

1 TO THE HONORABLE SENATE:

2 The Committee on Government Operations to which was referred Senate
3 Bill No. 106 entitled “An act relating to establishing the Municipal Self-
4 Governance Program” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 Sec. 1. 24 V.S.A. chapter 140 is added to read:

8 CHAPTER 140. MUNICIPAL SELF-GOVERNANCE PROGRAM

9 § 5801. FINDINGS AND INTENT

10 The General Assembly finds that:

11 (1) State law, policies, and procedures at times inhibit or delay the
12 ability of Vermont’s cities and towns to adopt and implement innovative
13 solutions to local problems.

14 (2) Often, State law, policies, and procedures limit the ability of cities
15 and towns to creatively work with the State in a timely and efficient manner to
16 address the many issues facing Vermont, including economic health, housing
17 needs, and environmental conservation.

18 (3) Vermont’s cities and towns lack the ability to make the best
19 decisions to meet their unique, truly local needs.

1 (4) Establishing a pilot program that authorizes a limited number of
2 cities and towns to engage in self-governance within defined parameters will:

3 (A) allow the State to determine the current gaps in municipal power
4 and agency;

5 (B) provide a laboratory for cities and towns to develop local
6 solutions to particularized issues; and

7 (C) allow cities and towns within the program to more efficiently
8 respond to the needs of their residents.

9 § 5802. DEFINITIONS; ELIGIBILITY

10 As used in this chapter:

11 (1) “Commission” means the Municipal Self-Governance Commission.

12 (2) “Municipality” means an incorporated city or town.

13 (3) “Program” means the Municipal Self-Governance Program.

14 (4) “Proposal” means a plan that describes the following:

15 (A) the enumerated powers that the municipality requires for the
16 adoption of proposed ordinances that are not in conflict with the U.S.
17 Constitution, the Vermont Constitution, federal laws, and the State laws listed
18 in subsection (c) of section 5805 of this chapter and that provide for the health,
19 safety, and welfare of the population within the territorial limits of the
20 municipality; and

1 (B) the measures a municipality expects to pursue, including the
2 adoption of any ordinances, acts, resolutions, rules, and regulations.

3 § 5803. PROPOSAL ADOPTION PROCEDURE; SUBMISSION

4 (a) A municipality that seeks to participate in the Program shall submit a
5 proposal to the legal voters of the municipality present and voting at an annual
6 or special meeting warned for that purpose in accordance with the following
7 procedure:

8 (1) An official copy of the proposal shall be filed with the clerk of the
9 municipality at least 10 days before the first public hearing. The clerk shall
10 certify the date that he or she received the official copy, and the dated copies
11 shall be open to public inspection and copying.

12 (2)(A) The legislative body of the municipality shall hold at least two
13 public hearings on the proposal before the vote at the annual or special
14 meeting.

15 (B) The first public hearing shall be held at least 20 days before the
16 vote at the annual or special meeting.

17 (3)(A) The legislative body may revise the proposal in light of
18 recommendations made at a public hearing, but in no event shall the revisions
19 be made fewer than 10 days before the date of the meeting to vote on the
20 proposal.

1 (B) If revisions are made, the legislative body shall post a notice of
2 these revisions in the same places as the warning for the meeting not less than
3 10 days before the date of the meeting and shall file an official copy of the
4 revisions with the clerk of the municipality who shall certify the copy.

5 (4) The second public hearing shall be held not later than 10 days after
6 the first public hearing.

7 (5) After the warning and hearing requirements of this section are
8 satisfied, the proposal shall be submitted to the voters at an annual or special
9 meeting in its certified form, except that the legislative body may make
10 technical corrections.

11 (b) A municipality may seek to amend an approved proposal by submitting
12 the amendment to the voters according to the procedure contained in
13 subsection (a) of this section.

14 (c) Upon approval of a proposal or amendment by the voters, the local
15 legislative body shall submit the proposal or amendment to the Commission.

16 § 5804. MUNICIPAL SELF-GOVERNANCE COMMISSION

17 (a) There is created the Municipal Self-Governance Commission to review
18 proposals for expanded municipal self-governance.

19 (b) The Commission shall consist of 12 members, appointed as follows:

20 (1) Four members shall be appointed by the Governor, not more than
21 two of whom shall be from the same political party.

1 (2)(A) Eight members shall be appointed by the General Assembly,
2 four by the Senate Committee on Committees, and four by the Speaker of the
3 House.

4 (B) Not more than two appointees shall be members of the General
5 Assembly, and each appointing authority shall appoint not more than two
6 members from the same political party.

7 (c) The terms of members shall be two years. Appointments of members to
8 fill vacancies or expired terms shall be made by the authority that made the
9 initial appointment to the vacated or expired term.

10 (d) The Commission shall have the following powers:

11 (1) to review, evaluate, and make recommendations concerning a
12 proposal submitted by a municipality;

13 (2) to establish criteria for the evaluation of proposals that includes
14 consideration of each municipality’s population, geographic location, and
15 governance structure;

16 (3) to consult with State agencies affected by the proposal; and

17 (4) to recommend to the General Assembly the municipalities that
18 should be approved to participate in the Program.

19 (e) The Office of Legislative Council shall provide administrative and legal
20 assistance to the Commission, including the scheduling of meetings and the
21 preparation of recommended legislation.

1 (f)(1) The Speaker of the House shall call the first meeting to occur on or
2 before November 1, 2019. The Commission shall select a chair from among
3 its members at the first meeting.

4 (2) Eight members shall constitute a quorum.

5 (g)(1) For attendance at meetings during adjournment of the General
6 Assembly, a legislative member of the Commission shall be entitled to per
7 diem compensation and reimbursement of expenses pursuant to 2 V.S.A.
8 § 406. These payments shall be made from monies appropriated to the General
9 Assembly.

10 (2) Other members of the Commission shall be entitled to per diem
11 compensation and reimbursement of expenses as permitted under 32 V.S.A.
12 § 1010. Payments shall be made from monies appropriated to the
13 Commission.

14 (h)(1) On or before January 15, 2020, the Commission shall submit to the
15 General Assembly a report recommending at least one but not more than
16 10 municipalities to participate in the Program. The Commission shall
17 recommend municipalities that represent the range of populations, geographic
18 locations, and governance structures in the State.

19 (2) At any time after January 15, 2020, the Commission may submit a
20 report recommending additional municipalities be admitted to the Program, but
21 at no time shall more than 10 municipalities be admitted.

1 (i) On or before January 15, 2024, the Commission shall conduct a
2 performance review of the Program and submit to the House and Senate
3 Committees on Government Operations a reporting containing:

4 (1) an evaluation of the effectiveness of expanded self-governance on
5 the participating municipalities;

6 (2) a recommendation as to whether the Program should be continued,
7 reduced, expanded, or terminated;

8 (3) a recommendation as to whether additional legislation is necessary,
9 including any recommended additions to subsection (c) of section 5805 of this
10 chapter; and

11 (4) any other relevant matters.

12 (j) Commencing on January 15, 2021 and each year thereafter, the
13 Commission shall submit to the House and Senate Committees on Government
14 Operations a summary report containing all municipal progress reports
15 submitted to the Commission pursuant to subsection (e) of section 5805 of this
16 chapter.

17 (k)(1) The Commission shall hold Program meetings and may require the
18 attendance of representatives from each participating municipality. Program
19 meetings shall be held at the call of the Chair. Notice shall be given to each
20 municipal representative at least 10 days before the meeting date.

1 (2) The legislative body of a participating municipality shall appoint a
2 representative to attend Program meetings.

3 § 5805. PROGRAM MUNICIPALITIES; POWERS AND DUTIES

4 (a) The General Assembly shall approve proposals and any proposal
5 amendments and admit municipalities for participation in the Program.

6 (b) A municipality that is approved by the General Assembly for
7 participation in the Program shall have the authority to adopt or amend any
8 ordinance pursuant to the powers granted in the municipality’s approved
9 proposal.

10 (c) A municipality’s proposal shall not include the authority to adopt or
11 amend an ordinance that is inconsistent or in conflict with:

12 (1) the U.S. Constitution, the Vermont Constitution, or federal law;

13 (2) the Vermont Public Records Act or the Open Meeting Law;

14 (3) 10 V.S.A. § 5227, 24 V.S.A. § 2291(8), or 24 V.S.A. § 2295;

15 (4) State law governing:

16 (A) firearms;

17 (B) the environment, conservation and development, or fish and
18 wildlife;

19 (C) crimes and criminal procedure;

20 (D) cannabis;

21 (E) the State Lottery and games of chance;

1 (F) alcoholic beverages, except that a municipality may propose to
2 increase local license fees subject to the requirements of 7 V.S.A. § 204(b);

3 (G) health insurance;

4 (H) banking, securities, and insurance;

5 (I) electric utilities;

6 (J) workers' compensation, minimum wage, benefits, and
7 employment protections; or

8 (K) elections, except that a municipality may propose to regulate
9 local elections.

10 (d) A municipality shall only have the power to adopt an ordinance or
11 bylaw that applies within the territorial limits of the municipality. A
12 municipality shall not have the power to adopt an ordinance requiring or
13 prohibiting action by any other municipal corporation.

14 (e) Commencing October 1, 2020 and each year thereafter, each
15 participating municipality shall submit a progress report to the Commission.

16 The municipal progress report shall contain the following information:

17 (1) a narrative description of how the authority granted under this
18 chapter has been exercised in the municipality and any resulting positive or
19 negative impacts;

20 (2) a list of the ordinances adopted pursuant to an approved proposal
21 during the preceding year, including a description of each;

