

Senate Calendar

FRIDAY, MAY 24, 2019

SENATE CONVENES AT: 10:00 A.M.

TABLE OF CONTENTS

Page No.

ACTION CALENDAR

UNFINISHED BUSINESS OF MAY 16, 2019

Third Reading

H. 107 An act relating to paid family and medical leave..... 3382

UNFINISHED BUSINESS OF MAY 21, 2019

House Proposal of Amendment

S. 23 An act relating to increasing the minimum wage..... 3382

S. 162 An act relating to promoting economic development..... 3393

NEW BUSINESS

Report of Committee of Conference

H. 542 An act relating to making appropriations for the support of government..... 3412

(For text of Report of the Committee of Conference, see Addendum to Senate Calendar for May 23, 2019)

NOTICE CALENDAR

Reports of Committees of Conference

H. 132 An act relating to domestic violence..... 3412

H. 541 An act relating to changes that affect the revenue of the State..... 3425

ORDERS OF THE DAY

ACTION CALENDAR

UNFINISHED BUSINESS OF THURSDAY, MAY 16, 2019

Third Reading

H. 107.

An act relating to paid family and medical leave.

UNFINISHED BUSINESS OF TUESDAY, MAY 21, 2019

House Proposal of Amendment

S. 23

An act relating to increasing the minimum wage.

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. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a)(1) ~~An~~ Except as otherwise provided pursuant to subdivision (B) of this subdivision (a)(1), an employer shall not employ any employee at a rate of less than \$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and beginning \$10.78. Beginning on January 1, 2019 2020, and on each subsequent January 1, the minimum wage rate shall be increased by two and one quarter times the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, provided that the rate of increase shall not be more than five and one half percent, until the minimum wage is equal to or greater than \$15.00. On January 1 of the first year after the minimum wage rate reaches an amount that is equal to or greater than \$15.00 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in . In no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.

(2) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than one-half the minimum wage. As used in this subsection, “a service or tipped employee” means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.

(3) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont pursuant to subdivision (1) of this subsection for any year, the minimum wage rate for that year shall be the rate established by the U.S. government.

* * *

(e)(1) A tip shall be the sole property of the employee or employees to whom it was paid, given, or left. An employer that permits patrons to pay tips by credit card shall pay an employee the full amount of the tip that the customer indicated, without any deductions for credit card processing fees or costs that may be charged to the employer by the credit card company.

(2) An employer shall not collect, deduct, or receive any portion of a tip left for an employee or credit any portion of a tip left for an employee against the wages due to the employee pursuant to subsection (a) of this section.

(3) This subsection shall not be construed to prohibit the pooling of tips among:

(A) service or tipped employees as defined pursuant to subsection (a) of this section; or

(B) service or tipped employees who are paid at least the federal minimum wage established pursuant to 29 U.S.C. § 206(a)(1) and non-supervisory employees who do not customarily and regularly receive more than \$120.00 per month in tips for direct and personal customer service.

(f)(1) Notwithstanding 2 V.S.A. § 20(d), on or before December 1, 2019, and on or before each subsequent December 1 until the minimum wage established pursuant to subdivision (a)(1) of this section reaches \$15.00, the Commissioner of Taxes shall submit a written report to the Governor and the General Assembly regarding whether the inflation-adjusted revenues from the sales tax imposed pursuant to 32 V.S.A. § 9771 and the use tax imposed pursuant to 32 V.S.A. § 9773 for the 12-month period ending on September 30 of that year have decreased by two percent or more relative to the revenues from the sales tax and use tax for the 12-month period ending on September 30 of the previous year.

(2) Notwithstanding subdivision (a)(1) of this section, the minimum wage rate established pursuant to subdivision (a)(1) shall be increased by the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1 or by five percent, whichever is smaller, on January 1 of the next calendar year if both of the following occur:

(A) the Commissioner of Taxes' report indicates that the inflation-adjusted revenues from the sales tax imposed pursuant to 32 V.S.A. § 9771 and the use tax imposed pursuant to 32 V.S.A. § 9773 for the 12-month period ending on September 30 of that year have decreased by two percent or more relative to the revenues from the sales tax and use tax for the 12-month period ending on September 30 of the previous year; and

(B) the official State revenue estimate for the General Fund in the current or next fiscal year has been reduced by two percent or more.

Sec. 2. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

Terms used in this subchapter have the following meanings As used in this subchapter, unless a different meaning is clearly apparent from the language or context:

(1) “Commissioner,” means the Commissioner of Labor or designee.

(2) “Employee,” means any individual employed or permitted to work by an employer except:

* * *

(G) ~~taxi-cab~~ taxicab drivers;

(H) outside salespersons; and

(I) secondary school students under 18 years of age working during all or any part of the school year or regular vacation periods. As used in this subdivision (2)(I), “regular vacation periods” does not include the period between two successive academic years.

(3) “Occupation,” means an industry, trade, or business or branch thereof, or a class of work in which workers are gainfully employed.

(4) “Tip” means a sum of money gratuitously and voluntarily left by a customer for service, or indicated on a bill or charge statement, to be paid to a service or tipped employee for directly and personally serving the customer in a hotel, motel, tourist place, or restaurant. An employer-mandated service charge shall not be considered a tip.

Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) It is the intent of the General Assembly that investments and initiatives set forth in this section and Sec. 4 of this act are meant to complement the anticipated redesign of the Child Care Financial Assistance Program, which shall be monitored by the General Assembly.

(b) In fiscal year 2020, of the funds appropriated from the General Fund to the Department for Children and Families' Child Development Division, \$1,250,000.00 shall be used to restore the base for the Child Care Financial Assistance Program (CCFAP) and \$6,900,000.00 shall be used to adjust the sliding fee scale and reimbursement rates in CCFAP as follows:

(1) adjust the sliding fee scale of CCFAP to ensure that families whose gross income is up to 100 percent of the current federal poverty guidelines receive 100 percent of the available benefit and that families whose gross income is between 100 and 300 percent of the current federal poverty guidelines receive between 99 and 10 percent of the available financial assistance benefit, scaling between set eligibility levels as follows:

(A) 95 percent of the available financial assistance benefit for families at 125 percent of the current federal poverty guidelines;

(B) 75 percent of the available financial assistance benefit for families at 150 percent of the current federal poverty guidelines;

(C) 50 percent of the available financial assistance benefit for families at 200 percent of the current federal poverty guidelines; and

(D) 10 percent of the available financial assistance benefit for families at 300 percent of the current federal poverty guidelines; and

(2) align rates of reimbursement for preschool and school age children participating in CCFAP in fiscal year 2020 with the market rates reported on the 2015 Vermont Market Rate Survey and maintain rates of reimbursement for infants and toddlers participating in CCFAP in fiscal year 2020 with the market rates reported on the 2017 Vermont Market Rate Survey.

Sec. 4. 33 V.S.A. § 3512(a)(4) is added to read:

(4) Beginning on January 1, 2025 and each subsequent year the minimum wage is increased thereafter, the Commissioner for Children and Families shall amend the Department for Children and Families' Child Care Financial Assistance Program to:

(A) adjust the sliding fee scale to correspond with each minimum wage increase required pursuant to 21 V.S.A. § 384(a)(1) in order to ensure that the benefit percentage at each new minimum wage level is not lower than the percentage applied under the former minimum wage; and

(B) adjust the rate of reimbursement paid to providers on behalf of families participating in the Child Care Financial Assistance Program in a manner that offsets the estimated increased cost of child care in Vermont resulting from an increase in the minimum wage required pursuant to 21 V.S.A. § 384(a)(1).

Sec. 5. INCREASES FOR EMPLOYEES OF CERTAIN MEDICAID-PARTICIPATING PROVIDERS AND INDEPENDENT DIRECT SUPPORT PROVIDERS; REPORT

(a) On or before December 15, 2019, the Secretary of Human Services, in consultation with the Joint Fiscal Office and relevant service providers, shall submit a written report to the House Committees on Appropriations, on General, Housing, and Military Affairs, on Health Care, and on Human Services and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Health and Welfare regarding the projected costs for fiscal years 2020 and 2021 of increasing Medicaid reimbursement rates to:

(1) Medicaid participating providers, including designated agencies, specialized service agencies, home health agencies, nursing homes, residential care homes, assisted living residences, and adult day agencies, by an amount necessary to facilitate the payment of wages to their employees who are providing services pursuant to the State Medicaid Program that are equal to at least the minimum wage set forth in 21 V.S.A. § 384; and

(2) independent direct support providers who are providing home- and community-based services pursuant to the State Medicaid Program to facilitate the payment of wages to those independent direct support providers that are equal to at least the minimum wage set forth in 21 V.S.A. § 384.

(b)(1) On or before August 15, 2019, the Secretary of Human Services shall request any documentation of wages and related costs that the Secretary determines to be necessary to develop the projections required pursuant to subsection (a) of this section from:

(A) Medicaid participating providers with employees who are providing services pursuant to the State Medicaid Program and earn wages that are at or near the minimum wage set forth in 21 V.S.A. § 384; and

(B) any fiscal services agency providing payroll services in relation to independent direct support providers who are providing home- and community-based services pursuant to the State Medicaid Program.

(2) Service providers and fiscal services agencies shall, on or before October 15, 2019, provide to the Secretary the documentation requested pursuant to subdivision (1) of this subsection.

(3) Any service provider that fails to provide the information requested by the Secretary pursuant to this subsection shall forfeit the right in fiscal years 2020 and 2021 to any increase in Medicaid reimbursement rates that is proposed pursuant to subsection (a) of this section.

Sec. 6. MINIMUM WAGE FOR EMPLOYERS PROVIDING BENEFITS;
STUDY COMMITTEE; REPORT

(a) Creation. There is created the Minimum Wage for Employers Providing Benefits Study Committee to examine the possibility of creating a separate minimum wage rate for employers that provide certain benefits to their employees that would increase more slowly than the standard minimum wage.

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

(1) a current member of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) a current member of the Senate, who shall be appointed by the Committee on Committees;

(3) a representative of employers, who shall be appointed by the Speaker of the House;

(4) a representative of employees earning wages that are at or near the minimum wage, who shall be appointed by the Committee on Committees; and

(5) the Commissioner of Labor or designee.

(c) Powers and duties. The Committee shall study the possibility of creating a separate minimum wage rate for employers that provide certain benefits to their employees that would increase more slowly than the standard minimum wage, including the following topics:

(1) the experience of jurisdictions that have created a second minimum wage rate for employers that provide certain benefits to their employees that would increase more slowly than the standard minimum wage;

(2) the advantages and drawbacks of permitting an employer to qualify for a minimum wage rate that increases more slowly than the standard minimum wage by providing certain types of benefits, including health insurance, retirement, child care reimbursement, family and medical leave, and tuition reimbursement; and

(3) an appropriate minimum value of benefits that must be provided to qualify an employer for a second minimum wage rate that increases more slowly than the standard minimum wage.

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

(e) Report. On or before January 15, 2020, the Committee shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The member from the House shall call the first meeting of the Committee to occur on or before September 15, 2019.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Committee shall cease to exist on January 31, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than four meetings.

(2) Other members of the Committee who are not otherwise compensated for their attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than four meetings.

(3) Payments to members of the Committee authorized under this subsection shall be made from monies appropriated to the General Assembly.

Sec. 7. MINIMUM WAGE; ADJUSTMENT FOR INFLATION; REPORT

On or before January 15, 2023, the Office of Legislative Council and the Joint Fiscal Office shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding potential mechanisms for indexing the minimum wage established pursuant to 21 V.S.A. § 384 to inflation after 2024. In particular, the report shall:

(1) identify and examine mechanisms that other jurisdictions use to index their minimum wages to inflation and the potential benefits and disadvantages of each mechanism; and

(2) identify and examine any alternative mechanisms to index the minimum wage to inflation, including alternative measures of inflation, and the potential benefits and disadvantages of each mechanism.

Sec. 8. TIPPED AND STUDENT MINIMUM WAGE STUDY
COMMITTEE; REPORT

(a) Creation. There is created the tipped and student minimum wage study committee to examine the effects of altering or eliminating the basic wage rate for tipped employees in Vermont and of eliminating the subminimum wage for secondary school students during the school year.

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

(1) one member of the House appointed by the Speaker of the House;

(2) one member of the Senate appointed by the Committee on Committees;

(3) the Commissioner of Labor or designee;

(4) the Commissioner for Children and Families or designee;

(5) one member representing employers in the food service or hospitality industry, appointed by the Speaker of the House; and

(6) one member representing tipped workers in the food service or hospitality industry, appointed by the Committee on Committees.

(c) Powers and duties. The Committee shall study the effects of altering or eliminating the basic wage rate for tipped employees and of eliminating the subminimum wage for secondary school students during the school year, including the following issues:

(1) the impact in states that have eliminated their tipped wage on:

(A) jobs, prices, and the state economy; and

(B) the welfare of tipped workers, women, and working families with children;

(2) the impact in states that have increased their tipped wage during the last 10 years on:

(A) jobs, prices, and the state economy; and

(B) the welfare of tipped workers, women, and working families with children;

(3) the impact in states that have decoupled their tipped wage from the standard minimum wage during the last 10 years on:

(A) jobs, prices, and the state economy; and

(B) the welfare of tipped workers, women, and working families with children;

(4) the projected impact in Vermont of altering or eliminating the basic wage rate for tipped employees on:

(A) jobs, prices, and the State economy; and

(B) the welfare of tipped workers, women, and working families with children; and

(5) the projected impact in Vermont of eliminating the subminimum wage for secondary school students on jobs, prices, the State economy, and the welfare of individuals under 22 years of age.

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

(e) Report. On or before December 15, 2019, the Committee shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs with its findings and recommendations, if any, for legislative action related to Vermont's basic wage for tipped employees and subminimum wage for secondary school students.

(f) Meetings.

(1) The Commissioner of Labor shall call the first meeting of the Committee to occur on or before September 15, 2019.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Committee shall cease to exist on January 30, 2020.

(g) Compensation and reimbursement.

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

(2) Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 9. MINIMUM WAGE FOR AGRICULTURAL WORKERS;
WORKING GROUP; REPORT

(a) Creation. There is created the Agricultural Minimum Wage Working Group to examine the wage and hour laws for agricultural workers.

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

(1) one member of the House appointed by the Speaker of the House;

(2) one member of the Senate appointed by the Committee on Committees;

(3) The Secretary of Agriculture or designee; and

(4) The Commissioner of Labor or designee.

(c) Powers and duties. The Working Group shall study the wage and hour laws for agricultural workers, including the following issues:

(1) the overlapping legal requirements of the federal Fair Labor Standards Act and Vermont's wage and hour laws with respect to agricultural employees and employers;

(2) particular issues and challenges related to federal and State wage and hour laws that Vermont's agricultural employees and employers face; and

(3) how other states have addressed similar issues and challenges in their wage and hour laws.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Office of Legislative Council.

(e) Report. On or before December 15, 2019, the Working Group shall submit a written report to the House Committees on Agriculture and on General, Housing, and Military Affairs and the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The member from the House shall call the first meeting of the Working Group to occur on or before September 15, 2019.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Working Group shall cease to exist on January 30, 2020.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than four meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 10. LEGISLATIVE COUNCIL; DRAFT LEGISLATION

On or before January 15, 2020, the Office of Legislative Council shall prepare and submit a draft bill to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs that makes statutory amendments of a technical nature to modernize the statutory language of 21 V.S.A. chapter 5, subchapter 3. The draft bill shall also identify provisions of 21 V.S.A. chapter 5, subchapter 3 that may require amendment in order to eliminate out-of-date and obsolete provisions. The Office of Legislative Council shall consult with the Commissioner of Labor to identify language requiring modernization and provisions that are out-of-date or obsolete.

Sec. 11. EFFECTIVE DATES

(a) In Sec. 2, 21 V.S.A. § 383, the amendments to subdivisions (2)(G) and (I) shall take effect on January 1, 2020. The remaining provisions of Sec. 2 shall take effect on July 1, 2019.

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

House Proposal of Amendment

S. 162

An act relating to promoting economic development.

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:

* * * New Remote Worker Grant Program * * *

Sec. 1. 2018 Acts and Resolves No. 197, Sec. 1 is amended to read:

Sec. 1. NEW REMOTE WORKER GRANT PROGRAM

(a) As used in this section:

(1) “New remote worker” means an individual who:

(A) is a full-time employee of a business with its domicile or primary place of business within or outside Vermont;

(B) becomes a full-time resident of this State on or after January 1, 2019; and

(C) performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(2) “Qualifying remote worker expenses” means actual costs a new remote worker incurs for one or more of the following that are necessary to perform his or her employment duties:

(A) relocation to this State;

(B) computer software and hardware;

(C) broadband access or upgrade; and

(D) membership in a co-working or similar space.

(b)(1) The Agency of Commerce and Community Development shall design and implement the New Remote Worker Grant Program, which shall include a simple certification process to certify new remote workers and certify qualifying expenses for a grant under this section.

(2) A new remote worker may be eligible for a grant under the Program for qualifying remote worker expenses in the amount of not more than \$5,000.00 per year, not to exceed a total of \$10,000.00 per individual new remote worker over the life of the Program.

(3) The Agency shall award grants under the Program on a first-come, first-served basis, subject to available funding, as follows:

~~(A) not more than \$125,000.00 in calendar year 2019;~~
~~(B) not more than \$250,000.00 in calendar year 2020;~~
~~(C) not more than \$125,000.00 in calendar year 2021; and~~
~~(D) not more than \$100,000.00 per year in each subsequent calendar year, to the extent funding remains available.~~

(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) On or before October 1, 2019, 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 pursuant to subdivision (c)(1) of this section;

(2) the promotion and marketing of the Program pursuant to subdivision (c)(2) of this section; and

(3) any additional recommendations for qualifying remote worker expenses or qualifying workers that should be eligible under the Program, and any recommendations for the maximum amount of the grant.

* * * Vermont Employment Growth Incentive Program * * *

Sec. 2. REPEAL

32 V.S.A. § 3336 (enhanced incentive for workforce training) is repealed.

Sec. 3. VERMONT ECONOMIC PROGRESS COUNCIL; ECONOMIC DEVELOPMENT; STUDY

(a) The Agency of Commerce and Community Development, in consultation with the Vermont Economic Progress Council and other interested stakeholders, shall study the creation of statewide economic development tools that achieve the goals of our current economic development programs, including the Vermont Employment Growth Incentive Program, the Tax Increment Financing Program, and the Vermont Training Program. The study shall include options that do not utilize resources from the Education Fund and

options for how to sustain economic development in towns with both small and large populations.

(b) On or before January 15, 2020, the Agency shall submit a report to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance with recommendations on the feasibility of the tools described in subsection (a) of this section, and if feasible, how they would be implemented.

* * * Permitting and State-Owned Airports * * *

Sec. 4. FINDINGS

The General Assembly finds:

(1) On January 15, 2019, the Secretary of Commerce and Community Development and the Secretary of Transportation updated the State's Economic Development and Economic Development Marketing Plans to incorporate the marketing of State-owned airports as an important tool for attracting and retaining businesses, enhancing workforce development, spearheading crucial technology advancements, and growing commerce essential to Vermont's future.

(2) On January 15, 2019, the Secretary of Transportation submitted to the General Assembly its Feasibility Evaluation of Electric Vehicle Charging Stations, Electric Aircraft Charging Stations, and Renewable Energy Generating Plants at State-Owned Airports Pursuant to Act 108 of 2018. The Evaluation noted that State-owned airports are suitable sites for electric vehicle charging stations and electric aircraft charging stations, and that solar photovoltaic installations can be compatible with airport operations.

Sec. 5. DEFINITIONS

As used in this act:

(1) "State-owned airport master permit" means all permits necessary to construct infrastructure, buildings, runway access, and related assets in support of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. Permits included in the State-owned airport master permit include any applicable Act 250 permit, any applicable permits issued by the Agencies of Natural Resources and of Transportation, the Division of Fire Safety, the Natural Resources Board, and the Public Utility Commission.

(2) “State-owned airport permit master plan” means a comprehensive plan to construct infrastructure, buildings, runway access, and related assets in support of general aviation and aviation-focused commercial and manufacturing enterprises at State-owned airports, excluding activities associated with runway expansion and infrastructure required for general airport operations. State-owned airport permit master plans may be developed by the Agency of Transportation, in consultation with the Agency of Commerce and Community Development, for the review and approval by the Agency of Natural Resources, the Department of Public Safety, the Natural Resources Board, and the Public Utility Commission prior to the submission of applications for permits in the State-owned airport master permit.

(3) “Renewable energy” has the same meaning as in 30 V.S.A. § 8002.

(4) “Renewable energy generating plant” means real and personal property, including any equipment, structure, or facility used for or directly related to the generation of electricity from renewable energy.

Sec. 6. APPLICATIONS FOR MASTER PERMITS

(a) The Agency of Transportation, in consultation with the Agency of Commerce and Community Development, is encouraged to obtain, as swiftly as practicable, all permits in the State-owned master airport permit necessary for growth, development, and facility upgrades at each State-owned airport. State-owned airport permit master plans shall include charging stations for electrified aircraft and, when practical, renewable energy generating plants that advance the State’s preference to utilize all roof space for photovoltaic installations.

(b) In processing permits in the State-owned airport master permit sought by the Agency of Transportation, State agencies, departments, commissions, and boards may waive permit fees for all permits in the State-owned airport master permit provided that a State-owned airport permit master plan was reviewed and approved prior to the submission of any applications for permits in the State-owned master airport permit.

* * * Delivery of Vermont Technical College
Degree Programs at CTE Centers; Study; Pilot Programs * * *

Sec. 7. DELIVERY OF VERMONT TECHNICAL COLLEGE DEGREE PROGRAMS AT CAREER TECHNICAL EDUCATION CENTERS IN VERMONT; STUDY; PILOT PROGRAMS

(a) Study by Vermont Technical College. The Vermont Technical College (VTC) shall study how to best deliver all or a portion of fully accredited VTC associate degree programs at CTE centers in Vermont. The

study shall explore the viability of a new program to provide a locally convenient and financially affordable option to high school students and adult learners who want, while still enrolled with their CTE centers, to also enroll in a high-demand, high-skill, industry-specific associate degree offering. VTC shall collaborate with the CTE centers and the Agency of Education in conducting the study. In structuring the study, VTC shall consider:

(1) alignment of degree programs with workforce priority needs and career pathways identified by the Agency of Education;

(2) prevailing industry wages and gender equity in each identified career pathway;

(3) coherence with existing, State-supported postsecondary programs for secondary students, such as dual enrollment and early college programs under the flexible pathways laws, including potential impacts to, and alignment with, those programs;

(4) sustainable funding models, including costs for students, institutions, and adults;

(5) the financial risks of programmatic and funding model changes, with the goals of not negatively impacting the accreditation status or the financial status of any institution; and

(6) management of class scheduling and CTE partnerships to ensure access and programmatic success.

(b) Reports.

(1) On or before December 15, 2019, VTC shall submit a written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the study required under subsection (a) of this section.

(2) If VTC recommends from its study that all or a portion of fully accredited VTC associate degree programs should be offered at CTE centers in Vermont, then VTC shall, in the fall 2020 semester, conduct up to two pilot programs that offer these degree programs in at least two CTE centers. If these pilot programs are conducted, on or before January 15, 2021, VTC shall submit a supplemental written report to the House and Senate Committees on Education and the State Board of Education with its findings and recommendations from the pilot programs.

* * * Workforce Training;
Vermont Training Program; Weatherization * * *

Sec. 8. VERMONT TRAINING PROGRAM; WORKFORCE TRAINING
ALLOCATIONS

(a) In an effort to promote access to training opportunities for Vermont small businesses, and to increase the resources available for employees to obtain credentials of value or apprenticeships, of the amounts appropriated to the Agency of Commerce and Community Development for the Vermont Training Program in fiscal year 2020:

(1) the Agency, working in partnership with the Department of Labor to identify appropriate opportunities, shall employ its best efforts to allocate 25 percent of Program funding to provide training that results in a credential of value or apprenticeship; and

(2) the Agency shall employ its best efforts to allocate 25 percent of Program funding to provide training for businesses with 50 or fewer employees.

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

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

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

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

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

Sec. 9. 10 V.S.A. § 531 is amended to read:

§ 531. THE VERMONT TRAINING PROGRAM

* * *

(d) In order to avoid duplication of programs or services and to provide the greatest return on investment from training provided under this section, the Secretary of Commerce and Community Development shall:

(1) consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources;

(2) disburse grant funds only for training hours that have been successfully completed by employees; ~~provided that,~~ subject to the following:

(A) except for an award under an enhanced incentive for workforce training as provided in 32 V.S.A. § 3336, a grant for on-the-job training shall:

(i) for a business with 50 or fewer employees, either provide not more than 75 percent of wages for each employee in training or not more than 75 percent of trainer expense, but not both; and

(ii) for all other businesses, either provide not more than 50 percent of wages for each employee in training or not more than 50 percent of trainer expense, but not both, and further provided that; and

(B) training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

(3) use funds under this section only to supplement training efforts of employers and not to replace or supplant training efforts of employers.

* * *

(k) Annually on or before January 15, the Secretary shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs. In addition to the reporting requirements under section 540 of this title, the report shall identify:

(1) all active and completed contracts and grants;

(2) from among the following, the category the training addressed:

(A) preemployment training or other training for a new employee to begin a newly created position with the employer;

(B) preemployment training or other training for a new employee to begin in an existing position with the employer;

(C) training for an incumbent employee who, upon completion of training, assumes a newly created position with the employer;

(D) training for an incumbent employee who, upon completion of training, assumes a different position with the employer;

(E) training for an incumbent employee to upgrade skills;

(3) for the training identified in subdivision (2) of this subsection whether the training is ~~onsite~~ on-site or classroom-based;

(4) the number of employees served;

- (5) the average wage by employer;
- (6) any waivers granted;
- (7) the identity of the employer, or, if unknown at the time of the report, the category of employer;
- (8) the identity of each training provider;
- (9) whether training results in a wage increase for a trainee, and the amount of increase; and
- (10) the aggregated median wage of employees invoiced for training during the reporting period;
- (11) the percentage growth in wages for all wage earners in the State during the reporting period; and
- (12) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.

Sec. 10. WORKFORCE TRAINING; WEATHERIZATION

(a) In fiscal year 2020 the Office of Economic Opportunity within the Department for Children and Families shall provide grant funding to the five Home Weatherization Assistance Programs for the purpose of recruiting and training individuals in the home weatherization industry.

(b) Grantees may use the funding for:

(1) recruiting Vermonters who are eligible for funding under the federal Workforce Innovation Opportunity Act;

(2) operations for weatherization training programs, including training coordinators across the State; and

(3) stipends and wage subsidies for training participants.

(c) The Home Weatherization Assistance Programs are also encouraged to apply for the federal Workforce Innovation Opportunity Act grant funds through the Department of Labor to supplement and enhance the weatherization training programs.

(d) On or before January 15, 2020, the Departments of Labor and for Children and Families shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with recommendations on best practices for recruiting, training, and retaining the weatherization workforce in this State.

Sec. 11. 16 V.S.A. § 2846 is amended to read:

§ 2846. ~~NONDEGREE~~ ADVANCEMENT GRANTS

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

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

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

Sec. 12. 10 V.S.A. § 546 is added to read:

§ 546. STATE POSTSECONDARY ATTAINMENT GOAL

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

(1) grow awareness of postsecondary pathways and the individual and public value of continued education after high school;

(2) expand postsecondary access so that students of all ages and backgrounds can pursue postsecondary education and training;

(3) increase postsecondary success by ensuring that Vermonters have the supports they need to complete a credential of value; and

(4) maximize partnerships across and within sectors to achieve State workforce development and education goals.

(b) In order to meet workforce and labor market demands, the State of Vermont shall take steps necessary to achieve a postsecondary attainment goal that not less than 70 percent of working-age Vermonters possess a degree or credential of value, as defined by the State Workforce Development Board, by the year 2025.

* * * Adult Career and Technical Education System * * *

Sec. 13. ADULT CTE SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

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

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

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of adult workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, business and industry, and private professionals.

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

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

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

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

(b) Adult CTE System.

(1) The Department of Labor, in collaboration with the Agency of Education, the Vermont State Colleges, and the Vermont Adult Technical Education Association, shall issue a request for proposals for consulting services, the purpose of which shall be to consider and report to the General Assembly on the design, implementation, and costs of an integrated adult career and technical education system that achieves the results specified in subdivision (a)(2) of this section.

(2) In performing his or her work, the consultant shall conduct a broad-based stakeholder engagement process to solicit input from interested parties, and State agencies and departments shall provide the consultant with

necessary information and assistance within their relative areas of expertise.

(c) Report. On or before January 15, 2020 the Department of Labor shall submit a report on the work of the consultant selected and any recommendations for legislative action to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

* * * Workforce Recruitment; Military Base Recruitment * * *

Sec. 14. RELOCATION SUPPORT SYSTEM

(a) The Department of Labor shall:

(1) collaborate with key employers and nongovernmental organizations to ensure that appropriate expertise is available to program staff and individuals looking to enter Vermont's job market, through referrals or other information sharing mechanisms;

(2)(A) coordinate available information for each region that includes labor market information, housing and education information, recreation information, and other relevant resources; and

(B) make the information easily accessible for interested individuals to assist in aspects of preliminary decision making; and

(3) convene regional, multidisciplinary teams that:

(A) comprise partners with expertise from relevant sectors, including housing, transportation, education, health, child care, recreation, and economic development; and

(B) provide community-level knowledge, support, and services to best meet the needs of prospective employees.

(b) State agencies and State-funded programs shall coordinate with the Department to ensure that services and information that could assist a person in relocating to Vermont are made available through an integrated, employee-centered system.

Sec. 15. ON-BASE RECRUITMENT PILOT PROGRAM

(a) The Department of Labor shall work with the Vermont National Guard and public and private employers in health care, construction, manufacturing, business services, transportation, and human services to pilot an on-base recruitment effort that encourages service members separating from military service to relocate to Vermont.

(b) The Department shall coordinate with the Agency of Commerce and Community Development to direct available marketing and outreach funds to support targeted recruitment events held on military bases.

(c) The Department shall provide limited organizational support to employers interested in participating in private-pay travel to military bases in conjunction with other employers, representatives of the Vermont National Guard, and State officials for the purpose of promoting employment and relocation to Vermont.

(d) Not more than \$25,000.00 in General Funds may be allocated to the Department to support staff time, supplies, necessary travel, and other related costs.

(e) On or before January 15, 2020, the Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning implementation and outcomes of this pilot program.

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

Sec. 16. OFFICE OF PROFESSIONAL REGULATION; REPORT

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

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

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

Sec. 17. STUDY; WORKFORCE DEVELOPMENT OPPORTUNITIES FOR REFUGEES, IMMIGRANTS, AND ASYLUM SEEKERS

(a) Creation. There is created a task force on workforce development opportunities for refugees, immigrants, and asylum seekers living in Vermont.

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

(1) the State Refugee Coordinator;

(2) a member with expertise in new American workforce development issues appointed by the Agency of Human Services Secretary;

(3) the executive director of AALV or designee;

(4) the president of Vermont's U.S. Committee for Refugees and Immigrants or designee;

(5) the director of CVOEO's financial futures program or designee;

(6) a representative of Burlington's Community Economic Development Office's Sustainability, Housing, and Economic Development department;

(7) two Vermont employers, one of whom is engaged in business in the agricultural sector and one of whom is engaged in business in another sector, with experience hiring and cultivating new American workers appointed by the Chair of the State Workforce Development Board;

(8) two members of Vermont's refugee, immigrant, and immigrant communities, one appointed by each of AALV and Vermont's U.S. Committee for Refugees and Immigrants;

(9) an appointee of the University of Vermont with research expertise in refugee and New American migration in Vermont;

(10) a member appointed by the Vermont Migrant Education Project;

(11) a member appointed by the Community Asylum Seekers Project;
and

(12) a member appointed by Rutland Welcomes.

(c) Powers and duties. The task force shall study the following:

(1) recommendations identified in relevant studies and reports;

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

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

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

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

(d) Meetings.

(1) The State Refugee Coordinator shall call the first meeting of the task force to occur on or before September 1, 2019.

(2) The task force shall select a chair from among its members at the first meeting.

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

(4) The task force shall meet not more than six times and shall cease to exist on January 15, 2020.

(e) Report. On or before December 1, 2019, the task force shall report to the House Committees on Commerce and Economic Development, on Government Operations, and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs, on Government Operations, and on Appropriations concerning its findings, recommendations for proposed legislation, and investments in order of priority.

Sec. 18. DEPARTMENT OF LABOR; FIDELITY BONDS

Of the amounts appropriated to the Department of Labor in fiscal year 2020 from the Workforce Education and Training Fund, the Department shall allocate not more than \$3,000.00 to purchase fidelity bonds through the Federal Bonding Program to provide insurance against theft or loss for insurers to hire workers with barriers to employment.

Sec. 19. REGISTRY OF EMPLOYERS

(a) The Department of Labor shall create and maintain on its website a registry of employers who accept applications and are willing to hire workers with barriers to employment, including workers in recovery from addiction and workers with past incarceration.

(b) On or before January 15, 2020, the Department shall report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations concerning the creation of the registry and the extent the registry assisted employers and employees with barriers to employment.

Sec. 20. CORRECTIONS; WORKFORCE TRAINING

(a)(1) On or before October 10, 2019, the Department of Corrections and the Department of Labor shall execute a memorandum of understanding regarding a standardized program of education and training for all new and existing probation and parole officers that includes components related to:

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

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

(2) The Departments shall provide written notice when the memorandum of understanding is executed to the chairs of the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions.

(3) The Departments shall ensure that all incumbent probation and parole officers receive the education and training under the program on or before July 1, 2020.

(b) The Department of Corrections shall collaborate with the Department of Motor Vehicles and other partners as necessary to ensure that a sentenced inmate is provided with at least one form of government-issued identification, not to include an inmate identification card, upon release from incarceration.

(c)(1) On or before August 15, 2019, the Departments of Corrections and Labor shall report to the Joint Legislative Justice Oversight Committee concerning the Departments' progress towards developing the memorandum of understanding as required by this section.

(2) On or before December 15, 2020, the Departments of Corrections and Labor shall report to the House Committees on Commerce and Economic Development and on Corrections and Institutions and to the Senate Committees on Economic Development, Housing and General Affairs and on Institutions concerning the implementation of this section.

* * * Vermont Talent Pipeline Management Project * * *

Sec. 21. VERMONT TALENT PIPELINE MANAGEMENT PROJECT

(a) The Vermont Talent Pipeline Management Project brings value to Vermont's workforce and economic development initiatives by:

(1) convening employers by sector to create industry specific partnerships and employer informed initiatives aimed at addressing skill gaps;

(2) engaging education partners to develop and align programs that meet employer and incumbent needs; and

(3) highlighting policy, practice, and funding challenges that prevent access to training or that inhibit advancement of workers within high need areas of Vermont's economy.

(b) The Vermont Talent Pipeline Management Project is encouraged to collaborate in Vermont's workforce and economic development systems by:

(1) organizing, convening, and maintaining employer collaboratives in key sectors of the economy, identified by available labor market information;

(2) broadly sharing competency and credential requirements learned from employer collaboratives, and specifically engaging training and education partners in the development of new or modification of existing programs; and

(3) using a continuous improvement process to ensure employer needs are met.

* * * International Trade and Development * * *

Sec. 22. INTERNATIONAL TRADE, EDUCATION, AND CULTURAL EXCHANGE

On or before December 15, 2019, the Agency of Commerce and Community Development shall review and report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs on effective mechanisms to collaborate with regional partners and form formal partnerships that will promote international trade, as well as educational and cultural exchanges, between and among Vermont, the New England states, and foreign nations.

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

Sec. 23. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; STRUCTURE AND ORGANIZATION; REPORT

On or before January 15, 2020, the Secretary of Commerce and Community Development shall review and report to the House Committees on Commerce and Economic Development and on Appropriations and to the Senate

Committees on Economic Development, Housing and General Affairs and on Appropriations concerning one or more proposals to amend the structure and organization of the Agency in order to enhance its ability to achieve its purposes and perform its duties.

* * * Ski Tramways * * *

Sec. 24. 31 V.S.A. § 707 is amended to read:

§ 707. REGISTRATION AND FEES

* * *

(e)(1) All fees collected under this section shall be credited to a special fund for the Department to be expended for carrying out its duties under this chapter and may also be expended as provided pursuant to subdivision (2) of this subsection.

(2) The Passenger Tramway Board may expend amounts that it determines to be appropriate from the special fund established pursuant to subdivision (1) of this subsection for the purpose of contributing to ski lift mechanic education, job training, and apprenticeship programs.

* * * State Workforce Development Board * * *

Sec. 25. 10 V.S.A. § 541a(d) is amended to read:

(d) Operation of Board.

(1) Member representation.

(A) A member of the State Board may send a designee that meets the requirements of subdivision (B) of this subdivision (1) to any State Board meeting who shall count toward a quorum and shall be allowed to vote on behalf of the Board member for whom he or she serves as a designee.

(B) Members of the State Board or their designees who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority or relevant subject matter expertise within the organizations, agencies, or entities.

(C) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas.

(2) Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision (c)(18) of this section.

(3) Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

(4) ~~Work groups; task forces~~ Committees; work groups; ad hoc committees. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members or their designees to standing committees, ad hoc committees, or work groups to carry out the work of the Board; and

(B) appoint one or more ~~members of the Board, or nonmembers of the Board, or both, to one or more task forces for a discrete purpose and duration~~ to a standing committee, ad hoc committee, or work group and determine whether the individual serves as an advisory or voting member, provided that the number of voting nonmembers on a standing committee shall not exceed the number of Board members or their designees.

(5) Quorum meetings; voting.

(A) A majority of the sitting members of the Board shall constitute a quorum, and to be valid any action taken by the Board shall be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present.

(B) The Board may permit one or more members to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication, including an electronic, telecommunications, and video- or audio-conferencing conference telephone call, by which all members participating may simultaneously or sequentially communicate with each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

(C) The Board shall deliver electronically the minutes for each of its meetings to each member of the Board and to the Chairs of the House Committees on Education and on Commerce and Economic Development, and to the Senate Committees on Education and on Economic Development, Housing and General Affairs.

(D) The Board may adopt in its bylaws the quorum, membership, and procedural requirements for standing committees.

(6) Reimbursement.

(A) Legislative members of the Board shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406.

(B) Unless otherwise compensated by his or her employer for performance of his or her duties on the Board, a nonlegislative member of the Board shall be eligible for per diem compensation of \$50.00 per day for attendance at a meeting of the Board, and for reimbursement of his or her

necessary expenses, which shall be paid through funds available for that purpose under the Workforce Innovation and Opportunity Act of 2014.

(7) Conflict of interest. A member of the Board shall not:

(A) vote on a matter under consideration by the Board:

(i) regarding the provision of services by the member, or by an entity that the member represents; or

(ii) that would provide direct financial benefit to the member or the immediate family of the member; or

(B) engage in any activity that the Governor determines constitutes a conflict of interest as specified in the State Plan required under 29 U.S.C. § 3112 or 3113.

(8) Sunshine provision. The Board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the State Plan adopted pursuant to 29 U.S.C. § 3112 or 3113 and prior to submission of the State Plan to the U.S. Secretary of Labor, information regarding membership, and, on request, minutes of formal meetings of the Board.

* * * Appropriations * * *

Sec. 26. APPROPRIATIONS

The amounts appropriated from the General Fund in Sec. B.1101(23) of H.542 (2019) for economic development initiatives shall be allocated as follows:

(1) \$450,000.00 to the Agency of Commerce and Community Development as follows:

(A) \$225,000.00 for economic development marketing pursuant to its authority in 3 V.S.A. § 2476(c) to execute the State's core Economic Development Marketing Plan through paid, owned, and earned media, utilizing technology, data, and analysis tools; and

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

(i) identifying target audiences;

(ii) targeting through digital and social media; and

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

(2) \$1,145,000.00 to the Department of Labor as follows:

(A) \$275,000.00 to implement a relocation support system and provide services pursuant to Sec. 14 of this act; and

(B) \$870,000.00 for workforce development and training as follows:

(i) \$350,000.00 for grants to provide weatherization training pursuant to Sec. 10 of this act;

(ii) \$50,000.00 for a grant to the Community College of Vermont to purchase equipment to provide robotics training at its Rutland location; and

(iii) \$470,000.00 to the workforce education and training fund created in 10 V.S.A. § 543 to expand opportunities for apprenticeships, training, and adult career and technical education, which may include funding to replicate in additional locations the robotics training program at the Rutland location of the Community College of Vermont.

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that Secs. 5–6 (State-owned airports) shall take effect on passage.

NEW BUSINESS

Report of Committee of Conference

H. 542.

An act relating to making appropriations for the support of government.

(For text of Report of the Committee of Conference see Addendum to Senate Calendar for May 23, 2019)

NOTICE CALENDAR
Reports of Committees of Conference

H. 132.

An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

To the Senate and House of Representatives:

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

H.132. An act relating to domestic violence.

Respectfully reports that it has met and considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Housing Discrimination; Domestic and Sexual Violence * * *

Sec. 1. REDESIGNATION

(a) 9 V.S.A. chapter 138 (campgrounds) is redesignated as 9 V.S.A. chapter 136.

(b) 9 V.S.A. § 4470 (campgrounds; removal) is redesignated as 9 V.S.A. § 4410.

Sec. 2. 9 V.S.A. chapter 137 is amended to read:

CHAPTER 137. RESIDENTIAL RENTAL AGREEMENTS

Subchapter 1. General

§ 4451. DEFINITIONS

* * *

Subchapter 2. Residential Rental Agreements

§ 4455. TENANT OBLIGATIONS; PAYMENT OF RENT

* * *

Subchapter 3. Farm Employee Housing

§ 4469. [Reserved.]

§ 4469a. TERMINATION OF OCCUPANCY OF FARM EMPLOYEE HOUSING

* * *

Subchapter 4. Housing Discrimination; Domestic and Sexual Violence

§ 4471. DEFINITIONS

As used in this subchapter:

(1) “Abuse” has the same meaning as in 15 V.S.A. § 1101.

(2) “Protected tenant” means a tenant who is:

(A) a victim of abuse, sexual assault, or stalking;

(B) a parent, foster parent, legal guardian, or caretaker with at least partial physical custody of a victim of abuse, sexual assault, or stalking.

(3) “Sexual assault” and “stalking” have the same meaning as in 12 V.S.A. § 5131.

§ 4472. RIGHT TO TERMINATE RENTAL AGREEMENT

(a) Notwithstanding a contrary provision of a rental agreement or of subchapter 2 of this chapter, a protected tenant may terminate a rental agreement pursuant to subsection (b) of this section without penalty or liability if he or she reasonably believes it is necessary to vacate a dwelling unit:

(1) based on a fear of imminent harm to any protected tenant due to abuse, sexual assault, or stalking; or

(2) if any protected tenant was a victim of sexual assault that occurred on the premises within the six months preceding the date of his or her notice of termination.

(b) Not less than 30 days before the date of termination, the protected tenant shall provide to the landlord:

(1) a written notice of termination; and

(2) documentation from one or more of the following sources supporting his or her reasonable belief that it is necessary to vacate the dwelling unit:

(A) a court, law enforcement, or other government agency;

(B) an abuse, sexual assault, or stalking assistance program;

(C) a legal, clerical, medical, or other professional from whom the tenant, or the minor or dependent of the tenant, received counseling or other assistance concerning abuse, sexual assault, or stalking; or

(D) a self-certification of a protected tenant’s status as a victim of abuse, sexual assault, or stalking, signed under penalty of perjury, on a standard form adopted for that purpose by:

(i) a federal or State government entity, including the federal Department of Housing and Urban Development or the Vermont Department for Children and Families; or

(ii) a nonprofit organization that provides support services to protected tenants.

(c) A notice of termination provided pursuant to subsection (b) of this section may be revoked and the rental agreement shall remain in effect if:

(1)(A) the protected tenant provides a written notice to the landlord revoking the notice of termination; and

(B) the landlord has not entered into a rental agreement with another tenant prior to the date of the revocation; or

(2)(A) the protected tenant has not vacated the premises as of the date of termination; and

(B) the landlord has not entered into a rental agreement with another tenant prior to the date of termination.

§ 4473. RIGHT TO CHANGE LOCKS; OTHER SECURITY MEASURES

Notwithstanding any contrary provision of a rental agreement or of subchapter 2 of this chapter:

(1) Subject to subdivision (2) of this subsection, a protected tenant may request that a landlord change the locks of a dwelling unit within 48 hours following the request:

(A) based on a fear of imminent harm to any protected tenant due to abuse, sexual assault, or stalking; or

(B) if any protected tenant was a victim of sexual assault that occurred on the premises within the six months preceding the date of his or her request.

(2) If the perpetrator of abuse, sexual assault, or stalking is also a tenant in the dwelling unit, the protected tenant shall include with his or her request a copy of a court order that requires the perpetrator to leave the premises.

(3) If the landlord changes the locks as requested, the landlord shall provide a key to the new locks to each tenant of the dwelling unit, not including the perpetrator of the abuse, sexual assault, or stalking who is subject to a court order to leave the premises.

(4) If the landlord does not change the locks as requested, the protected tenant may change the locks without the landlord's prior knowledge or permission, provided that the protected tenant shall:

(A) ensure that the new locks, and the quality of the installation, equal or exceed the quality of the original;

(B) notify the landlord of the change within 24 hours of installation;
and

(C) provide the landlord with a key to the new locks.

(5) Unless otherwise agreed to by the parties, a protected tenant is responsible for the costs of installation of new locks pursuant to this section.

(6)(A) A protected tenant may request permission of a landlord to install additional security measures on the premises, including a security system or security camera.

(B) A protected tenant:

(i) shall submit his or her request not less than seven days prior to installation;

(ii) shall ensure the quality and safety of the security measures and of their installation;

(iii) is responsible for the costs of installation and operation of the security measures; and

(iv) is liable for damages resulting from installation.

(C) A landlord shall not unreasonably refuse a protected tenant's request to install additional security measures pursuant to this subdivision (6).

§ 4474. CONFIDENTIALITY

An owner, landlord, or housing subsidy provider who possesses documentation or information concerning a protected tenant's status as a victim of abuse, sexual assault, or stalking shall keep the documentation or information confidential and shall not allow or provide access to another person unless:

(1) authorized by the protected tenant;

(2) required by a court order, government regulation, or governmental audit requirement; or

(3) required as evidence in a court proceeding, provided:

(A) the documentation or information remains under seal; and

(B) use of the documentation or information is limited to a claim brought pursuant to section 4472 or 4473 of this title.

§ 4475. LIMITATION OF LIABILITY; ENFORCEMENT

Except in the case of gross negligence or willful misconduct, a landlord is immune from liability for damages to a protected tenant if he or she acts in good faith reliance on:

(1) the provisions of this subchapter; or

(2) information provided or action taken by a protected tenant pursuant to the provisions of this subchapter.

Sec. 3. PROTECTED TENANT SELF-CERTIFICATION; FORM

(a) The Vermont Network Against Domestic and Sexual Violence, in collaboration with the Vermont Apartment Owners Association and other interested parties, shall:

(1) develop and make available a standard self-certification form for use by protected tenants pursuant to 9 V.S.A. § 4472(b);

(2) provide the self-certification form to the Department for Children and Families, once developed; and

(3) provide a status report regarding the form, its availability, and its use to the Senate Committee on Economic Development, Housing and General Affairs and to the House Committee on General, Housing, and Military Affairs on or before January 15, 2020.

Sec. 4. 9 V.S.A. chapter 139 is amended to read:

CHAPTER 139. DISCRIMINATION; PUBLIC ACCOMMODATIONS;
RENTAL AND SALE OF REAL ESTATE

* * *

§ 4501. DEFINITIONS

As used in this chapter:

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(11) “Abuse,” “sexual assault,” and “stalking” have the same meaning as in section 4471 of this title.

* * *

§ 4503. UNFAIR HOUSING PRACTICES

(a) It shall be unlawful for any person:

(1) To refuse to sell or rent, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling or other real estate to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(2) To discriminate against, or to harass any person in the terms, conditions, ~~or privileges,~~ and protections of the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection therewith, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(3) To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling or other real estate that indicates any preference, limitation, or discrimination based on race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(4) To represent to any person because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, that any dwelling or other real estate is not available for inspection, sale, or rental when the dwelling or real estate is in fact so available.

(5) To disclose to another person information regarding or relating to the status of a tenant or occupant as a victim of abuse, sexual assault, or stalking for the purpose or intent of:

(A) harassing or intimidating the tenant or occupant;

(B) retaliating against a tenant or occupant for exercising his or her rights;

(C) influencing or coercing a tenant or occupant to vacate the dwelling; or

(D) recovering possession of the dwelling.

(6) To discriminate against any person in the making or purchasing of loans or providing other financial assistance for real-estate-related transactions or in the selling, brokering, or appraising of residential real property, because of the race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(7) To engage in blockbusting practices, for profit, which may include inducing or attempting to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons of a particular race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person intends to occupy a dwelling with one or more minor children, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

(8) To deny any person access to or membership or participation in any multiple listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against any person in the terms or conditions of such access, membership, or participation, on account of race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability of a person, or because a person is a recipient of public assistance, or because a person is a victim of abuse, sexual assault, or stalking.

* * *

(12) To discriminate in land use decisions or in the permitting of housing because of race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, disability, the presence of one or more minor children, income, or because of the receipt of public assistance, or because a person is a victim of abuse, sexual assault, or stalking, except as otherwise provided by law.

* * *

* * * Housing Health and Safety; Rental Housing
Health Code Enforcement * * *

Sec. 5. 18 V.S.A. § 5 is amended to read:

§ 5. DUTIES OF DEPARTMENT OF HEALTH

The Department of Health shall:

(1) Conduct studies, develop State plans, and administer programs and State plans for hospital survey and construction, hospital operation and maintenance, medical care, and treatment of substance abuse.

(2) Provide methods of administration and such other action as may be necessary to comply with the requirements of federal acts and regulations as relate to studies, development of plans and administration of programs in the fields of health, public health, health education, hospital construction and maintenance, and medical care.

(3) Appoint advisory councils, with the approval of the Governor.

(4) Cooperate with necessary federal agencies in securing federal funds ~~which~~ that become available to the State for all prevention, public health, wellness, and medical programs.

(5) Seek accreditation through the Public Health Accreditation Board.

(6) Create a State Health Improvement Plan and facilitate local health improvement plans in order to encourage the design of healthy communities and to promote policy initiatives that contribute to community, school, and workplace wellness, which may include providing assistance to employers for wellness program grants, encouraging employers to promote employee engagement in healthy behaviors, and encouraging the appropriate use of the health care system.

(7) Serve as the leader on State rental housing health laws.

(8) Provide policy assistance and technical support to municipalities concerning the implementation and enforcement of State rental housing health and safety laws.

Sec. 6. 18 V.S.A. § 603 is amended to read:

§ 603. RENTAL HOUSING SAFETY; INSPECTION REPORTS

(a)(1) When conducting an investigation of rental housing, a local health officer shall issue a written inspection report on the rental property using the protocols for implementing the Rental Housing Health Code of the Department

or the municipality, in the case of a municipality that has established a code enforcement office.

(2) A written inspection report shall:

(A) contain findings of fact that serve as the basis of one or more violations;

(B) specify the requirements and timelines necessary to correct a violation;

(C) provide notice that the landlord is prohibited from renting the affected unit to a new tenant until the violation is corrected; and

(D) provide notice in plain language that the landlord and agents of the landlord must have access to the rental unit to make repairs as ordered by the health officer consistent with the access provisions in 9 V.S.A. § 4460.

(3) A local health officer shall:

(A) provide a copy of the inspection report to the landlord and any tenants affected by a violation by delivering the report electronically, in person, by first class mail, or by leaving a copy at each unit affected by the deficiency; and

(B)(i) if a municipality has established a code enforcement office, provide information on each inspection according to a schedule and in a format adopted by the Department in consultation with municipalities that have established code enforcement offices; or

(ii) if a municipality has not established a code enforcement office, provide information on each inspection to the Department within seven days of issuing the report using an electronic system designed for that purpose, or within 14 days by mail if the municipality is unable to utilize the electronic system.

(4) If an entire property is affected by a violation, the local health officer shall post a copy of the inspection report in a common area of the property and include a prominent notice that the report shall not be removed until authorized by the local health officer.

(5) A municipality shall make an inspection report available as a public record.

(b)(1) A local health officer may impose a ~~fine~~ civil penalty of not more than ~~\$100.00~~ \$200.00 per day for each violation that is not corrected by the date provided in the written inspection report, or when a unit is re-rented to a new tenant prior to the correction of a violation.

(2)(A) If the cumulative amount of penalties imposed pursuant to this subsection is \$800.00 or less, the local health officer, Department of Health, or State's Attorney may bring a civil enforcement action in the Judicial Bureau pursuant to 4 V.S.A. chapter 29.

(B) The waiver penalty for a violation in an action brought pursuant to this subsection is 50 percent of the full penalty amount.

(3) If the cumulative amount of penalties imposed pursuant to this subsection is more than \$800.00, or if injunctive relief is sought, the local health officer, Department of Health, or State's Attorney may commence an action in the Civil Division of the Superior Court for the county in which a violation occurred.

(c) If a local health officer fails to conduct an investigation pursuant to section 602a of this title or fails to issue an inspection report pursuant to this section, a landlord or tenant may request that the Department, at its discretion, conduct an investigation or contact the local board of health to take action.

Sec. 7. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(21) Violations of State or municipal rental housing health and safety laws when the amount of the cumulative penalties imposed pursuant to 18 V.S.A. § 603 is \$800.00 or less.

* * *

(c) The Judicial Bureau shall not have jurisdiction over municipal parking violations.

(d) Three hearing officers appointed by the Court Administrator shall determine waiver penalties to be imposed for violations within the Judicial Bureau's jurisdiction, except:

~~(1) Municipalities~~ municipalities shall adopt full and waiver penalties for civil ordinance violations pursuant to 24 V.S.A. § 1979. For purposes of municipal violations, the issuing law enforcement officer shall indicate the appropriate full and waiver penalty on the complaint.

Sec. 8. RENTAL HOUSING HEALTH AND SAFETY ENFORCEMENT
SYSTEM; RECOMMENDATIONS; REPORT

(a) On or before January 15, 2020, in collaboration with the Rental Housing Advisory Board, the Department of Health and the Department of Public Safety shall develop recommendations for the design and implementation of a comprehensive system for the professional enforcement of State rental housing health and safety laws, which shall include:

(1) an outline of options, including an option for a State government-run system, with a timeline and budget for each;

(2) a needs assessment outlining the demand for inspections based on inspection information collected pursuant to 18 V.S.A. § 603(a)(3) and subsection (c) of this section and other stakeholders and relevant sources; and

(3) any additional recommendations from the Rental Housing Advisory Board, the Department of Public Safety, the Department of Housing and Community Development, or other executive branch agencies.

(b) On or before September 30, 2019, the Department of Health shall provide an interim progress report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs.

(c) On or before August 1, 2019, each municipality in this State shall provide to the Department of Health summary information on its inspection activity from July 1, 2018 through June 30, 2019 in order to assist the Department in completing the needs assessment pursuant to subdivision (a)(2) of this section.

Sec. 9. STATE TREASURER RECOMMENDATION FOR FINANCING
OF AFFORDABLE HOUSING INITIATIVE

(a) Evaluation. On or before January 15, 2020, the State Treasurer shall evaluate and report on options for funding and financing affordable housing in the State. The evaluation shall include:

(1) a plan to build upon the success of the affordable housing bond, created in 10 V.S.A. § 315, formed in coordination with the Vermont Housing and Conservation Board, the Vermont Housing Finance Agency, the Vermont Department of Housing and Community Development, and the Vermont Affordable Housing Coalition, for the creation or preservation of 1,000 housing units over five years for Vermonters with incomes up to 120 percent of the area median income as determined by the U.S. Department of Housing and Urban Development. In creating the plan, the State Treasurer and the other entities listed in this subdivision (a)(1) shall also consult with the

business community, public and private housing developers, and experts in housing finance and affordable housing initiatives both in Vermont and nationwide;

(2) alternatives for financing the plan that take into consideration the use of appropriations, general obligation bonds, revenue bonds, investments, new revenues, and other financing mechanisms, including initiatives undertaken by other states;

(3) the plan shall assume that the 1,000 units shall be in addition to what would otherwise have been created or preserved by State funding through the Vermont Housing and Conservation Board equal to its FY 2019 base general fund and capital appropriations, and the other resources it typically leverages; and

(4) provisions for meeting housing needs consistent with publicly developed plans such as Vermont's Consolidated Plan, the 2017 Vermont Roadmap to End Homelessness, and Vermont Housing Finance Agency's Qualified Action Plan in the following areas:

(A) creating new multifamily and single-family homes;

(B) addressing blighted properties and other existing housing stock requiring reinvestment, including in mobile home parks;

(C) providing service-supported housing in coordination with the Agency of Human Services, including for those who are elderly, homeless, in recovery, experiencing severe mental illness or other disability, or leaving incarceration; and

(D) providing for the housing needs of households with extremely low income.

(b) Cooperation. In conducting the evaluation described in subsection (a) of this section, the State Treasurer shall have the cooperation of the Agency of Commerce and Community Development and the Department of Taxes.

(c) Report. The State Treasurer shall submit the report with recommendations based on the evaluation described in subsection (a) of this section to the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance and the House Committees on General, Housing, and Military Affairs, on Appropriations, and on Ways and Means. The report shall also include a legislative proposal to implement the recommendations proposed in the report.

* * * Effective Date * * *

Sec. 10. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

*REBECCA A. BALINT
ALISON CLARKSON
MICHAEL D. SIROTKIN*

Committee on the part of the Senate

*THOMAS S. STEVENS
MARIANNA R. GAMACHE
RANDALL D. SZOTT*

Committee on the part of the House

H. 541.

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

To the Senate and House of Representatives:

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

H.541. An act relating to changes that affect the revenue of the State.

Respectfully reports that it has met and considered the same and recommends that the bill be amended 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 \$350,000.00, 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 \$350,000.00, 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:

(I) minus the amount of the Vermont standard deduction and Vermont personal exemptions taken by the taxpayer under this subdivision (C); and

(II) minus any amount deducted at the federal level that is attributable to the payment of an entrance fee or recurring monthly payment made to a continuing care retirement community regulated under 8 V.S.A. chapter 151, which exceeds the deductibility limits for premiums paid during

the taxable year on qualified long-term care insurance contracts under 26 U.S.C. 213(d)(10)(A).

(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.

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

Sec. 3. 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);

(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).

~~(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. 4. 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~~ \$2,600,000.00;

* * *

* * * Estate Tax; Exclusion Amount * * *

Sec. 5. 32 V.S.A. § 7442a(b) is amended to read:

(b) The tax shall be computed as follows. The following rates shall be applied to the Vermont taxable estate:

| Amount of Vermont Taxable Estate | Rate of Tax |
|-----------------------------------|---|
| Under \$2,750,000.00 | None |
| \$2,750,000.00 or more | 16 percent of the excess over \$2,750,000.00 |
| <u>Under \$4,250,000.00</u> | <u>None</u> |
| <u>\$4,250,000.00 or more</u> | <u>16 percent of the excess over \$4,250,000.00</u> |

The resulting amount shall be multiplied by a fraction not greater than one, where the numerator of which is the value of the Vermont gross estate plus the value of gifts under 32 V.S.A. § 7402(14)(C) with a Vermont situs, and the denominator of which is the federal gross estate plus the value of gifts under subdivision 7402(14)(C) of this title.

Sec. 6. 32 V.S.A. § 7442a(b) is amended to read:

(b) The tax shall be computed as follows. The following rates shall be applied to the Vermont taxable estate:

| Amount of Vermont Taxable Estate | Rate of Tax |
|-----------------------------------|---|
| Under \$4,250,000.00 | None |
| \$4,250,000.00 or more | 16 percent of the excess over \$4,250,000.00 |
| <u>Under \$5,000,000.00</u> | <u>None</u> |
| <u>\$5,000,000.00 or more</u> | <u>16 percent of the excess over \$5,000,000.00</u> |

The resulting amount shall be multiplied by a fraction not greater than one, where the numerator of which is the value of the Vermont gross estate plus the value of gifts under 32 V.S.A. § 7402(14)(C) with a Vermont situs, and the denominator of which is the federal gross estate plus the value of gifts under subdivision 7402(14)(C) of this title.

* * * Rooms Tax; Booking Agents * * *

Sec. 7. 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. 8. 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. 9. 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. 10. 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. 11. 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. 12. 32 V.S.A. § 9606 is amended to read:

§ 9606. PROPERTY TRANSFER RETURN

(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. 13. 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. 14. 32 V.S.A. § 9608(a) is amended to read:

(a) Except as to transfers ~~which~~ 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. 15. 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. 16. 32 V.S.A. § 10002 is amended to read:

§ 10002. LAND AND RESIDENCES

(a) “Land” means all land, whether or not improved, that has been purchased and subdivided by the transferor within the six years prior to the

sale or exchange of the land, 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. 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 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. 17. 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. 18. 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. 19. 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. 20. 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. 21. 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. 22. 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.

* * * Outreach * * *

Sec. 23. OUTREACH ON ISSUES RELATED TO TAXING PREWRITTEN SOFTWARE ACCESSED REMOTELY

The Tax Department shall develop and implement a program of outreach and education for the technology sector to focus on information related to the current sales tax exemption for prewritten software accessed remotely and on industry responsibilities under current law and under a possible repeal of the exemption.

* * * Effective Dates * * *

Sec. 24. 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, Sec. 2 (medical deduction) shall take effect retroactively on January 1, 2019 and apply to taxable year 2019 and after.

(3) Secs. 4 (downtown and village center tax credit), 7–8 (rooms tax), 9–15 (property transfer tax), and 18 (fuel tax) shall take effect on July 1, 2019.

(4) Sec. 5 (estate tax exclusion at \$4,250,000.00) shall take effect on January 1, 2020 and apply to estates of decedents with a date of death on or after that date.

(5) Sec. 6 (estate tax exclusion at \$5,000,000.00) shall take effect on January 1, 2021 and apply to estates of decedents with a date of death on or after that date.

(6) Secs. 16–17 (land gains tax) shall take effect on January 1, 2020 and apply to gains from sales made on or after that date.

*ANN E. CUMMINGS
RANDOLPH D. BROCK
MARK A. MACDONALD*

Committee on the part of the Senate

*JANET ANCEL
WILLIAM P. CANFIELD
SAMUEL R. YOUNG*

Committee on the part of the House

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.

Gwendolyn Knight of Panton – Commissioner, Department of Tourism and Marketing – By Sen. Balint for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Michael Schirling of Burlington – Secretary, Agency of Commerce and Community Development – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Kevin Bourdon of Vergennes – Member, Electricians Licensing Board – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Roger Donegan of Hinesburg – Member, State Labor Relations Board – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Jenna O’Farrell of St. Johnsbury – Member, State Board of Education – By Sen. Parent for the Committee on Education. (5/24/19)

Leigh Phillips of Burlington – Chair, Occupational Safety and Health Review Board – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Cory Richardson of Waterbury – Member, Vermont State Housing Authority – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Karen Saudek of Montpelier – Member, State Labor Relations Board – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

Timothy Watkins of Colchester – Member, Electricians Licensing Board – By Sen. Sirotkin for the Committee on Economic Development, Housing and General Affairs. (5/24/19)

John Fiske of Rutland – Member, Electricians’ Licensing Board – By Sen. Hooker for the Committee on Economic Development, Housing and General Affairs. (5/25/19)

Mark Gregoritsch of Essex – Member, Occupational Safety and Health Review Board – By Sen. Hooker for the Committee on Economic Development, Housing and General Affairs. (5/25/19)

John Russell of Rutland – Member, Vermont Economic Progress Council - By Sen. Hooker for the Committee on Economic Development, Housing and General Affairs.