

No. 155. An act relating to a town fee report and request.

(H.899)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. [Deleted.]

Sec. 2. 32 V.S.A. § 606 is amended to read:

§ 606. LEGISLATIVE FEE REVIEW PROCESS; FEE BILL

When the consolidated fee reports and requests are submitted to the General Assembly pursuant to sections 605 ~~and~~, 605a, and 611 of this title, they shall immediately be forwarded to the House Committee on Ways and Means, which shall consult with other standing legislative committees having jurisdiction of the subject area of a fee contained in the reports and requests. As soon as possible, the Committee on Ways and Means shall prepare and introduce a “consolidated fee bill” proposing:

- (1) The creation, change, reauthorization, or termination of any fee.
- (2) The amount of a newly created fee, or change in amount of an existing or reauthorized fee.
- (3) The designation, or redesignation, of the fund into which revenue from a fee is to be deposited.

Sec. 3. 32 V.S.A. chapter 7, subchapter 6A is added to read:

Subchapter 6A. Town Fee Report and Request

§ 611. CONSOLIDATED TOWN FEE REPORT AND REQUEST

(a) As used in this section:

(1) “Cost” shall be narrowly construed, and may include reasonable and directly related costs of administration, maintenance, and other expenses due to providing the service or product or performing the regulatory function.

(2) “Fee” means a monetary charge collected by or on behalf of a town for a service or product provided to, or the regulation of, specified classes of individuals or entities.

(3) “Town” means a town, city, unorganized town or gore, and the unified towns and gores in Essex County.

(b) On or before the third Tuesday of the legislative session of 2019 and every three years thereafter, the Vermont Municipal Clerks’ and Treasurers’ Association and the Vermont League of Cities and Towns shall jointly submit a consolidated town fee report and request. The report shall be submitted to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Government Operations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

(c) For each fee in existence on the preceding July 1, the report shall specify:

(1) its statutory authorization and termination date, if any;

(2) its current rate or amount and the date it was last set or adjusted by the General Assembly;

(3) the fund into which its revenues are deposited; and

(4) for each town, in each of the two previous fiscal years, the revenues derived from each fee.

(d) A fee request shall contain any proposal to:

(1) Create a new fee, or change, reauthorize, or terminate an existing fee, which shall include a description of the services provided or the function performed.

(2) Set a new or adjust an existing fee rate or amount. Each new or adjusted fee rate shall be accompanied by information justifying the rate, which may include:

(A) the relationship between the revenue to be raised by the fee or change in the fee and the cost or change in the cost of the service, product, or regulatory function supported by the fee;

(B) the inflationary pressures that have arisen since the fee was last set;

(C) the effect on budgetary adequacy if the fee is not increased;

(D) the existence of comparable fees in other jurisdictions;

(E) policies that might affect the acceptance or the viability of the fee amount; and

(F) other considerations.

(3) Designate, or redesignate, the fund into which revenue from a fee is to be deposited.

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Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

Date Governor signed bill: May 21, 2018