adjutant General for Joint Operations, a Sergeant Major, and a Chief Master Sergeant, without pay, with the approval of the Governor.

(2) The Adjutant and Inspector General may remove the appointed assistant adjutant generals and sergeants and shall be responsible for their acts.

(3) Upon appointment, each Assistant Adjutant General shall be a federally recognized officer of the National Guard of the rank of lieutenant colonel or above, and shall have a rank of colonel or brigadier general, and the Sergeant Major shall be a federally recognized noncommissioned officer of the National Guard of the rank of master sergeant or first sergeant or above, and the Chief Master Sergeant shall be a federally recognized noncommissioned officer of the rank of senior master sergeant or first sergeant.

(4) The Deputy, ~~Assistants~~ assistants, and ~~Sergeants~~ sergeants shall perform duties as the Adjutant and Inspector General and ~~Quartermaster General~~ shall direct.

(d)(1) In the absence or disability of the ~~officer~~ Adjutant and Inspector General, the Deputy shall perform the duties of that office.

(2) In case a vacancy occurs in the office of Adjutant and Inspector General and ~~Quartermaster General~~, the Deputy shall assume and discharge the duties of the office until the vacancy is filled.

(e) ~~The appointments~~ Appointments made pursuant to subsections (a) and (c) of this section shall be in writing and recorded in the ~~office~~ Office of the Secretary of State.

(f) All other officers of the National Guard shall be chosen in accordance with rules adopted by the Governor consistent with the laws of this State and the United States.

#### Sec. 5. ADJUTANT AND INSPECTOR GENERAL; CURRENT TERM

Notwithstanding any provision of law to the contrary, the term of the Adjutant and Inspector General in office on the effective date of this act shall end on April 15, 2022.

#### Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2020.

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

An act relating to the qualifications and appointment of the Adjutant and Inspector General.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 22, 2019, pages 646-647)

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

#### **H. 514**

An act relating to miscellaneous tax provisions

The House concurs in the Senate proposal of amendment with further amendments thereto as follows:

First: by inserting a Sec. 7a and 7b to read as follows:

Sec. 7a. 32 V.S.A. § 5833 is amended to read:

#### § 5833. ALLOCATION AND APPORTIONMENT OF INCOME

(a) If the income of a taxable corporation is derived from any trade, business, or activity conducted entirely within this State, the Vermont net income of the corporation shall be allocated to this State in full. If the income of a taxable corporation is derived from any trade, business, or activity conducted both within and outside this State, the amount of the corporation's Vermont net income ~~which~~ that shall be apportioned to this State, so as to allocate to this State a fair and equitable portion of that income, shall be determined by multiplying that Vermont net income by the arithmetic average of the following factors, with the sales factor described in subdivision (3) of this subsection double-weighted:

(1) The average of the value of all the real and tangible property within this State (A) at the beginning of the taxable year and (B) at the end of the taxable year (but the Commissioner may require the use of the average of such value on the 15th or other day of each month, in cases where he or she determines that such computation is necessary to more accurately reflect the average value of property within Vermont during the taxable year), expressed as a percentage of all such property both within and outside this State;

(2) The total wages, salaries, and other personal service compensation paid during the taxable year to employees within this State, expressed as a percentage of all such compensation paid whether within or outside this State;



(3) The gross sales, or charges for services performed, within this State, expressed as a percentage of such sales or charges whether within or outside this State.

(A) Sales of tangible personal property are made in this State if:

(i) the property is delivered or shipped to a purchaser, other than the ~~United States~~ U.S. government, who takes possession within this State, regardless of f.o.b. point or other conditions of sale; or

(ii) the property is shipped from an office, store, warehouse, factory, or other place of storage in this State; and

(A)(I) the purchaser is the ~~United States~~ U.S. government; or

(B)(II) the corporation is not taxable in the State in which the purchaser takes possession. ~~Sales other than sales of tangible personal property are in this State if the income producing activity is performed in this State or the income producing activity is performed both in and outside this State and a greater proportion of the income producing activity is performed in this State than in any other state, based on costs of performance.~~

(B) Sales, other than the sale of tangible personal property, are in this State if the taxpayer's market for the sales is in this State. The taxpayer's market for sales is in this State:

(i) in the case of sale, rental, lease, or license of real property, if and to the extent the property is located in this State;

(ii) in the case of rental, lease, or license of tangible personal property, if and to the extent the property is located in this State;

(iii) in the case of sale of a service, if and to the extent the service is delivered to a location in this State; and

(iv) in the case of intangible property:

(I) that is rented, leased, or licensed, if and to the extent the property is used in this State, provided that intangible property utilized in marketing a good or service to a consumer is "used in this State" if that good or service is purchased by a consumer who is in this State; and

(II) that is sold, if and to the extent the property is used in this State, provided that:

(aa) a contract right, government license, or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area is "used in this State" if the geographic area includes all or part of this State;

(bb) receipts from intangible property sales that are contingent on the productivity, use, or disposition of the intangible property shall be treated as receipts from the rental, lease, or licensing of such intangible property under subdivision (iv)(I) of this subdivision (B); and

(cc) all other receipts from a sale of intangible property shall be excluded from the numerator and denominator of the receipts factor.

(C) If the state or states of assignment under subdivision (B) of this subsection cannot be determined, the state or states of assignment shall be reasonably approximated.

(D) If the taxpayer is not taxable in a state to which a receipt is assigned under subdivision (B) or (C) of this subsection, or if the state of assignment cannot be determined under subdivision (B) of this subsection or reasonably approximated under subdivision (C) of this subsection, such receipt shall be excluded from the denominator of the receipts factor.

(E) The Commissioner of Taxes shall adopt regulations as necessary to carry out the purposes of this section.

(b) If the application of the provisions of this section does not fairly represent the extent of the business activities of a corporation within this State, the corporation may petition for, or the Commissioner may require, with respect to all or any part of the corporation's business activity, if reasonable:

(1) ~~Separate~~ separate accounting;

(2) ~~The~~ the exclusion or modification of any or all of the factors;

(3) ~~The~~ the inclusion of one or more additional factors ~~which~~ that will fairly represent the corporation's business activity in this State; or

(4) the employment of any other method to effectuate an equitable allocation and apportionment of the corporation's income.

#### Sec. 7b. REPORT

As part of the General Assembly's continuing effort to modernize Vermont's corporate income tax code and to foster economic development in the State, the Department of Taxes, with the assistance of the Joint Fiscal Office and the Office of Legislative Council, shall provide the General Assembly with a report, not later than December 15, 2019, analyzing the following issues related to Vermont's corporate income tax. The report shall:

(1) identify and analyze any fiscal, legal, distributional, and administrative issues related to moving Vermont from its current apportionment formula under 32 V.S.A. § 5833 to a single sales factor;

(2) evaluate the impact of the current exclusion of overseas business organizations from an affiliated group, and identify and analyze any fiscal, legal, distributional, and administrative issues related to eliminating that exclusion;

(3) in consultation with the Vermont Banker’s Association, compare the impact of the current bank franchise tax to the impact of a taxing regime where there is no bank franchise tax, and financial institutions pay the Vermont corporate tax based on Vermont’s current apportionment factors with the market-based sourcing changes made in this act; and

(4) examine alternatives to Vermont’s corporate income tax which could more accurately capture corporate economic activity within Vermont, focusing particularly on corporations who conduct business in the State, but who have little or no taxable income.

Second: In Sec. 17a (repeal) by striking out “2021” and inserting “2022”

Third: By striking out Secs. 32 (land use change tax) and 32a (rulemaking) in their entireties and inserting in lieu thereof the following:

Sec. 32. [Deleted.]

Sec. 32a. [Deleted.]

Fourth: By striking out Sec. 36b (veterinary supplies) in its entirety and inserting in lieu thereof the following:

Sec. 36b. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

\* \* \*

(3) Agriculture feeds, seed, plants, baler twine, silage bags, agricultural wrap, sheets of plastic for bunker covers, liming materials, breeding and other livestock, semen breeding fees, baby chicks, turkey poults, agriculture chemicals other than pesticides, ~~veterinary supplies~~, and bedding; and fertilizers and pesticides for use and consumption directly in the production for sale of tangible personal property on farms, including stock, dairy, poultry, fruit and truck farms, orchards, nurseries, or in greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities for sale.

\* \* \*

(53) Prescription drugs intended for animal use, and durable medical equipment, prosthetics and veterinary supplies intended for agricultural use. As used in this subdivision, “prescription drugs intended for animal use” means a drug dispensed only by or upon the lawful written order of a licensed veterinarian, and “veterinary supplies” mean tangible personal property therapeutic in nature, not normally used absent illness or injury, and not intended for repeated usage.

Fifth: In Sec. 37 (repeals), by striking out subdivision (1) in its entirety and renumbering the remaining subdivisions to be numerically correct.

Sixth: In Sec. 38 (effective dates) by adding a subdivision (5) to read:

(5) Sec. 7a (market-based sourcing) shall take effect on January 1, 2020, and apply to tax years starting after that date.

## **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.

**H.C.R. 165 - 175** (For text of Resolutions, see Addendum to House Calendar for May 9, 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.

Lindsay H. Kurrle of Middlesex – Commissioner, Department of Labor – By Sen. Clarkson for the Committee on Economic Development, Housing and General Affairs. (5/1/19)

Kenneth A. Schatz of South Burlington – Commissioner, Department for Children and Families – By Sen. Ingram for the Committee on Health and Welfare. (5/3/19)