

# Senate Calendar

FRIDAY, MARCH 11, 2022

SENATE CONVENES AT: 11:00 A.M.

## TABLE OF CONTENTS

Page No.

### ACTION CALENDAR

#### CONSIDERATION POSTPONED UNTIL MARCH 22, 2022

##### GOVERNOR'S VETO

**S. 79** An act relating to improving rental housing health and safety..... 834

#### UNFINISHED BUSINESS OF JANUARY 4, 2022

##### GOVERNOR'S VETO

**S. 107** An act relating to confidential information concerning the initial arrest and charge of a juvenile..... 834

**Pending question:** Shall the bill pass, notwithstanding the Governor's refusal to approve the bill?

Text of the veto message.....834

Bill as passed by Senate and House.....836

#### UNFINISHED BUSINESS OF FEBRUARY 24, 2022

##### GOVERNOR'S VETO

**S. 30** An act relating to prohibiting possession of firearms within hospital buildings..... 838

**Pending question:** Shall the bill pass, notwithstanding the Governor's refusal to approve the bill?

Text of the veto message.....838

Bill as passed by Senate and House.....840

#### UNFINISHED BUSINESS OF MARCH 9, 2022

##### Second Reading

##### Favorable with Proposal of Amendment

**H. 444** An act relating to approval of amendments to the charter of the City of Barre

Government Operations Report - Sen. Pollina ..... 845

## UNFINISHED BUSINESS OF MARCH 10, 2022

### Second Reading

#### Favorable with Recommendation of Amendment

- S. 4** An act relating to a 48-hour waiting period for firearms transfers  
Judiciary Report - Sen. Baruth ..... 847
- S. 247** An act relating to prohibiting discrimination based on genetic  
information  
Finance Report - Sen. Hardy ..... 852

### NEW BUSINESS

#### Third Reading

- S. 139** An act relating to public schools' team mascots..... 858
- S. 173** An act relating to the State House Oversight Committee..... 858
- S. 206** An act relating to planning for the care and treatment of patients  
with cognitive impairments..... 858
- S. 283** An act relating to miscellaneous changes to education laws..... 858
- H. 701** An act relating to cannabis license fees..... 858  
Amendment - Sens. Pearson and Sears ..... 858

### Second Reading

#### Favorable with Recommendation of Amendment

- S. 140** An act relating to prohibiting civil arrests at courthouses  
Judiciary Report - Sen. Baruth ..... 859
- S. 163** An act relating to State court jurisdiction for special immigrant  
juvenile status  
Judiciary Report - Sen. White ..... 861
- S. 188** An act relating to regulating licensed small cannabis cultivation as  
farming  
Agriculture Report - Sen. Pearson ..... 866  
Finance Report - Sen. Pearson ..... 870

## NOTICE CALENDAR

### Second Reading

#### Favorable with Recommendation of Amendment

<b>S. 171</b> An act relating to adoption of a State code of ethics Government Operations Report - Sen. Pollina .....	870
<b>S. 178</b> An act relating to supermajority verdicts in civil trials Judiciary Report - Sen. Sears .....	880
<b>S. 195</b> An act relating to the certification of mental health peer support specialists Health and Welfare Report - Sen. Hooker .....	881
<b>S. 214</b> An act relating to valuation of time-share projects Finance Report - Sen. Hardy .....	891
<b>S. 269</b> An act relating to extending the Energy Savings Account Partnership Pilot Program Finance Report - Sen. Brock .....	894

#### House Proposal of Amendment

<b>S. 53</b> An act relating to exempting feminine hygiene products from the Vermont Sales and Use Tax House Proposal of Amendment .....	897
Finance Report - Sen. Cummings .....	904

#### CONCURRENT RESOLUTIONS FOR ACTION

<b>H.C.R. 109 - 119</b> (For text of resolutions, see Addendum to House Calendar for March 10, 2022).....	910
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**ORDERS OF THE DAY**

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**ACTION CALENDAR**

**CONSIDERATION POSTPONED UNTIL MARCH 22, 2022**

**GOVERNOR'S VETO**

**S. 79.**

An act relating to improving rental housing health and safety.

**Pending question (to be voted by call of the roll):** Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

(For text of the Governor's Veto Message, see Senate Journal for June 24, 2021, page 1454)

**UNFINISHED BUSINESS OF JANUARY 4, 2022**

**GOVERNOR'S VETO**

**S. 107.**

An act relating to confidential information concerning the initial arrest and charge of a juvenile.

**Pending question (to be voted by call of the roll):** Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

The text of the Communication from His Excellency, The Governor, whereby he *vetoed* and returned unsigned **Senate Bill No. S. 107** to the Senate is as follows:

**Text of Communication from Governor**

"May 20, 2021

The Honorable John Bloomer, Jr.  
Secretary of the Senate  
115 State House  
Montpelier, VT 05633-5401

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.107, *An act relating to confidential information concerning the initial arrest and charge of a juvenile*, without my signature, because of concerns with the policy to automatically raise the age of accountability for

crimes, and afford young adults protections meant for juveniles, without adequate tools or systems in place.

Three years ago, I signed legislation intended to give young adults who had become involved in the criminal justice system certain protections meant for juveniles. At the time, I was assured that, prior to the automatic increases in age prescribed in the bill, plans would be in place to provide access to the rehabilitation, services, housing and other supports needed to both hold these young adults accountable and help them stay out of the criminal justice system in the future.

This has not yet been the case. In addition to ongoing housing challenges, programs designed and implemented for children under 18 are often not appropriate for those over 18. Disturbingly, there are also reports of some young adults being used – and actively recruited – by older criminals, like drug traffickers, to commit crimes because of reduced risk of incarceration, potentially putting the young people we are trying to protect deeper into the criminal culture and at greater risk.

I want to be clear: I’m not blaming the Legislature or the Judiciary for these gaps. All three branches of government need to bring more focus to this issue if we are going to provide the combination of accountability, tools and services needed to ensure justice and give young offenders a second chance.

For these reasons, I believe we need to take a step back and assess Vermont’s “raise the age” policy, the gaps that exist in our systems and the unintended consequences of a piecemeal approach on the health and safety of our communities, victims and the offenders we are attempting to help. I see S.107 as deepening this piecemeal approach.

I also remain concerned with the lack of clarity in S.107 regarding the disparity in the public records law between the Department of Public Safety and the Department of Motor Vehicles.

Based on the objections outlined above, I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution. I believe this presents an opportunity to start a much-needed conversation about the status of our juvenile justice initiatives and make course corrections where necessary, in the interest of public safety and the young Vermonters we all agree need an opportunity to get back on the right path.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

**Text of bill as passed by Senate and House**

The text of the bill as passed by the Senate and House of Representatives is as follows:

**S.107** An act relating to confidential information concerning the initial arrest and charge of a juvenile

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

\* \* \* Exemption; records of arrest or charge of a juvenile \* \* \*

Sec. 1. 1 V.S.A. § 317 is amended to read:

§ 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS; EXEMPTIONS

\* \* \*

(c) The following public records are exempt from public inspection and copying:

\* \* \*

(5)(A) Records dealing with the detection and investigation of crime, but only to the extent that the production of such records:

\* \* \*

(B)(i) Notwithstanding subdivision (A) of this subdivision (5), records relating to management and direction of a law enforcement agency; records reflecting the initial arrest of a person, including any ticket, citation, or complaint issued for a traffic violation, as that term is defined in 23 V.S.A. § 2302; and records reflecting the charge of a person shall be public.

(ii) A public agency shall not release any information within a record reflecting the initial arrest or charge of a person under 19 years of age that would reveal the identity of the person. However, a public agency may disclose identifying information relating to the initial arrest of a person under 19 years of age in order to protect the health and safety of any person.

\* \* \*

\* \* \* Effective July 1, 2022 \* \* \*

Sec. 2. 1 V.S.A. § 317 is amended to read:

§ 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS; EXEMPTIONS

\* \* \*

(c) The following public records are exempt from public inspection and copying:

\* \* \*

(5)(A) Records dealing with the detection and investigation of crime, but only to the extent that the production of such records:

\* \* \*

(B)(i) Notwithstanding subdivision (A) of this subdivision (5), records relating to management and direction of a law enforcement agency; records reflecting the initial arrest of a person, including any ticket, citation, or complaint issued for a traffic violation, as that term is defined in 23 V.S.A. § 2302; and records reflecting the charge of a person shall be public.

(ii) A public agency shall not release any information within a record reflecting the initial arrest or charge of a person under ~~19~~ 20 years of age that would reveal the identity of the person. However, a public agency may disclose identifying information relating to the initial arrest of a person under ~~19~~ 20 years of age in order to protect the health and safety of any person.

\* \* \*

### Sec. 3. APPLICATION OF PUBLIC RECORDS ACT EXEMPTION REVIEW

Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption amended in Sec. 1 shall continue in effect and shall not be reviewed for repeal.

\* \* \* Custodian of records relating to a person  
under court jurisdiction \* \* \*

Sec. 4. 33 V.S.A. § 5117 is amended to read:

### § 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

(a)(1) Except as otherwise provided, court and law enforcement reports and files concerning a person subject to the jurisdiction of the court shall be maintained separate from the records and files of other persons. Unless a charge of delinquency is transferred for criminal prosecution under chapter 52 of this title or the court otherwise orders in the interests of the child, such records and files shall not be open to public inspection nor their contents disclosed to the public by any person. However, upon a finding that a child is a delinquent child by reason of commission of a delinquent act ~~which~~ that would have been a felony if committed by an adult, the court, upon request of the victim, shall make the child's name available to the victim of the



delinquent act. If the victim is incompetent or deceased, the child's name shall be released, upon request, to the victim's guardian or next of kin.

(2) When a person is subject to the jurisdiction of the court, the court shall become the sole records custodian for purposes of responding to any request for court or law enforcement records concerning the person. A public agency shall direct any request for these records to the courts for response.

(3) When a person is subject to the jurisdiction of the Criminal Division of the Superior Court pursuant to chapter 52 or 52A of this title, the Criminal Division of the Superior Court shall become the sole records custodian for purposes of responding to any request for court or law enforcement records concerning the person. A public agency shall direct any request for these records to the courts for response.

\* \* \*

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

#### Sec. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that Sec. 2 (2022 amendment to 1 V.S.A. § 317(c)(5)(B)(ii) (public records; exemptions; records relating to the initial arrest and charge of a person)) shall take effect on July 1, 2022.

### UNFINISHED BUSINESS OF FEBRUARY 24, 2022

#### GOVERNOR'S VETO

##### S. 30.

An act relating to prohibiting possession of firearms within hospital buildings.

**Pending question (to be voted by call of the roll):** Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

The text of the Communication from His Excellency, The Governor, whereby he *vetoed* and returned unsigned **Senate Bill No. S. 30** to the Senate is as follows:

#### Text of Communication from Governor

“February 22, 2022

The Honorable John Bloomer, Jr.

Secretary of the Senate

115 State House

Montpelier, VT 05633-5401

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning S. 30, *An act relating to prohibiting possession of firearms within hospital buildings* without my signature.

In 2018, I called for and signed the most comprehensive gun safety measures in our state's history. We established universal background check requirements; authorized extreme risk protection orders (i.e., "red flag" laws), providing tools to prevent someone from having a gun if there is credible evidence they may harm themselves or others; strengthened the ability of law enforcement to seize firearms from those accused of domestic violence; enhanced age requirements; and prohibited the sale and possession of bump stocks and large capacity magazines. This was a comprehensive, and historic, set of policies that take reasonable steps to help keep firearms out of the hands of people who should not have them. It's my belief that we need to give these new provisions more time to be fully understood and utilized, and that the Legislature should focus on educating Vermonters on these changes – and on addressing Vermont's mental health crisis – before additional gun laws are passed.

However, as I've also said, I'm open to a discussion about improving existing law to address the so-called "Charleston Loophole" and I'm offering a path forward below. This refers to a provision in federal law that provides automatic approval to someone who is buying a gun if a federal background check through the National Instant Criminal Background Check System (also known as NICS) doesn't produce a "red light" (i.e., reporting they are ineligible) within three business days.

S. 30 increases that timeframe from three days to an unlimited amount of time without acknowledging that an application expires in 30 days. So instead of holding the federal government accountable to complete the background check in a timely manner, it shifts all the burden away from government – where responsibility was intentionally placed in federal law – entirely onto the citizen. Law abiding citizens who become the victims of a government administrative error must themselves gather all applicable law enforcement and court records and try to understand and navigate a complex maze of federal bureaucratic process to try to rectify their "yellow" status.

For these reasons, I believe going from three to effectively 30 days is excessive and unreasonable for law-abiding citizens who wish to purchase a firearm for their own personal safety or for other lawful and constitutionally protected purposes.

However, I'm willing to work with the Legislature to find a path forward that gives the federal government more time to fulfill its obligations to complete background checks, without denying law-abiding citizens of their right to a fair and reasonable process.

A more reasonable standard would be to increase the current three-day waiting period to seven business days to allow the federal government additional time to resolve issues and make a final determination.

Given this bill's effective date of July 1, 2022, the Legislature has ample time to address my concerns and send me a bill I can sign.

Based on the objections outlined above I'm returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott

Philip B. Scott

Governor

PBS/kp”

#### **Text of bill as passed by Senate and House**

The text of the bill as passed by the Senate and House of Representatives is as follows:

**S. 30** An act relating to prohibiting possession of firearms within hospital buildings

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

Sec. 1. 13 V.S.A. § 4023 is added to read:

§ 4023. POSSESSION OF FIREARMS IN HOSPITAL BUILDINGS  
PROHIBITED

(a) A person shall not knowingly possess a firearm while within a hospital building.

(b) A person who violates this section shall be fined not more than \$250.00.

(c) This section shall not apply to a firearm possessed by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. § 2358, for legitimate law enforcement purposes.

(d) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each hospital.

(e) As used in this section:

(1) "Firearm" has the same meaning as in subsection 4017(d) of this title.

(2) "Hospital" has the same meaning as in 18 V.S.A. § 1902.

Sec. 2. 13 V.S.A. § 4019 is amended to read:

§ 4019. FIREARMS TRANSFERS; BACKGROUND CHECKS

(a) As used in this section:

\* \* \*

(4) "Licensed dealer" means a person issued a license as a dealer in firearms pursuant to 18 U.S.C. § 923(a).

(5) "Proposed transferee" means an unlicensed person to whom a proposed transferor intends to transfer a firearm.

(6) "Proposed transferor" means an unlicensed person who intends to transfer a firearm to another unlicensed person.

(7) "Transfer" means to transfer ownership of a firearm by means of sale, trade, or gift.

(8) "Unlicensed person" means a person who has not been issued a license as a dealer, importer, or manufacturer in firearms pursuant to 18 U.S.C. § 923(a).

(b)(1) Except as provided in subsection (e) of this section, an unlicensed person shall not transfer a firearm to another unlicensed person unless:

(A) the proposed transferor and the proposed transferee physically appear together with the firearm before a licensed dealer and request that the licensed dealer facilitate the transfer; and

(B) the licensed dealer agrees to facilitate the transfer.

(2) A person shall not, in connection with the transfer or attempted transfer of a firearm pursuant to this section, knowingly make a false statement or exhibit a false identification intended to deceive a licensed dealer with respect to any fact material to the transfer.

\* \* \*

(d) A person shall not transfer a firearm to another person if:

(1) the transfer requires a background check under this section or under federal law; and

(2) the licensed dealer facilitating the transfer has not been provided with a unique identification number for the transfer by the National Instant Criminal Background Check System.

~~(d)~~(e)(1) An unlicensed person who transfers a firearm to another unlicensed person in violation of subdivision (b)(1) of this section shall be imprisoned not more than one year or fined not more than \$500.00, or both.

(2) A person who violates subdivision (b)(2) or subsection (d) of this section shall be imprisoned not more than one year or fined not more than \$500.00, or both.

~~(e)~~(f) This section shall not apply to:

(1) the transfer of a firearm by or to a law enforcement agency;

(2) the transfer of a firearm by or to a law enforcement officer or member of the U.S. Armed Forces acting within the course of his or her official duties;

(3) the transfer of a firearm from one immediate family member to another immediate family member; or

(4) a person who transfers the firearm to another person in order to prevent imminent harm to any person, provided that this subdivision shall only apply while the risk of imminent harm exists.

~~(f)~~(g) A licensed dealer who facilitates a firearm transfer pursuant to this section shall be immune from any civil or criminal liability for any actions taken or omissions made when facilitating the transfer in reliance on the provisions of this section. This subsection shall not apply to reckless or intentional misconduct by a licensed dealer.

Sec. 3. 13 V.S.A. § 4057 is amended to read:

§ 4057. PROCEDURE

(a) Except as otherwise specified, proceedings commenced under this subchapter shall be in accordance with the Vermont Rules for Family Proceedings and shall be in addition to any other available civil or criminal remedies.

\* \* \*

(d)(1) For purposes of a petition filed pursuant to this subchapter, a health care provider may notify a law enforcement officer when the provider believes in good faith that disclosure of the information is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.

(2) As used in this subsection:

(A) “Health care provider” has the same meaning as in 18 V.S.A. § 9402.

(B) “Necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public” includes circumstances when the health care provider reasonably believes that the patient poses an extreme risk of causing harm to themselves or another person by purchasing, possessing, or receiving a dangerous weapon or by having a dangerous weapon within the patient’s custody or control.

Sec. 4. 13 V.S.A. § 4062 is added to read:

§ 4062. ANNUAL REPORTING; OFFICE OF COURT ADMINISTRATOR  
AND AGENCY OF HUMAN SERVICES

(a) On or before September 1, 2022 and annually thereafter, the Court Administrator, with the assistance of the Agency of Human Services, shall report data on the use of extreme risk protection orders during the previous year to the Senate and House Committees on Judiciary.

(b) The reports required by this section shall include the following data for the previous year:

(1) the number of extreme risk protection order petitions filed and the number of orders issued;

(2) geographical data indicating the county where the petition was filed;  
and

(3) follow-up information describing whether the order was renewed or terminated pursuant to section 4055 of this title and whether the subject of the order was charged with violating it under section 4058 of this title.

(c) The Agency of Human Services shall include in the reports required by this section an analysis of the impact of extreme risk prevention orders on Vermont suicide rates, including any relevant data relied on or utilized by the Agency for purposes of providing the information required by 2017 Acts and Resolves No. 34, An act relating to evaluation of suicide profiles.

Sec. 5. 13 V.S.A. § 4021 is amended to read:

§ 4021. LARGE CAPACITY AMMUNITION FEEDING DEVICES

(a) A person shall not manufacture, possess, transfer, offer for sale, purchase, or receive or import into this State a large capacity ammunition feeding device. As used in this subsection, “import” ~~shall~~ does not include the transportation back into this State of a large capacity ammunition feeding device by the same person who transported the device out of State if the person possessed the device on or before the effective date of this section.

\* \* \*

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

\* \* \*

(F) transported by a resident of another state into this State for the exclusive purpose of use in an organized shooting competition sponsored by an entity registered with the Secretary of State if the device is lawfully possessed under the laws of another state.

\* \* \*

Sec. 6. 15 V.S.A. § 1104 is amended to read:

§ 1104. EMERGENCY RELIEF

(a) In accordance with the Vermont Rules of Civil Procedure, temporary orders under this chapter may be issued ex parte, without notice to the defendant, upon motion and findings by the court that the defendant has abused the plaintiff or the plaintiff’s children, or both. The plaintiff shall submit an affidavit in support of the order. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(2) of this chapter, may seek relief on his or her own behalf. Relief under this section shall be limited as follows:

(1) Upon a finding that there is an immediate danger of further abuse, an order may be granted requiring the defendant:

(A) to refrain from abusing the plaintiff or his or her children, or both, or from cruelly treating as defined in 13 V.S.A. § 352 or 352a or killing any animal owned, possessed, leased, kept, or held as a pet by either party or by a minor child residing in the household;

(B) to refrain from interfering with the plaintiff’s personal liberty or the personal liberty of the plaintiff’s children, or both;

(C) to refrain from coming within a fixed distance of the plaintiff, the plaintiff's children, the plaintiff's residence, or the plaintiff's place of employment; ~~and~~

(D) to refrain from contacting the plaintiff or the plaintiff's children, or both, in any way, whether directly, indirectly, or through a third party, with the purpose of making contact with the plaintiff, including in writing or by telephone, e-mail, or other electronic communication; or

(E) to immediately relinquish, until the expiration of the order, all firearms that are in the defendant's possession, ownership, or control and to refrain from acquiring or possessing any firearms while the order is in effect.

(2) Upon a finding that the plaintiff, ~~his or her~~ or the plaintiff's children, or both, have been forced from the household and will be without shelter unless the defendant is ordered to vacate the premises, the court may order the defendant to vacate immediately the household and may order sole possession of the premises to the plaintiff.

(3) Upon a finding that there is immediate danger of physical or emotional harm to minor children, the court may award temporary custody of these minor children to the plaintiff or to other persons.

\* \* \*

#### Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

### **UNFINISHED BUSINESS OF MARCH 9, 2022**

#### **Second Reading**

#### **Favorable with Proposal of Amendment**

#### **H. 444.**

An act relating to approval of amendments to the charter of the City of Barre.

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

The Committee recommends that the Senate propose to the House to amend the bill as follows:

By striking out Sec. 2, 24 App. V.S.A. chapter 1, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:



Sec. 2. 24 App. V.S.A. chapter 1 is amended to read:

CHAPTER 1. CITY OF BARRE

\* \* \*

§ 104. GENERAL CORPORATE POWERS

\* \* \*

(d) The City of Barre shall fly only the City, State, United States, and POW/MIA flags.

§ 105. ORDINANCES - SUBJECT MATTER

(a) The general grant of ordinance promulgating authority in section 104 shall include the authority:

\* \* \*

(7) To adopt and enforce ordinances relating to the mediation of landlord tenant issues by the Housing Board of Review Notwithstanding any contrary provision of 23 V.S.A. § 1007, to adopt and enforce ordinances establishing a speed limit of less than 25 miles per hour on specified City streets, or sections thereof, within City boundaries as may be required for the safety and general welfare of the City.

\* \* \*

§ 111. BONDING OF CITY OFFICIALS

The Mayor, councilors, members of the Police Department, City Manager, ~~First Constable~~ Finance Director, Superintendent of Public Works, Tax Collector, and Clerk and Treasurer shall annually be bonded by the City for the faithful discharge of their respective duties, as provided by State statute, and the expense of said bonds to be paid by the City.

\* \* \*

§ 205. OFFICERS ELECTED

(a)(1) The legal voters shall elect biennially a Mayor, ~~a First Constable,~~ and one person to serve as Clerk and Treasurer.

\* \* \*

Subchapter 4. City Officials

\* \* \*

ARTICLE 8. CONSTABLE [Repealed.]

\* \* \*

§ 418. DUTIES

~~The City Constable shall have the same powers and be under the same duties and liabilities as are prescribed by State statutes for constables of towns. [Repealed.]~~

\* \* \*

(Committee vote: 3-2-0)

(For House amendments, see House Journal for May 18, 2021, pages 1191-1193)

**UNFINISHED BUSINESS OF MARCH 10, 2022**

**Second Reading**

**Favorable with Recommendation of Amendment**

**S. 4.**

An act relating to a 48-hour waiting period for firearms transfers.

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

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

Sec. 1. 13 V.S.A. § 4023 is added to read:

§ 4023. POSSESSION OF FIREARMS IN HOSPITAL BUILDINGS  
PROHIBITED

(a) A person shall not knowingly possess a firearm while within a hospital building.

(b) A person who violates this section shall be fined not more than \$250.00.

(c) This section shall not apply to a firearm possessed by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. § 2358, for legitimate law enforcement purposes.

(d) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each hospital.

(e) As used in this section:

(1) "Firearm" has the same meaning as in subsection 4017(d) of this title.

(2) “Hospital” has the same meaning as in 18 V.S.A. § 1902.

Sec. 2. 13 V.S.A. § 4019 is amended to read:

§ 4019. FIREARMS TRANSFERS; BACKGROUND CHECKS

(a) As used in this section:

\* \* \*

(4) “Licensed dealer” means a person issued a license as a dealer in firearms pursuant to 18 U.S.C. § 923(a).

(5) “Proposed transferee” means an unlicensed person to whom a proposed transferor intends to transfer a firearm.

(6) “Proposed transferor” means an unlicensed person who intends to transfer a firearm to another unlicensed person.

(7) “Transfer” means to transfer ownership of a firearm by means of sale, trade, or gift.

(8) “Unlicensed person” means a person who has not been issued a license as a dealer, importer, or manufacturer in firearms pursuant to 18 U.S.C. § 923(a).

(b)(1) Except as provided in subsection (e) of this section, an unlicensed person shall not transfer a firearm to another unlicensed person unless:

(A) the proposed transferor and the proposed transferee physically appear together with the firearm before a licensed dealer and request that the licensed dealer facilitate the transfer; and

(B) the licensed dealer agrees to facilitate the transfer.

(2) A person shall not, in connection with the transfer or attempted transfer of a firearm pursuant to this section, knowingly make a false statement or exhibit a false identification intended to deceive a licensed dealer with respect to any fact material to the transfer.

\* \* \*

(d) A person shall not transfer a firearm to another person if:

(1) the transfer requires a background check under this section or under federal law; and

(2) the licensed dealer facilitating the transfer has not been provided with a unique identification number for the transfer by the National Instant Criminal Background Check System, provided that if the identification number has not been provided within seven business days, then the transfer may proceed.

~~(d)~~(e)(1) An unlicensed person who transfers a firearm to another unlicensed person in violation of subdivision (b)(1) of this section shall be imprisoned not more than one year or fined not more than \$500.00, or both.

(2) A person who violates subdivision (b)(2) or subsection (d) of this section shall be imprisoned not more than one year or fined not more than \$500.00, or both.

~~(e)~~(f) This section shall not apply to:

(1) the transfer of a firearm by or to a law enforcement agency;

(2) the transfer of a firearm by or to a law enforcement officer or member of the U.S. Armed Forces acting within the course of ~~his or her~~ the officer's or the U.S. Armed Forces member's official duties;

(3) the transfer of a firearm from one immediate family member to another immediate family member; or

(4) a person who transfers the firearm to another person in order to prevent imminent harm to any person, provided that this subdivision shall only apply while the risk of imminent harm exists.

~~(f)~~(g) A licensed dealer who facilitates a firearm transfer pursuant to this section shall be immune from any civil or criminal liability for any actions taken or omissions made when facilitating the transfer in reliance on the provisions of this section. This subsection shall not apply to reckless or intentional misconduct by a licensed dealer.

Sec. 3. 13 V.S.A. § 4057 is amended to read:

§ 4057. PROCEDURE

(a) Except as otherwise specified, proceedings commenced under this subchapter shall be in accordance with the Vermont Rules for Family Proceedings and shall be in addition to any other available civil or criminal remedies.

\* \* \*

(d)(1) For purposes of a petition filed pursuant to this subchapter, a health care provider may notify a law enforcement officer when the provider believes in good faith that disclosure of the information is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.

(2) As used in this subsection:

(A) “Health care provider” has the same meaning as in 18 V.S.A. § 9402.

(B) “Necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public” includes circumstances when the health care provider reasonably believes that the patient poses an extreme risk of causing harm to themselves or another person by purchasing, possessing, or receiving a dangerous weapon or by having a dangerous weapon within the patient’s custody or control.

Sec. 4. 13 V.S.A. § 4062 is added to read:

§ 4062. ANNUAL REPORTING; OFFICE OF COURT ADMINISTRATOR  
AND AGENCY OF HUMAN SERVICES

(a) On or before September 1, 2022 and annually thereafter, the Court Administrator, with the assistance of the Agency of Human Services, shall report data on the use of extreme risk protection orders during the previous year to the Senate and House Committees on Judiciary.

(b) The reports required by this section shall include the following data for the previous year:

(1) the number of extreme risk protection order petitions filed and the number of orders issued;

(2) geographical data indicating the county where the petition was filed;  
and

(3) follow-up information describing whether the order was renewed or terminated pursuant to section 4055 of this title and whether the subject of the order was charged with violating it under section 4058 of this title.

(c) The Agency of Human Services shall include in the reports required by this section an analysis of the impact of extreme risk prevention orders on Vermont suicide rates, including any relevant data relied on or utilized by the Agency for purposes of providing the information required by 2017 Acts and Resolves No. 34, An act relating to evaluation of suicide profiles.

Sec. 5. 13 V.S.A. § 4021 is amended to read:

§ 4021. LARGE CAPACITY AMMUNITION FEEDING DEVICES

(a) A person shall not manufacture, possess, transfer, offer for sale, purchase, or receive or import into this State a large capacity ammunition feeding device. As used in this subsection, “import” ~~shall~~ does not include the transportation back into this State of a large capacity ammunition feeding device by the same person who transported the device out of State if the person possessed the device on or before the effective date of this section.

\* \* \*

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

\* \* \*

(F) transported by a resident of another state into this State for the exclusive purpose of use in an organized shooting competition sponsored by an entity registered with the Secretary of State if the device is lawfully possessed under the laws of another state.

\* \* \*

Sec. 6. 15 V.S.A. § 1104 is amended to read:

§ 1104. EMERGENCY RELIEF

(a) In accordance with the Vermont Rules of Civil Procedure, temporary orders under this chapter may be issued ex parte, without notice to the defendant, upon motion and findings by the court that the defendant has abused the plaintiff or the plaintiff’s children, or both. The plaintiff shall submit an affidavit in support of the order. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(2) of this chapter, may seek relief on ~~his or her~~ the minor’s own behalf. Relief under this section shall be limited as follows:

(1) Upon a finding that there is an immediate danger of further abuse, an order may be granted requiring the defendant:

(A) to refrain from abusing the plaintiff or ~~his or her~~ the plaintiff’s children, or both, or from cruelly treating as defined in 13 V.S.A. § 352 or 352a or killing any animal owned, possessed, leased, kept, or held as a pet by either party or by a minor child residing in the household;

(B) to refrain from interfering with the plaintiff’s personal liberty or the personal liberty of the plaintiff’s children, or both;

(C) to refrain from coming within a fixed distance of the plaintiff, the plaintiff's children, the plaintiff's residence, or the plaintiff's place of employment; ~~and~~

(D) to refrain from contacting the plaintiff or the plaintiff's children, or both, in any way, whether directly, indirectly, or through a third party, with the purpose of making contact with the plaintiff, including in writing or by telephone, e-mail, or other electronic communication; or

(E) to immediately relinquish, until the expiration of the order, all firearms that are in the defendant's possession, ownership, or control and to refrain from acquiring or possessing any firearms while the order is in effect.

(2) Upon a finding that the plaintiff, ~~his or her~~ or the plaintiff's children, or both, have been forced from the household and will be without shelter unless the defendant is ordered to vacate the premises, the court may order the defendant to vacate immediately the household and may order sole possession of the premises to the plaintiff.

(3) Upon a finding that there is immediate danger of physical or emotional harm to minor children, the court may award temporary custody of these minor children to the plaintiff or to other persons.

\* \* \*

#### Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

And that after passage the title of the bill be amended to read:

An act relating to procedures involving firearms.

(Committee vote: 4-1-0)

#### **S. 247.**

An act relating to prohibiting discrimination based on genetic information.

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

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

\* \* \* Genetic Information and Testing \* \* \*

Sec. 1. 18 V.S.A. § 9331 is amended to read:

#### § 9331. DEFINITIONS

~~For purposes of~~ As used in this chapter:

\* \* \*

(6) "Genetic information" means the results of genetic testing related to an individual or a family member of the individual contained in any report, interpretation, evaluation, or other record ~~thereof~~.

\* \* \*

Sec. 2. 18 V.S.A. § 9334 is amended to read:

§ 9334. GENETIC TESTING AS A CONDITION OF INSURANCE  
COVERAGE

(a) No policy of insurance offered for delivery or issued in this State shall be underwritten or conditioned on the basis of:

(1) any requirement or agreement of the individual to undergo genetic testing; ~~or~~

(2) genetic information of the individual that may be associated with a potential genetic condition in that individual but that has not resulted in a diagnosed condition in the individual; or

(3) the results of genetic testing information of a member of the individual's family that may be associated with a potential genetic condition in that family member but that has not resulted in a diagnosed condition in the family member.

\* \* \*

\* \* \* Insurance \* \* \*

Sec. 3. 8 V.S.A. § 3702 is amended to read:

§ 3702. OTHER PROHIBITED PRACTICES

A life insurance company doing business in the State or an agent thereof shall not do any of the following:

(1) ~~issue~~ Issue a policy of insurance or make an agreement other than that plainly expressed in the policy issued to the insured; ~~;~~

(2) ~~pay~~ Pay or allow, or offer to pay or allow, as an inducement to insurance, a rebate or premium payable on the policy; ~~;~~

(3) ~~grant~~ Grant a special favor or advantage in the dividends or other benefits to accrue thereon; ~~or~~;

(4) ~~provide~~ Provide any valuable consideration or inducement not specified in the policy.



(5)(A) Condition insurance rates, the provision or renewal of insurance coverage or benefits, or other conditions of insurance for any individual on:

(i) any requirement or agreement of the individual to undergo genetic testing;

(ii) genetic information of the individual that may be associated with a potential genetic condition in that individual but that has not resulted in a diagnosed condition in the individual; or

(iii) genetic information of a member of the individual's family that may be associated with a potential genetic condition in that family member but that has not resulted in a diagnosed condition in the family member.

(B) As used in this subdivision (5), "genetic testing" and "genetic information" have the same meanings as in 18 V.S.A. § 9331.

(6) Request, require, purchase, or use information obtained from an entity providing direct-to-consumer genetic testing without the informed written consent of the individual who has been tested.

Sec. 4. 8 V.S.A. § 4724 is amended to read:

§ 4724. UNFAIR METHODS OF COMPETITION OR UNFAIR OR DECEPTIVE ACTS OR PRACTICES DEFINED

The following are hereby defined as unfair methods of competition or unfair or deceptive acts or practices in the business of insurance:

\* \* \*

(7) Unfair discrimination; arbitrary underwriting action.

\* \* \*

(D) Making or permitting any unfair discrimination against any individual by conditioning insurance rates, the provision or renewal of insurance coverage, or other conditions of insurance based on medical information, ~~including the results of genetic testing,~~ where there is not a relationship between the medical information and the cost of the insurance risk that the insurer would assume by insuring the proposed insured. In demonstrating the relationship, the insurer can rely on actual or reasonably anticipated experience. ~~As used in this subdivision, "genetic testing" shall be defined as the term is defined in 18 V.S.A. § 9331(7).~~

\* \* \*

(F)(i) Making or permitting any unfair discrimination against any individual by conditioning insurance rates, the provision or renewal of insurance coverage, or other conditions of insurance on:

(I) any requirement or agreement of the individual to undergo genetic testing;

(II) genetic information of the individual that may be associated with a potential genetic condition in that individual but that has not resulted in a diagnosed condition in the individual; or

(III) genetic information of a member of the individual's family that may be associated with a potential genetic condition in that family member but that has not resulted in a diagnosed condition in the family member.

(ii) As used in this subdivision (7)(F), "genetic testing" and "genetic information" have the same meanings as in 18 V.S.A. § 9331.

\* \* \*

(22) Genetic testing.

(A) Conditioning insurance rates, the provision or renewal of insurance coverage or benefits, or other conditions of insurance for any individual on:

(i) any requirement or agreement of the individual to undergo genetic testing; or

(ii) genetic information of the individual that may be associated with a potential genetic condition in that individual but that has not resulted in a diagnosed condition in the individual; or

(iii) the results of genetic testing information of a member of the individual's family unless the results are contained in the individual's medical record that may be associated with a potential genetic condition in that family member but that has not resulted in a diagnosed condition in the family member.

(B) As used in this subdivision (22), "genetic testing" shall be defined as the term is defined and "genetic information" have the same meanings as in 18 V.S.A. § 9331(7) 9331.

Sec. 5. 8 V.S.A. § 5115 is amended to read:

§ 5115. DUTY OF NONPROFIT HEALTH MAINTENANCE ORGANIZATIONS

(a) Any nonprofit health maintenance organization subject to this chapter shall offer nongroup plans to individuals in accordance with section 4080b of this title without discrimination based on age, gender, industry, genetic information, and medical history, except as allowed by ~~subdivisions 4080a(h)(2)(B) and 4080b(h)(2)(B) of this title pursuant to 33 V.S.A. § 1811(f)(2)(A).~~

(b) As used in this section, “genetic information” has the same meaning as in 18 V.S.A. § 9331.

Sec. 6. 8 V.S.A. § 8086 is amended to read:

§ 8086. PREEXISTING CONDITIONS; GENETIC TESTING

\* \* \*

(b)(1) No long-term care insurance policy or certificate may exclude coverage for a loss or confinement ~~which~~ that is the result of a preexisting condition, unless ~~such~~ the loss or confinement begins within six months following the effective date of coverage of an insured person.

(2)(A) No long-term care insurance policy or certificate may condition insurance rates, the provision or renewal of insurance coverage or benefits, or other conditions of insurance for any individual on:

(i) any requirement or agreement of the individual to undergo genetic testing;

(ii) genetic information of the individual that may be associated with a potential genetic condition in that individual but that has not resulted in a diagnosed condition in the individual; or

(iii) genetic information of a member of the individual’s family that may be associated with a potential genetic condition in that family member but that has not resulted in a diagnosed condition in the family member.

(B) As used in this subdivision (2), “genetic testing” and “genetic information” have the same meanings as in 18 V.S.A. § 9331.

\* \* \*

\* \* \* Social and Medical Services \* \* \*

Sec. 7. 8 V.S.A. § 4588 is amended to read:

§ 4588. ANNUAL REPORT TO COMMISSIONER

(a) Annually, on or before March 1, a medical service corporation shall file with the Commissioner of Financial Regulation a statement sworn to by the president and treasurer of the corporation showing its condition on December 31, which shall be in such form and contain such matters as the Commissioner shall prescribe. To qualify for the tax exemption set forth in section 4590 of this title, the statement shall include a certification that the medical service corporation operates on a nonprofit basis for the purpose of providing an adequate medical service plan to individuals of the State, both groups and nongroups, without discrimination based on age, gender, geographic area, industry, genetic information, and medical history, except as allowed ~~by subdivisions 4080a(h)(2)(B) and 4080b(h)(2)(B) of this title pursuant to~~ 33 V.S.A. § 1811(f)(2)(A).

(b) As used in this section, “genetic information” has the same meaning as in 18 V.S.A. § 9331.

Sec. 8. 8 V.S.A. § 4516 is amended to read:

§ 4516. ANNUAL REPORT TO COMMISSIONER

(a) Annually, on or before March 1, a hospital service corporation shall file with the Commissioner of Financial Regulation a statement sworn to by the president and treasurer of the corporation showing its condition on December 31. The statement shall be in such form and contain such matters as the Commissioner shall prescribe. To qualify for the tax exemption set forth in section 4518 of this title, the statement shall include a certification that the hospital service corporation operates on a nonprofit basis for the purpose of providing an adequate hospital service plan to individuals of the State, both groups and nongroups, without discrimination based on age, gender, geographic area, industry, genetic information, and medical history, except as allowed ~~by subdivisions 4080a(h)(2)(B) and 4080b(h)(2)(B) of this title~~ pursuant to 33 V.S.A. § 1811(f)(2)(A).

(b) As used in this section, “genetic information” has the same meaning as in 18 V.S.A. § 9331.

Sec. 9. 33 V.S.A. § 101 is amended to read:

§ 101. POLICY

It is the policy of the State of Vermont that:

\* \* \*

(3) Assistance and benefits shall be administered promptly, with due regard for the preservation of family life, and without restriction of individual rights or discrimination on account of race, religion, political affiliation, genetic information, or place of residence within the State.

\* \* \*

\* \* \* Effective Date \* \* \*

Sec. 10. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

(Committee vote: 7-0-0)

**NEW BUSINESS**

**Third Reading**

**S. 139.**

An act relating to public schools' team mascots.

**S. 173.**

An act relating to the State House Oversight Committee.

**S. 206.**

An act relating to planning for the care and treatment of patients with cognitive impairments.

**S. 283.**

An act relating to miscellaneous changes to education laws.

**H. 701.**

An act relating to cannabis license fees.

**Proposal of amendment to H. 701 to be offered by Senators Pearson and Sears before Third Reading**

Senators Pearson and Sears move to amend the Senate proposal of amendment by striking out Sec. 10, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

\* \* \* Regulation of the Medical Cannabis Registry \* \* \*

Sec. 10. REPEAL

(a) Due to the failure of the House bill entitled “An act relating to fiscal year 2022 budget adjustments” (H.679), for which the report of the committee of conference was considered and adopted on the part of the Senate on February 24, 2022 and on the part of the House on March 8, 2022, to become law prior to March 1, 2022, 18 V.S.A. chapter 86 (therapeutic use of cannabis) was repealed on March 1, 2022 pursuant to 2020 Acts and Resolves No. 164, Sec. 11. Accordingly, Secs. 59a (amendments to implementation of medical cannabis registry) and 59b (amendments to the effective dates of 2020 Acts and Resolves No. 164) of H.679 are now obsolete.

(b) If H.679 becomes law, then Secs. 59a and 59b of that act are repealed.

Sec. 11. REGULATION OF THE MEDICAL CANNABIS REGISTRY

Emergency rules identical to the proposed final rules entitled “Rule 3: Medical Cannabis” and “Rule 4: Compliance and Enforcement” that were filed with the Legislative Committee on Administrative Rules on March 9, 2022 shall be deemed to meet the standard for the adoption of emergency rules pursuant to 3 V.S.A. § 844(a) if adopted as emergency rules prior to the permanent rules entitled “Rule 3: Medical Cannabis” and “Rule 4: Compliance and Enforcement” becoming effective.

\* \* \* Effective Date \* \* \*

Sec. 12. EFFECTIVE DATE

This act shall take effect on passage.

And that after passage the title of the bill be amended to read:

An act relating to cannabis license fees and the regulation of the medical cannabis registry.

**Second Reading**

**Favorable with Recommendation of Amendment**

**S. 140.**

An act relating to prohibiting civil arrests at courthouses.

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

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

Sec. 1. 12 V.S.A. § 3701 is added to read:

§ 3701. PROHIBITION ON CIVIL ARRESTS AT COURTHOUSES

(a) Prohibition. Any person or family or household member of the person who is attending a court proceeding in good faith as a party, juror, attorney, or witness shall be privileged from civil arrest while traveling to, entering, remaining at, or returning from the court proceeding.

(b) Exceptions. Subsection (a) of this section shall not apply to:

(1) an arrest pursuant to a judicially issued warrant or a court order;

(2) an arrest for contempt of the court where the proceeding is occurring; or

(3) an arrest to maintain order or safety in the court where the proceeding is occurring.

(c) Remedies.

(1) A person who violates this section by knowingly and willfully executing or assisting with an arrest prohibited by subsection (a) of this section shall be subject to civil contempt proceedings pursuant to chapter 5 of this title and may be liable in a civil action for false imprisonment.

(2) A person who is arrested in violation of subsection (a) of this section may bring a civil action against the violator for damages; injunctive, equitable, or declaratory relief; punitive damages; and reasonable costs and attorney's fees.

(3) The Office of the Attorney General may bring a civil action on behalf of the State of Vermont for appropriate injunctive, equitable, or declaratory relief if there is reasonable cause to believe that a violation of subsection (a) of this section has occurred or will occur.

(4) No action under this subsection shall be brought against the Judiciary or any of its members or employees for actions taken to maintain order or safety in the courts.

(d) Definitions. As used in this section:

(1) "Civil arrest" means an arrest for purposes of obtaining a person's presence or attendance at a civil proceeding, including an immigration proceeding.

(2) "Household member" has the same meaning as in 15 V.S.A. § 1101.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

**S. 163.**

An act relating to State court jurisdiction for special immigrant juvenile status.

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

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

Sec. 1. 14 V.S.A. chapter 111, subchapter 14 is amended to read:

Subchapter 14. ~~Special Immigration Status~~ Vulnerable Noncitizen Children  
§ 3098. ~~SPECIAL IMMIGRATION JUVENILE STATUS; JURISDICTION  
AND FINDINGS-VULNERABLE NONCITIZEN CHILDREN~~

(a) Definitions. As used in this subchapter:

(1) “Child” or “children” means an unmarried individual or individuals who have not yet attained 21 years of age and who are not a U.S. citizen or citizens.

(2) “Court” means any court that has jurisdiction over an unmarried individual or individuals who have not yet attained 21 years of age and who are not a U.S. citizen or citizens, including the Probate Division and the Family Division of the Superior Court.

(3) “Dependent on the court” means subject to the jurisdiction of a court competent to make decisions concerning the protection, well-being, care and custody of a child for findings, orders, or referrals to support the health, safety, and welfare of a child or to remedy the effects on a child of abuse, abandonment, or other similar circumstances.

(4) “Noncitizen” means any person who is not a U.S. citizen.

(5) “Similar circumstances” means a condition or conditions that have an effect on a child comparable to abuse, neglect, or abandonment, including the death of a parent.

(6) “Vulnerable” means there is reasonable cause to suspect that a child’s health, safety, or welfare is in jeopardy due to abuse, neglect, abandonment, or similar circumstances and that return to the child’s or the child’s parent’s country of origin or country of last habitual residence would not be in the best interests of the child.



~~(b) Jurisdiction. The A court has reviewing a petition under this section shall have jurisdiction under Vermont law to make judicial determinations regarding the custody and care of children within the meaning of the federal Immigration and Nationality Act (8 U.S.C. § 1101(a)(27)(J) and 8 C.F.R. § 204.11). The court is authorized to make the findings necessary to enable a child to petition the U.S. Citizenship and Immigration Service for classification as a special immigrant juvenile pursuant to 8 U.S.C. § 1101(a)(27)(J).~~

~~(b)(c)(1) If an order is requested from the court making the necessary findings regarding special immigrant juvenile status as described in subsection (a) of this section, the court shall issue an order if there is evidence to support those findings, which may include a declaration by the child who is the subject of the petition. The order issued by the court shall include all of the following findings: Procedure for petition. A vulnerable noncitizen child, or a person interested in the welfare of a vulnerable noncitizen child, may petition the court for special findings to protect the child and obtain relief from the underlying abandonment, abuse, neglect, or similar circumstances. The court shall review the petition, including any supporting affidavits and other evidence presented, and issue findings of fact that determine whether the vulnerable noncitizen child:~~

~~(A) The child was either of the following:~~

~~(i) Declared Is a dependent of the court.~~

~~(ii) Legally or legally committed to or placed under the custody of a State agency or department or an individual or entity appointed by the court. The court shall indicate the date on which the dependency, commitment, or custody was ordered.~~

~~(B) That reunification of the child with one or both of the child's parents was determined not to be viable because of Has suffered from abuse, neglect, abandonment, or a similar basis pursuant to Vermont law circumstances. The court shall indicate the date on which reunification was determined not to be viable.~~

~~(C) May not be viably reunified with one or both parents due to abuse, neglect, abandonment, or a similar circumstance.~~

~~(D) That it is not in the best interests of the child to be returned to the child's or his or her parent's previous country of nationality or country of last habitual residence.~~

~~(2) Additional findings. If requested by a party, the court may make additional findings that are supported by evidence and Vermont law.~~

(3) Health, safety, and welfare considerations. The health, safety, and welfare of the child must be of paramount concern when the court considers the best interests of the child. In making the determination whether it is in the best interests of the child to be returned to the child's or his or her child's parent's previous country of nationality or country of last habitual residence, the court shall consider whether present or past living conditions will adversely affect the child's physical, mental, or emotional health.

(4) Guardianships. For purposes of this section, the term child or minor shall include a person who is less than 21 years of age and who consents to the appointment or continuation of a guardian after 18 years of age.

(d) Notice. If the identity or location of the vulnerable noncitizen child's parents is unknown or if the parents reside outside the United States, the court may serve notice using any alternative method of service the court determines is appropriate or waive service.

(e) Expeditious adjudication. When it is in the best interests of the vulnerable noncitizen child, a court shall hear, adjudicate, and issue findings of fact on any petition for special findings under this section as soon as it is administratively feasible and prior to the vulnerable noncitizen child attaining 21 years of age.

(f) Referral for services or protection. A vulnerable noncitizen child who is the subject of a petition for special findings under this section may be referred for psychiatric, psychological, educational, occupational, medical, dental, or social services or for protection against human trafficking or domestic violence; provided, however, that a child's participation in any referred service is voluntary.

(g) Additional available remedies under Vermont law; similar findings of fact.

(1) This section shall not limit a vulnerable noncitizen child from petitioning for special findings for a petition under any other provision of law or from any other rights and remedies available to the child under any other provision of law.

(2) This section shall not limit the court from issuing similar findings of fact to those described in this section in any other proceeding concerning the vulnerable noncitizen child.

(h) Construction. This section shall be liberally construed to its legislative purpose.

(e)(i) In any judicial proceedings in response to a request that the court make the findings necessary to support a petition for classification as a special immigrant juvenile, information regarding the child's immigration status, nationality, or place of birth that is not otherwise protected by State laws shall remain confidential. This information shall also be exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the information shall be available for inspection by the court, the child who is the subject of the proceeding, the parties, the attorneys for the parties, the child's counsel, and the child's guardian.

~~(d) As used in this section, "court" means the Probate Division and the Family Division of the Superior Court.~~

Sec. 2. 33 V.S.A. § 5126 is added to read:

§ 5126. RETENTION OF JURISDICTION OVER CERTAIN  
VULNERABLE NONCITIZEN CHILDREN

(a) Definitions. As used in this section:

(1) "Child" means an unmarried individual who has not yet attained 21 years of age and who is not a U.S. citizen.

(2) "Noncitizen" means any person who is not a U.S. citizen.

(3) "Vulnerable" means there is reasonable cause to suspect that a child's health, safety, or welfare is in jeopardy due to abuse, neglect, abandonment, or similar circumstances and that return to the child's or the child's parent's country of origin or country of last habitual residence would not be in the best interests of the child.

(b) Jurisdiction. The Family Division of the Superior Court may retain jurisdiction over a noncitizen child who has not yet attained 21 years of age for the sole purpose of adjudicating a petition for special findings and making judicial determinations regarding the custody and care of the child consistent with this section. Nothing in this section is intended to expand the scope of the court's jurisdiction to order a youth into the custody of the Commissioner for Children and Families pursuant to this chapter.

(c) Procedure for petition to make special findings for vulnerable noncitizen children.

(1) A vulnerable noncitizen child, or a person interested in the welfare of the vulnerable noncitizen child, may petition the court for special findings to protect the child and obtain relief from the underlying abandonment, abuse, neglect, or similar circumstance.

(2) In accordance with the procedure set forth in 14 V.S.A. § 3098, the court shall review the petition, including any supporting affidavits and other evidence presented; issue findings of fact; and make relevant conclusions of law consistent with section 5101 of this chapter.

(d) Expeditious adjudication. When it is consistent with the purposes as set forth in section 5101 of this chapter, the court shall hear, adjudicate, and issue findings of fact and conclusions of law on any petition for special findings under this section as soon as it is administratively feasible and prior to the vulnerable noncitizen child attaining 21 years of age.

(e) Additional available remedies under Vermont law; similar findings of fact.

(1) This section shall not limit a child from petitioning for special findings for a petition under any other provision of law or from petitioning for any other rights and remedies available to the child under any other provision of law.

(2) This section shall not limit the court from issuing similar findings of fact or conclusions of law to those described in this section in any other proceeding concerning the vulnerable noncitizen child.

(f) In any judicial proceedings in response to a request that the court make the findings necessary to support a petition under this section, information regarding the child's immigration status, nationality, or place of birth that is not otherwise protected by State laws shall remain confidential. This information shall also be exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the information shall be available for inspection by the court, the child who is the subject of the proceeding, the parties, the attorneys for the parties, the child's counsel, and the child's guardian.

### Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

And that after passage the title of the bill be amended to read:

An act relating to State court petitions for vulnerable noncitizen youth.

(Committee vote: 5-0-0)

**S. 188.**

An act relating to regulating licensed small cannabis cultivation as farming.

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

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

Sec. 1. 7 V.S.A. § 861(19) is amended to read:

~~(19) “Enclosed, locked facility” means a building, room, greenhouse, outdoor fenced-in area, or other location that is enclosed on all sides and prevents cannabis from easily being viewed by the public. The facility shall be equipped with locks or other security devices that permit access only by:~~

~~(A) Employees, agents, or owners of the cultivator, all of whom shall be 21 years of age or older.~~

~~(B) Government employees performing their official duties.~~

~~(C) Contractors performing labor that does not include cannabis cultivation, packaging, or processing. Contractors shall be accompanied by an employee, agent, or owner of the cultivator when they are in areas where cannabis is being grown, processed, packaged, or stored.~~

~~(D) Registered employees of other cultivators, members of the media, elected officials, and other individuals 21 years of age or older visiting the facility, provided they are accompanied by an employee, agent, or owner of the cultivator. [Repealed.]~~

Sec. 2. 7 V.S.A. § 869 is amended to read:

**§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS; REGULATION OF SMALL CULTIVATORS**

~~(a)(1) A cannabis establishment shall not be regulated as “farming” under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural product, farm crop, or agricultural crop for the purposes of 32 V.S.A. chapter 124, 32 V.S.A. § 9741, or other relevant State law.~~

~~(2) Notwithstanding subdivision (1) of this subsection, the cultivation of cannabis on agricultural land and the use of farm buildings to dry or process that cannabis shall not disqualify the land or buildings from the use value appraisal program or constitute “development” under 32 V.S.A. § 3752(5), provided that:~~

~~(A) the agricultural land or farm building is enrolled in the use value appraisal program at the time cannabis cultivation commences;~~

~~(B) the agricultural land or farm building is not transferred to another owner;~~

~~(C) the cultivation, drying, or processing of cannabis is done by a licensed small cultivator on 1,000 square feet or less of agricultural land; and~~

~~(D) all other requirements under 32 V.S.A. chapter 124 continue to be met.~~

(b) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with all applicable State, federal, and local environmental, energy, or public health law, unless otherwise provided under this chapter.

(c) A cannabis establishment regulated under this chapter shall be subject to regulation under 24 V.S.A. chapter 117 as authorized by this chapter.

(d)(1) The cultivation, processing, and manufacturing of cannabis by all cultivators regulated under this chapter shall comply with the following sections of the Required Agricultural Practices as administered and enforced by the Board:

(A) section 6, regarding conditions, restriction, and operating standards;

(B) section 8, regarding groundwater quality and groundwater quality investigations; and

(C) section 12, regarding subsurface tile drainage.

(2) Application of or compliance with the Required Agricultural Practices under subdivision (1) of this subsection shall not be construed to provide a presumption of compliance with or exemption to any applicable State, federal, and local environmental, energy, public health, or land use law required under subsections (b) and (c) of this section.

(e) Persons cultivating cannabis or handling pesticides for the purposes of the manufacture of cannabis products shall comply with the worker protection standard of 40 C.F.R. ~~part~~ Part 170.

(f) Notwithstanding subsection (a) of this section, a small cultivator licensed under this chapter who initiates cultivation of cannabis outdoors on a parcel of land that was subject to the Required Agricultural Practices prior to licensed cultivation of cannabis shall:

(1) be regulated in the same manner as “farming” and not as “development” on the tract of land where cultivation occurs for the purposes of permitting under 10 V.S.A. chapter 151;

(2) not be regulated by a municipal bylaw adopted under 24 V.S.A. chapter 117 in the same manner that Required Agricultural Practices are not regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A);

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis, provided that the agricultural land or farm building on the parcel where cannabis cultivation occurs was enrolled in the Use Value Appraisal Program prior to commencement of licensed cannabis cultivation and the parcel continues to qualify for enrollment; and

(4) be exempt under 32 V.S.A. § 9741(3), (25) and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771.

Sec. 3. 7 V.S.A. § 904 is amended to read:

#### § 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary and may purchase and sell cannabis seeds and immature cannabis plants to another licensed cultivator.

(b) Cultivation of cannabis shall occur only ~~in an enclosed, locked facility:~~

(1) on property lawfully in possession of the cultivator or with the written consent of the person in lawful possession of the property; and

(2) in an area that is screened from public view and access is limited to the cultivator and persons 21 years of age or older who have permission from the cultivator.

\* \* \*

Sec. 4. 7 V.S.A. § 905 is amended to read:

#### § 905. WHOLESALER LICENSE

A wholesaler licensed under this chapter may:

(1) purchase cannabis from a licensed cultivator and integrated licensee, and cannabis products from a licensed product manufacturer, integrated licensee, and dispensary; ~~and~~

(2) transport, process, package, and sell cannabis and cannabis products to a licensed product manufacturer, retailer, integrated licensee, and dispensary; and

(3) sell cannabis seeds or immature cannabis plants to a licensed cultivator.

Sec. 5. 18 V.S.A. § 4230e is amended to read:

§ 4230e. CULTIVATION OF CANNABIS BY A PERSON 21 YEARS OF AGE OR OLDER

(a)(1) Except as otherwise provided in this section, a person 21 years of age or older who cultivates ~~no~~ not more than two mature cannabis plants and four immature cannabis plants shall not be penalized or sanctioned in any manner by the State or any of its political subdivisions or denied any right or privilege under State law.

(2) Each dwelling unit shall be limited to two mature cannabis plants and four immature cannabis plants regardless of how many persons 21 years of age or older reside in the dwelling unit. As used in this section, “dwelling unit” means a building or the part of a building that is used as a primary home, residence, or sleeping place by one or more persons who maintain a household.

(3) Any cannabis harvested from the plants allowed pursuant to this subsection shall not count toward the one-ounce possession limit in section 4230a of this title, provided it is stored in an indoor facility on the property where the cannabis was cultivated and reasonable precautions are taken to prevent unauthorized access to the cannabis.

(4) Cultivation in excess of the limits provided in this subsection shall be punished in accordance with section 4230 of this title.

(b)(1) Personal cultivation of cannabis only shall occur:

(A) on property lawfully in possession of the cultivator or with the written consent of the person in lawful possession of the property; and

(B) in an ~~enclosure~~ area that is screened from public view and is ~~secure so that~~ access is limited to the cultivator and persons 21 years of age or older who have permission from the cultivator.

(2) A person who violates this subsection shall be assessed a civil penalty as follows:

(A) not more than \$100.00 for a first offense;

(B) not more than \$200.00 for a second offense; and



(C) not more than \$500.00 for a third or subsequent offense.

Sec. 6. CANNABIS CONTROL BOARD; REPORT ON CANNABIS CULTIVATION AS FARMING

If the federal government removes “marihuana” from the Schedule 1 list of controlled substances set forth in 21 U.S.C. § 812, the Executive Director of the Cannabis Control Board shall, after consultation with the Secretary of Agriculture, Food and Markets submit to the Senate Committees on Judiciary and on Agriculture and the House Committees on Judiciary and on Agriculture and Forestry a recommendation as to whether the regulation of the cultivation of cannabis should be transferred from the jurisdiction of the Cannabis Control Board to the jurisdiction of the Agency of Agriculture, Food and Markets. The recommendation shall include whether cannabis cultivation should be regulated as “farming” and the estimated staff and budget necessary for the Secretary of Agriculture, Food and Markets to administer regulation.

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

**Reported favorably by Senator Pearson for the Committee on Finance.**

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

(Committee vote: 7-0-0)

**NOTICE CALENDAR**

**Second Reading**

**Favorable with Recommendation of Amendment**

**S. 171.**

An act relating to adoption of a State code of ethics.

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

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

Sec. 1. 3 V.S.A. chapter 31, subchapter 1 is amended to read:

Subchapter 1. General Provisions; State Code of Ethics

§ 1201. DEFINITIONS

As used in this chapter:

(1) “Candidate” and “candidate’s committee” shall have the same meanings as in 17 V.S.A. § 2901.

(2) “Commission” means the State Ethics Commission established under subchapter 3 of this chapter.

(3) “Confidential information” means information that is exempt from public inspection and copying under 1 V.S.A. § 315 et seq. or is otherwise designated by law as confidential.

(4) “Domestic partner” means an individual in an enduring domestic relationship of a spousal nature with the Executive officer or the public servant, provided the individual and Executive officer or public servant:

(A) have shared a residence for at least six consecutive months;

(B) are at least 18 years of age;

(C) are not married to or considered a domestic partner of another individual;

(D) are not related by blood closer than would bar marriage under State law; and

(E) have agreed between themselves to be responsible for each other’s welfare.

~~(3)~~(5) “Executive officer” means:

(A) a State officer; or

(B) under the Office of the Governor, an agency secretary or deputy or a department commissioner or deputy.

~~(4)~~(A) “Gift” means anything of value, tangible or intangible, that is bestowed for less than adequate consideration.

~~(B) “Gift” does not mean printed educational material such as books, reports, pamphlets, or periodicals.~~

~~(5)~~(6) “Governmental conduct regulated by law” means conduct by an individual in regard to the operation of State government that is restricted or prohibited by law and includes:

(A) bribery pursuant to 13 V.S.A. § 1102;

(B) neglect of duty by public officers pursuant to 13 V.S.A. § 3006 and by members of boards and commissions pursuant to 13 V.S.A. § 3007;

(C) taking illegal fees pursuant to 13 V.S.A. § 3010;

(D) false claims against government pursuant to 13 V.S.A. § 3016;

(E) owning or being financially interested in an entity subject to a department's supervision pursuant to section 204 of this title;

(F) failing to devote time to duties of office pursuant to section 205 of this title;

(G) engaging in retaliatory action due to a State employee's involvement in a protected activity pursuant to chapter 27, subchapter 4A of this title;

(H) a former legislator or former Executive officer serving as a lobbyist pursuant to 2 V.S.A. § 266(b); and

(I) a former Executive officer serving as an advocate pursuant to section 267 of this title.

(7) "Immediate family" means an individual's spouse, domestic partner, or civil union partner; child or foster child; sibling; parent; or such relations by marriage or by civil union or domestic partnership; or an individual claimed as a dependent for federal income tax purposes.

~~(6)~~(8) "Lobbyist" shall and "lobbying firm" have the same meaning meanings as in 2 V.S.A. § 261.

(9) "Person" means any individual, group, business entity, association, or organization.

~~(7)~~(10) "Political committee" and "political party" shall have the same meanings as in 17 V.S.A. § 2901.

~~(8)~~(11) "State officer" means the Governor, Lieutenant Governor, Treasurer, Secretary of State, Auditor of Accounts, or Attorney General.

## § 1202. STATE CODE OF ETHICS; APPLICABILITY

~~The Ethics Commission, in consultation with the Department of Human Resources, shall create and maintain the State Code of Ethics that sets forth general principles of governmental ethical conduct.~~

### Applicability.

(1) Unless excluded under this section, the Code of Ethics applies to all individuals elected or appointed to serve as officers of the State, all individuals elected or appointed to serve as members of the General Assembly, all State employees, all individuals appointed to serve on State boards and commissions, and individuals who in any other way are authorized to act or speak on behalf of the State. This code refers to them all as "public servants."

(2) The Code of Ethics established by this section does not prohibit branches of State government, agencies, or departments from adopting additional personnel policies regarding ethical conduct not covered by this Code of Ethics or provisions that exceed the requirements of this Code of Ethics. Nothing herein shall be interpreted to require a lawyer or judicial officer to violate their respective professional codes of conduct.

(3) The application of this Code of Ethics does not in any way abrogate or alter the sole authority of each house of the General Assembly to judge the elections and qualifications of its own members under Chapter II, Sections 14 and 19 of the Vermont Constitution.

(4) The application of this Code of Ethics does not in any way abrogate or alter the Vermont Supreme Court's constitutional authority under Chapter II, Section 30 of the Vermont Constitution.

§ 1203. CONFLICT OF INTEREST; APPEARANCE OF CONFLICT OF INTEREST

(a) Conflict of interest; appearance of conflict of interest.

(1) In the public servant's official capacity, the public servant shall avoid any conflict of interest or the appearance of a conflict of interest. The appearance of a conflict shall be determined from the perspective of a reasonable individual with knowledge of the relevant facts.

(2) Except as otherwise provided in subsections (b) and (c) of this section, when confronted with a conflict of interest, a public servant shall recuse themselves from the matter and not take further action.

(3) As used in this section, "conflict of interest" means a direct or indirect interest of a public servant or such an interest, known to the public servant, of a member of the public servant's immediate family or household, or of a business associate, in the outcome of a particular matter pending before the public servant or the public servant's public body, or that is in conflict with the proper discharge of the public servant's duties. "Conflict of interest" does not include any interest that is not greater than that of other individuals generally affected by the outcome of a matter.

(b) Course of action.

(1) Legislative Branch. A member of the General Assembly shall comply with Legislative Branch rules and policies regarding the course of action a public servant may take when confronted with a conflict of interest, or the appearance of a conflict of interest, that is related to core legislative functions or duties.

(2) Judicial Branch. A judicial officer shall comply with the Vermont Code of Judicial Conduct regarding the course of action a judicial officer may take when confronted with a conflict of interest, or the appearance of a conflict of interest, that falls under the Code of Judicial Conduct, including in situations where a conflict of interest, or the appearance of a conflict of interest, falls under both the Vermont Code of Judicial Conduct and the Code of Ethics.

(3) Government attorneys. A public servant who is a licensed attorney shall comply with the Vermont Rules of Professional Conduct regarding the course of action the attorney may take when confronted with a conflict of interest, or the appearance of a conflict of interest, that falls under the Vermont Rules of Professional Conduct, including situations where a conflict of interest, or the appearance of a conflict of interest, falls under both the Vermont Rules of Professional Conduct and the Code of Ethics.

(4) Public servants; other. Any public servant facing a conflict of interest not covered by subdivisions (1)–(3) of this subsection shall comply with requirements prescribed in this subdivision. Each time a public servant is confronted with a conflict of interest, other than that for which the public servant’s action is solely ministerial or clerical, the public servant shall either make a public statement, which may consist of a statement made to the public servant’s immediate supervisor, recusing themselves from the matter or, if the public servant chooses to proceed with the matter, prepare a written statement regarding the nature of the conflict. A public servant may request either guidance or an advisory opinion from the State Ethics Commission in making an initial determination whether a conflict of interest exists, or whether good cause to proceed exists as set forth in subsection (c) of this section. Once recused, a public servant shall not in any way participate in or act to influence a decision regarding the matter. If the public servant chooses to proceed with the matter, the public servant’s prepared written statement shall:

(A) describe the matter requiring action;

(B) disclose the nature of the potential conflict or actual conflict of interest;

(C) explain why good cause, as set forth in subsection (c) of this section, exists so that the public servant can take action in the matter fairly, objectively, and in the public interest;

(D) include sufficient detail so that the matter may be understood by the public; and

(E) be filed in accordance with the policies and procedures set forth by the agency or entity governing the matter in question, including any requirement that the statement be made public.

(c) Good cause. As used in this section, “good cause to proceed” may include any of the following:

- (1) the identified conflict or potential conflict is de minimis in nature;
- (2) the conflict is amorphous, intangible, or otherwise speculative; or
- (3) the public servant cannot legally or practically delegate the matter.

(d) Confidential information. Nothing in this section shall require a public servant to disclose confidential information or information that is otherwise privileged under law.

#### § 1203a. DIRECTING UNETHICAL CONDUCT

A public servant shall not direct another person to act in a manner that would be unethical for the public servant or the other person to act. A public servant who has a conflict of interest shall not direct others to act to the public servant’s benefit where such action would be a violation of the Code of Ethics if the public servant were to perform the act.

#### § 1203b. APPEARANCE OF UNETHICAL CONDUCT

A public servant shall avoid any actions creating the appearance that the public servant is violating the Code of Ethics. Whether particular circumstances create an appearance that the Code of Ethics have been violated shall be determined from the perspective of a reasonable individual with knowledge of the relevant facts.

#### § 1203c. PREFERENTIAL TREATMENT

A public servant in the course of conducting State business shall act impartially, showing no favor toward or prejudice against any person. A public servant shall not give or represent an ability to give preference or special treatment to any person because of the person’s wealth, position, or status or because of any personal relationship with the public servant. When permitted by law and written policy or rule, a public servant may give preference to designated persons.

#### § 1203d. MISUSE OF POSITION

A public servant shall not use the public servant’s official position for personal or financial gain.

§ 1203e. MISUSE OF INFORMATION

A public servant shall not use nonpublic government information or confidential information acquired during the course of State service for personal or financial gain or for the personal or financial gain of any other person.

§ 1203f. MISUSE OF GOVERNMENT RESOURCES

A public servant shall not make use of State materials, funds, property, personnel, facilities, or equipment, or permit another person to do so, for any purpose other than for official State business unless the use is expressly permitted or required by law or by a written agency, departmental, or institutional policy or rule. A public servant shall not engage in or direct another person to engage in work other than the performance of official duties during working hours, except as permitted or required by law or by written agency, departmental, or institutional policy or rule.

§ 1203g. GIFTS

(a) Gift limitations and exceptions. A public servant shall not solicit or accept a gift unless permitted under this section. For purposes of this subchapter, "gift" means anything of value, tangible or intangible, that is given for less than adequate consideration. A public servant may accept:

(1) A devise or inheritance. A public servant may accept a devise or inheritance.

(2) Gifts to the State. A public servant may accept goods or services that are provided to a State agency for use on State agency property or for use by the public servant while serving in an official capacity.

(3) Ceremonial awards. A public servant may accept a certificate, plaque, or other ceremonial award, provided the cost does not exceed the limit established pursuant to subsection (b) of this section.

(4) Rebates, discounts, and promotions. A public servant may accept a rebate, discount, or promotional item that is available to the general public or to a definable subset of the general public.

(5) Printed or recorded material. A public servant may accept printed or recorded informational or educational material germane to State action or functions.

(6) Food or beverages. A public servant may accept food or beverages, or both, under the following circumstances:

(A) The food or beverage, or both, is consumed on an occasion or occasions at which the person paying, directly or indirectly, for the food or beverage or the person's representative is in attendance, provided the cost does not exceed the limit established pursuant to subsection (b) of this section.

(B) The food or beverage, or both, is incidental to the performance of a legitimate State function.

(C) The food or beverage, or both, is provided at a charitable, cultural, political, or civic event at which the public servant participates in the public servant's official capacity.

(7) Admission fees and tickets. A public servant may accept tickets or admission to a charitable, cultural, political, or civic event at which a public servant participates in the public servant's official capacity, provided such tickets or admission is provided by the primary sponsoring entity.

(8) Private employment gifts. A public servant may accept anything of value provided by an employer of the public servant, provided such benefits are customarily and ordinarily provided to others in similar circumstances.

(9) Public-servant-to-public-servant gifts. A public servant may accept a gift from another public servant under the following circumstances:

(A) If the recipient is not in a supervisor-supervisee relationship with the giver, the public servant may accept a gift for a holiday or occasion of significance.

(B) If the recipient is in a supervisor-supervisee relationship, the public servant may accept a gift for a holiday or occasion of significance, provided the value does not exceed the limit established pursuant to subsection (b) of this section.

(10) Training or education. A public servant may accept attendance to training or similar events determined to be in the interest of the public servant's agency or department.

(11) Gifts of de minimis value. A public servant may accept an unsolicited gift having a de minimis market value as established pursuant to subsection (b) of this section.



(12) Personal gifts. A public servant may accept gifts clearly motivated by an outside relationship, family relationship, or personal friendship rather than the position of the public servant. Relevant factors in making such a determination include the history and nature of the relationship and whether the individual, family member, or a friend personally pays for the gift.

(13) Loans. A public servant may accept a commercially reasonable loan made on terms not more favorable than loans made in the ordinary course of business.

(14) Gifts otherwise permitted and legal. A public servant may accept a gift that is otherwise expressly permitted under State law.

(b) Gift valuation. For purposes of this subchapter, the value or cost limit for gifts described in subsection (a) of this section shall be:

(1) Beginning on July 1, 2022:

(A) Ceremonial awards: Less than \$100.00.

(B) Food or beverages, or both: Less than \$100.00 in the aggregate per recipient, per source, in a calendar year.

(C) A supervisor-supervisee relationship gift: Less than \$100.00 for any single gift, and the value of all gifts does not exceed \$200.00 in the aggregate per year.

(D) De minimis gift: \$50.00 or less per source per occasion, provided that the aggregate market value of individual gifts received from any one person does not exceed \$150.00 in a calendar year.

(2) On or after July 1, 2026, the State Ethics Commission may increase the value or cost limit set in subdivision (1) of this subsection, provided:

(A) the State Ethics Commission presents its proposed increase to the House and Senate Committees on Government Operations at least 180 days prior to proposed implementation and after consultation with the Department of Human Resources and the Judicial Branch;

(B) the cost or value limit is not increased more than once in a five-year period; and

(C) the increased cost or value limit is posted on the State Ethics Commission website and the Commission sends a notice of increase to public servants not less than 60 days prior to the increase's effective date.

§ 1203h. UNAUTHORIZED COMMITMENTS

A public servant shall not make unauthorized commitments or promises of any kind purporting to bind State government.

§ 1203i. EMPLOYMENT RESTRICTIONS

(a) Outside employment. A public servant shall not seek or engage in outside employment or activities that are inconsistent, incompatible, or in conflict with the public servant's official duties.

(b) Post-government employment.

(1) Executive officers. Executive officers shall comply with the post-government employment restrictions prescribed in section 267 of this title and 2 V.S.A. § 266(b) and (c).

(2) Legislators. Legislators shall comply with the post-government employment restrictions prescribed in 2 V.S.A. § 266(b).

(3) Legislative Branch employees. Except as permitted in subdivision (4) of this subsection, for one year after leaving office, a former Legislative Branch employee may not, for compensation, appear before the General Assembly or its subparts, or the office in which the employee served in at the time of leaving service, to advocate for anyone other than the State, concerning any matter in which the State has a direct and substantial interest.

(4) Contracting exception. The limitations in subdivisions (1) through (3) of this subsection do not apply to individuals providing information or services to the State pursuant to contracts of the State unless the public servant is otherwise prohibited from doing so by State or federal law.

(5) Representation restrictions. After leaving State service or employment, a public servant shall not knowingly, with the intent to advocate for an outcome of an investigation, application, ruling, license, contract, claim, rulemaking, charge, arrest, or quasi-judicial or judicial proceeding, communicate with or appear before the State on matters involving specific parties in which the employee participated personally and substantially during government service and in which the State is a party or has a direct and substantial interest.

§ 1203j. COMPLIANCE WITH LAWS, RULES, AND POLICIES

A public servant shall comply with applicable State and federal laws and regulations, including anti-discrimination and equal opportunity laws, and comply with applicable governmental codes of conduct. A public servant shall comply with any other applicable rules or policies established by executive order, agency rule, or policy.

§ 1204. WHISTLEBLOWER PROTECTIONS FOR ETHICS  
COMPLAINTS

Consistent with section 971–978 of this title, a public servant shall be free to disclose waste, fraud, abuse of authority, violations of law, or violations of this or other applicable codes regarding ethical conduct to the State Ethics Commission without fear of reprisal, intimidation, or retaliation.

§ 1205. MANDATORY ETHICS EDUCATION AND TRAINING

Within the first 120 days of public service, a public servant shall engage in ethics training, which may be in person or online. Completion of ethics training shall be documented by the department where the public servant is employed. A public servant shall participate in continuing ethics education, which may be in person or online, at least once every three years thereafter. Approved continuing ethics education providers are the State Ethics Commission, the Department of Human Resources – Center for Achievement in Public Service (CAPS), the Vermont House of Representatives Ethics Panel for the House of Representatives, the Vermont Senate Ethics Panel for the Senate, the Vermont Judiciary, and any education providers approved by the State Ethics Commission. Copies of State Code of Ethics training materials by ethics education providers shall be provided to the State Ethics Commission in advance of the training. On request, the State Ethics Commission may collaborate with or assist ethics education providers.

Sec. 2. REPEAL

3 V.S.A. § 1211(e) is repealed.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

(Committee vote: 5-0-0)

**S. 178.**

An act relating to supermajority verdicts in civil trials.

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

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

Sec. 1. 12 V.S.A. § 1950 is added to read:

§ 1950. VERDICT; EIGHTY PERCENT SUPERMAJORITY REQUIRED

Unless the parties stipulate otherwise, a verdict or finding agreed to by at least eighty percent of the total number of jurors serving on a jury in a civil trial shall be taken as the verdict or finding of the jury.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2022.

(Committee vote: 3-2-0)

**S. 195.**

An act relating to the certification of mental health peer support specialists.

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

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

\* \* \* Certification of Mental Health Peer Support Specialists \* \* \*

Sec. 1. FINDINGS

The General Assembly finds:

(1) The Centers for Medicare and Medicaid Services (CMS) recognizes that the experiences of peer support specialists, as part of an evidence-based model of care, can be an important component in a state's delivery of effective mental health treatment. CMS encourages states to offer comprehensive programs.

(2) Research studies have demonstrated that peer supports improve an individual's functioning, increase an individual's satisfaction, alleviate symptoms, reduce hospitalizations and hospital days, increase an individual's satisfaction with treatment, and enhance an individual's self-advocacy.

(3) Certification can encourage an increase in the number, diversity, and availability of peer support specialists.

(4) The U.S. Department of Veterans Affairs, more than 46 states, and the District of Columbia have created statewide mental health peer certification programs.

(5) Mental health peers in Vermont are currently providing individualized support, coaching facilitation, and education to individuals with mental health needs, in a variety of settings, yet no statewide scope of practice, standardized curriculum, training standards, supervision standards, or certification protocols are available.

Sec. 2. PROGRAM DEVELOPMENT; MENTAL HEALTH PEER  
SUPPORT SPECIALIST CERTIFICATION PROGRAM

(a) On or before September 1, 2022, the Department of Mental Health shall enter into an agreement with a peer-run or peer-led entity to develop a statewide certification program for peer support specialists in accordance with guidance issued by the Centers for Medicare and Medicaid Services for the purpose of enabling a certified mental health peer support specialist to receive Medicaid reimbursement for the individual's services. The selected peer-run or peer-led entity shall:

(1) Define the range of responsibilities, practice guidelines, and supervision standards for peer support specialists using leading practice materials and the opinions of peer experts in the field.

(2) Determine the curriculum and core competencies required for certification as a peer support specialist, including curriculum that may be offered in areas of specialization, such as veterans affairs, gender identity, sexual orientation, and any other area of specialization recognized by the certifying body. The core competencies curriculum shall include, at a minimum, training related to the following elements:

(A) peer support values and orientation, including authentic and mutual relationships;

(B) lived experience;

(C) the concepts of resilience, recovery, and wellness;

(D) self-determination;

(E) trauma-informed practice;

(F) human rights-based approach and advocacy;

(G) cultural competence;

(H) group facilitation skills, including communication, dialogue, and active listening;

(I) self-awareness and self-care;

(J) conflict resolution;

(K) professional boundaries and ethics;

(L) collaborative documentation skills and standards; and

(M) confidentiality.

(3) Establish a code of ethics for peer support specialists.

(4) Determine the process and continuing education requirements for biennial certification renewal.

(5) Determine the process for investigating complaints and taking corrective action, which may include suspension and revocation of certification.

(6) Determine a process for an individual employed as a peer support specialist on and after December 31, 2021 to obtain a certification pursuant to 18 V.S.A. chapter 199, which shall include, at a minimum, a passing certification examination specifically created for this purpose.

(b) In developing a statewide certification program for peer support specialists pursuant to this section, the selected peer-run or peer-led entity shall:

(1) regularly seek advice and work collaboratively with the Office of Professional Regulation and the Departments of Mental Health and of Vermont Health Access; and

(2) seek feedback and recommendations from mental health peer-run and family organizations, hospitals, and mental health treatment providers and organizations by convening not fewer than four stakeholder meetings.

(c) As used in this section:

(1) “Certification,” “core competencies,” “peer-led,” “peer-run,” “peer support,” and “peer support specialist” have the same meaning as in 18 V.S.A. chapter 199.

(2) “Collaborative documentation” means a model in which peer support specialists and recipients of peer support services collaborate in periodically creating intake and assessment summaries, service plans, progress notes, or tallies of services rendered, or any combination of these tasks. Collaborative documentation may be completed at weekly or monthly intervals rather than at every encounter.

Sec. 3. 18 V.S.A. chapter 199 is added to read:

CHAPTER 199. PEER SUPPORT SPECIALISTS

§ 8501. PURPOSE

It is the intent of the General Assembly that the peer support specialist certification program established in this chapter achieve the following:

(1) support the ongoing provision of services by certified peer support specialists for individuals experiencing a mental health challenge or for caregivers parenting children, youth, or emerging adults who are experiencing a mental health challenge;

(2) support coaching, skill building, and fostering social connections among individuals experiencing a mental health challenge or caregivers parenting children, youth, or emerging adults who are experiencing a mental health challenge;

(3) provide one part in a continuum of services, in conjunction with other community mental health and recovery services;

(4) collaborate with others providing care or support to an individual experiencing a mental health challenge;

(5) assist individuals experiencing a mental health challenge in developing coping mechanisms and problem-solving skills;

(6) promote skill building for individuals with regard to socialization, recovery, self-sufficiency, self-advocacy, development of natural supports, and maintenance of skills learned in other support services; and

(7) encourage employment of peer support specialists.

§ 8502. DEFINITIONS

As used in this chapter:

(1) “Certification” means the activities of the certifying body related to the verification that an individual has met all the requirements under this chapter and that the individual may provide mental health support pursuant to this chapter, including the subspecialty of family-to-family peer support.

(2) “Certified” means all federal and State requirements have been satisfied by an individual who is seeking designation pursuant to this chapter, including completion of curriculum and training requirements, testing, and agreement to uphold and abide by the code of ethics.

(3) “Code of ethics” means the standards to which a peer support specialist is required to adhere.

(4) “Core competencies” means the foundational and essential knowledge, skills, and abilities required for peer support specialists.

(5) “Department” means the Department of Mental Health.

(6) “Peer-led” means an entity, program, or service whose executive director, chief operating officer, or the individual responsible for the day-to-day service identifies publicly as a person with lived experience of mental health challenges and the entity, program, or service operates as an alternative to traditional mental health services and treatment.

(7) “Peer-run” means an entity, program, or service that is controlled and operated by individuals with lived experience of the mental health system or a mental health condition.

(8) “Peer support” means an approach to relationships that recognizes each individual as the expert of their own experience, fosters connection through shared or similar experiences, centers mutuality and mutual support, preserves autonomy, and creates opportunity for meaningful connections and exploring possibilities.

(9) “Peer support specialist” means an individual who is at least 18 years of age and who self-identifies as having lived experience with the process of recovery from a mental health challenge or an individual with lived experience of parenting a child, youth, or emerging adult who is experiencing a mental health challenge.

(10) “Recovery” means a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential. This process of change honors the different routes to recovery based on the individual.

#### § 8503. PEER SUPPORT SPECIALIST CERTIFICATION

(a) Eligibility determination and training. The Department shall maintain an agreement with a peer-run or peer-led entity to:

(1) determine the eligibility of each prospective peer support specialist seeking certification under this chapter; and

(2) train eligible applicants consistent with the curriculum and core competencies developed by an entity selected by the Department.

(b) Certification. The Department shall maintain an agreement with a peer-run or peer-led entity to serve as the certifying entity for peer support specialists. This peer-run or peer-led entity shall:



(1) determine whether an applicant has met the requirements for certification established by an entity selected by the Department through the administration of an examination;

(2) adhere to the processes for certification, recertification, certification revocation, and appeals as established by an entity selected by the Department; and

(3) maintain a public-facing website that includes, at a minimum, a roster of certified peer support specialists and the procedure for filing a complaint against a certified peer support specialist.

(c) Exemption. Individuals providing peer support services as employees or volunteers of a peer-run or peer-led organization shall not be required to obtain peer support specialist certification.

#### § 8504. APPLICANTS FOR CERTIFICATION

(a) An applicant for certification pursuant to this chapter shall:

(1) be at least 18 years of age;

(2) be self-identified as having first-hand experience with the process of recovery from mental illness or be the family member of such an individual;

(3) be willing to share personal experiences;

(4) agree, in writing, to the code of ethics developed pursuant to section 8502 of this title;

(5) successfully complete the curriculum and training requirements for peer support specialists; and

(6) pass a certification examination approved by the certifying body for peer support specialists.

(b) To maintain certification pursuant to this act, a peer support specialist shall:

(1) adhere to the code of ethics developed pursuant to section 8502 of this title and sign a biennial affirmation to that effect; and

(2) complete any required continuing education, training, and recertification requirements developed by the certifying body.

#### § 8505. CERTIFICATION FEE SCHEDULE

Any fees required for the administration of the peer support specialist certification program set forth in this chapter shall be requested pursuant to the process set forth in 32 V.S.A. chapter 7, subchapter 6.

Sec. 4. MEDICAID; STATE PLAN AMENDMENT

(a) The Agency of Human Services shall seek approval from the Centers for Medicare and Medicaid Services to amend Vermont’s Medicaid state plan to do the following:

(1) include a certified peer support specialist pursuant to 18 V.S.A. chapter 199 as a provider type;

(2) include peer support specialist services as a Medicaid covered service;

(3) allow beneficiaries to self-refer for peer support specialist services;

(4) allow for collaborative documentation of peer support specialist services; and

(5) allow reimbursement for peer support specialist services for a range of Healthcare Common Procedure Coding System codes.

(b) As used in this section:

(1) “Collaborative documentation” means a model in which peer support specialists and recipients of peer support services collaborate in periodically creating intake and assessment summaries, service plans, progress notes, or tallies of services rendered, or any combination of these tasks. Collaborative documentation may be completed at weekly or monthly intervals rather than at every encounter.

(2) “Peer support specialist services” means services provided by a peer support specialist as defined in 18 V.S.A. chapter 199 that promote engagement, socialization, recovery, self-sufficiency, self-advocacy, development of natural supports, identification of strengths, and maintenance of skills learned in other support services.

Sec. 5. 33 V.S.A. § 1901k is added to read:

§ 1901k. MEDICAID REIMBURSEMENT FOR PEER SUPPORT  
SPECIALIST SERVICES

(a) As used in this section, “peer support specialist services” means services provided by a peer support specialist as defined in 18 V.S.A. chapter 199 that promote engagement, socialization, recovery, self-sufficiency, self-advocacy, development of natural supports, identification of strengths, and maintenance of skills learned in other support services.

(b) The Department of Vermont Health Access shall reimburse peer support specialists in accordance with Vermont’s Medicaid state plan.

## Sec. 6. APPROPRIATION

In fiscal year 2023, \$525,000.00 is appropriated to the Agency of Human Services from the General Fund for the development and operation of the peer support specialist certification program pursuant to 18 V.S.A. chapter 199. The Agency shall seek to maximize federal financial participation in funding these administrative costs.

\* \* \* Peer-Operated Respite Centers \* \* \*

## Sec. 7. FINDINGS

The General Assembly finds:

(1) Peer-operated respite centers can serve as alternative care settings for patients with psychiatric diagnoses who do not require inpatient admission.

(2) Peer-operated respite centers can serve as a step-down alternative for individuals leaving the hospital who no longer need hospital care but are not yet ready to return home. Currently, many patients seeking mental health treatment are unable to leave the hospital because there are not suitable step-down facilities available.

(3) In control group research studies, guests of peer-operated respite centers were 70 percent less likely to use inpatient or emergency services. Respite days were associated with significantly fewer inpatient or emergency service hours. Respite guests showed statistically significant improvements in healing, empowerment, and satisfaction. Average psychiatric hospital costs were \$1,075.00 for respite users compared to \$3,187.00 for nonusers. Respite guests also experienced greater improvements in self-esteem, self-rated mental health symptoms, and social activity functioning compared to individuals in inpatient facilities.

(4) Vermont currently has one two-bed peer-operated respite center, named Alyssum. Located in Rochester, Alyssum operated at 93 percent capacity in fiscal year 2018, had five-day wait times for a bed, and drew guests from every Vermont county save Essex, Lamoille, and Grand Isle. In contrast, crisis respites run by designated agencies operated at 75 percent capacity in fiscal year 2018, below the Department of Mental Health's targeted 80 percent occupancy rate.

(5) Peer-operated respite centers are also more cost-effective than alternatives. A peer-operated respite center bed in 2018 cost \$634.00 per night, whereas a designated crisis bed cost \$693.00 per night, a designated hospital bed cost \$1,425.00 per night, and a bed at the Vermont Psychiatric Care Hospital cost \$2,537.00 per night.

(6) Use of peer-operated respite centers results in lowered rates of Medicaid-funded hospitalizations and health expenditures for participants.

(7) There are currently two peer-run community centers in Vermont: Another Way, located in Montpelier, and Pathways Community Center, located in Burlington. In fiscal year 2018, Another Way had 8,481 visitors (616 unique visitors) and Pathways Community Center had 3,616 visitors.

Sec. 8. 18 V.S.A. chapter 200 is added to read:

#### CHAPTER 200. PEER-OPERATED RESPITE CENTERS

##### § 8551. LEGISLATIVE INTENT

It is the intent of the General Assembly that peer-operated respite centers established pursuant to this chapter achieve:

(1) a reduction in wait times at emergency departments for patients seeking mental health care;

(2) an increase in community-based, recovery-oriented, and geographically diverse mental health resources;

(3) an increase in employment opportunities for individuals who have experienced one or more mental health conditions; and

(4) better outcomes for Vermonters experiencing mental health conditions.

##### § 8552. DEFINITIONS

As used in this chapter:

(1) “Department” means the Department of Mental Health.

(2) “Peer” has the same meaning as in section 7101 of this title.

(3) “Peer-operated respite center” means a voluntary, short-term, overnight program that is staffed and operated by a peer-led or peer-run entity and that provides community-based, trauma-informed, and person-centered crisis support and prevention 24 hours a day in a homelike environment to individuals with mental conditions who are experiencing acute distress, anxiety, or emotional pain that if left unaddressed may lead to the need for inpatient hospital services.

(4) “Peer-led” has the same meaning as in section 8502 of this title.

(5) “Peer-run” has the same meaning as in section 8502 of this title.

§ 8553. PEER-OPERATED RESPITE CENTERS

(a) Annually, the Department shall distribute funds to a total of six geographically distinct peer-run or peer-led organizations to ensure that a peer-operated respite center, operating singly or in collaboration with a peer-run or peer-led community center, is established and maintained.

(b) The Department shall adopt rules pursuant to 3 V.S.A. chapter 25 that address:

(1) the application process for peer-run or peer-led organizations seeking to maintain and operate a peer-operated respite center, operating singly or in collaboration with a peer-run or peer-led community center;

(2) the Department's criteria for selecting successful applicants;

(3) operational standards for peer-operated respite centers; and

(4) annual reporting requirements for successful applicants.

(c) Annually on or before January 1, the Department shall submit a report to the House Committee on Health Care and to the Senate Committee on Health and Welfare summarizing the annual activities of the peer-operated respite centers, including any challenges that may be addressed through legislative action.

Sec. 9. APPROPRIATION

In fiscal year 2023, up to \$2,000,000.00 is appropriated from the General Fund to the Department of Mental Health for the purpose of distributing \$500,000.00 to establish and operate each of the four new peer-operated respite centers, whether operating singly or in collaboration with a peer-run or peer-led community center, established pursuant to 18 V.S.A. chapter 200.

\* \* \* Additional Peer-Operated Respite Centers Effective July 1, 2025 \* \* \*

Sec. 10. 18 V.S.A. § 8553(a) is amended to read:

(a) Annually, the Department shall distribute funds to a total of ~~six~~ nine geographically distinct peer-run or peer-led organizations to ensure that a peer-operated respite center, operating singly or in collaboration with a peer-run or peer-led community center, is established and maintained.

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

Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2022, except that:

(1) Sec. 5 (Medicaid reimbursement for peer support specialist services) shall take effect upon approval of the Medicaid state plan amendment in Sec. 4 by the Centers for Medicare and Medicaid Services; and

(2) Sec. 10 (peer-operated respite centers) shall take effect on July 1, 2025.

And that after passage the title of the bill be amended to read:

An act relating to the certification of mental health peer support specialists and the expansion of peer-operated respite centers.

(Committee vote: 5-0-0)

**S. 214.**

An act relating to valuation of time-share projects.

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

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

Sec. 1. 32 V.S.A. § 5412(e) is amended to read:

(e) A reduction made under this section shall be an amount equal to the loss in education grand list value multiplied by the tax rate applicable to the subject property in the year the request is submitted. However, the total amount for all reductions made under this section in one year shall not exceed ~~\$100,000.00~~ \$1,000,000.00. If total reductions for a calendar year would exceed this amount, the Director shall instead prorate the reductions proportionally among all municipalities eligible for a reduction so that total reductions equal ~~\$100,000.00~~ \$1,000,000.00.

Sec. 2. 32 V.S.A. § 5413 is added to read:

§ 5413. STATE APPRAISAL AND LITIGATION ASSISTANCE PROGRAM

(a) A State appraisal and litigation assistance program shall be created within the Division of Property Valuation and Review of the Department of Taxes to assist municipalities with the valuation of complex commercial, utility, or other unique properties within a municipality's jurisdiction and to assist with any appeals arising from those valuations. The Commissioner of

Taxes may contract with one or more commercial appraisers to provide State appraisal and litigation assistance to municipalities under this section. The Commissioner may adopt rules to administer the provisions of this section.

(b) The Commissioner shall:

(1) determine the conditions for a property to be eligible for State assistance, including the grand list value or category of the property or other relevant factors as determined by the Commissioner; and

(2) provide a process by which a municipality may apply for assistance under this section for one or more properties.

(c) Any municipality assisted under this section shall be considered to have followed best practices pursuant to subdivision 5412(a)(1)(D) of this title.

### Sec. 3. COST ESTIMATE; NEW STATE PROGRAM

On or before January 15, 2023, the Commissioner of Taxes shall submit a cost estimate for the creation of a new State appraisal and litigation assistance program within the Division of Property Valuation and Review of the Department of Taxes to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance. The cost estimate under this section shall include the upfront and ongoing operating costs required to create, implement, and maintain a new program, including contracting with one or more commercial appraisers to provide State assistance to municipalities.

### Sec. 4. 32 V.S.A. § 4461(a) is amended to read:

(a) A taxpayer or the selectboard members of a town aggrieved by a decision of the board of civil authority under subchapter 1 of this chapter may appeal the decision of the board to either the Director or the Superior Court of the county in which the property is located. The appeal to the Superior Court shall be heard without a jury. The appeal to either the Director or the Superior Court shall be commenced by filing a notice of appeal pursuant to Rule 74 of the Vermont Rules of Civil Procedure within 30 days after entry of the decision of the board of civil authority. The date of mailing of notice of the board's decision by the town clerk to the taxpayer shall be deemed the date of entry of the board's decision. The town clerk shall transmit a copy of the notice to the Director or to the Superior Court as indicated in the notice and shall record or attach a copy of the notice in the grand list book. The entry fee for an appeal to the Director is \$70.00; provided, however, that the Director may waive, reduce, or refund the entry fee in cases of hardship or to join appeals regarding the same parcel. If, in the opinion of the Director, an appeal under this subsection involves a complex or unique property or valuation that

would be best adjudicated by the Superior Court, the Director may decline to assign a property valuation hearing officer pursuant to section 4465 of this title and shall forward the appeal to the Superior Court where it shall be heard. An appeal forwarded by the Director under this subsection shall be considered timely filed in the Superior Court if it was timely appealed to the Director.

Sec. 5. 32 V.S.A. § 4465 is amended to read:

§ 4465. APPOINTMENT OF PROPERTY VALUATION HEARING OFFICER; OATH; PAY

When an appeal to the Director is not withdrawn or forwarded by the Director to Superior Court pursuant to subsection 4461(a) of this title, the Director shall refer the appeal in writing to a person not employed by the Director, appointed by the Director as hearing officer. The Director shall have the right to remove a hearing officer for inefficiency, malfeasance in office, or other cause. In like manner, the Director shall appoint a hearing officer to fill any vacancy created by resignation, removal, or other cause. Before entering into their duties, persons appointed as hearing officers shall take and subscribe the oath of the office prescribed in the Constitution, which oath shall be filed with the Director. The Director shall pay each hearing officer a sum not to exceed \$150.00 per diem for each day wherein hearings are held, together with reasonable expenses as the Director may determine. A hearing officer may subpoena witnesses, records, and documents in the manner provided by law for serving subpoenas in civil actions and may administer oaths to witnesses.

Sec. 6. 32 V.S.A. § 4041a(a) is amended to read:

- (a) ~~A municipality shall be paid \$8.50 per grand list parcel per year from the Education Fund to be used only for reappraisal and costs related to reappraisal of its grand list properties and for maintenance of the grand list. [Repealed.]~~

Sec. 7. 32 V.S.A. § 5405(f) is amended to read:

(f) Within the limits of the resources available for that purpose, the Commissioner may employ such individuals, whether on a permanent, temporary, or contractual basis, as shall be necessary, in the judgment of the Commissioner, to aid in the performance of duties under this section. The Commissioner shall pay each municipality the sum of ~~\$1.00~~ \$12.00 per grand list parcel in the municipality for services provided to the Commissioner in connection with the performance of duties under this section, for preparation of the municipality's education property tax grand list, and for reappraisal and costs related to reappraisal of the municipality's education property tax grand list properties. Each municipality shall deposit payments received under this



subsection into a special fund that shall be used to support the preparation of the municipality's education property tax grand list and reappraisals.

#### Sec. 8. REPORT; TIME-SHARE PROJECT VALUATION

On or before January 15, 2023, the Commissioner of Taxes shall submit a report to the House Committee on Ways and Means and the Senate Committee on Finance proposing options for addressing the complexities of valuing time-share projects in this State. The report under this section shall include a review of other states' time-share project valuation laws and an evaluation of the feasibility of applying those formulas in Vermont. The report shall propose any recommendations for legislative changes to clarify the valuation of time-share projects.

#### Sec. 9. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 1 (refund for reduction in grand list value) shall take effect on January 1, 2023 and shall apply to municipal requests for reduction submitted on or after January 1, 2023 for a final appeal or court action resolved within the previous calendar year, beginning with the 2022 calendar year.

(2) Sec. 2 (State appraisal and litigation assistance program) shall take effect on July 1, 2023, provided the General Assembly has, on or before July 1, 2023, appropriated funding to cover the Department of Taxes' operating costs required to create, implement, and maintain a new State appraisal and litigation assistance program.

And that after passage the title of the bill be amended to read:

An act relating to valuation for purposes of the education property tax.

(Committee vote: 7-0-0)

#### **S. 269.**

An act relating to extending the Energy Savings Account Partnership Pilot Program.

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

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

Sec. 1. 2018 Acts and Resolves No. 150, Sec. 2 is amended to read:

Sec. 2. ENERGY SAVINGS ACCOUNT PARTNERSHIP PILOT

(a) Definitions. As used in this section:

\* \* \*

(b) ESA Partnership Pilot; establishment. On or before July 1, 2019, the Commission by rule or order shall establish a ~~three-year~~ pilot program for customers to self-direct the use of their Customer EEC Funds, working with EVT. The total amount of Customer EEC Funds available in the pilot program each year shall not exceed \$2 million. The pilot program established under this section shall be an expansion of the ESA option under which:

(1) Notwithstanding any contrary provision of 30 V.S.A. § 209(d)(3)(B), the customer shall continue to pay its EEC and be able to receive an amount equal to 100 percent of its ESA account balance to pay for the full cost of projects that are eligible under subdivision (3) of this subsection; for technical assistance and other services from Efficiency Vermont; and for evaluation, measurement, and verification activity conducted by the Department or EVT.

(2) The customer may receive payments in advance of project completion from EVT based on the energy management plan submitted under subsection (e) of this section, estimated project costs, and projected energy savings. However, a customer shall not receive advance payments from EVT that exceed the amount of Customer EEC Funds the customer has already paid.

(3) Notwithstanding any contrary provision of 30 V.S.A. § 209, the Customer EEC Funds may be used for one or more of the following: electric energy efficiency, thermal energy and process-fuel efficiency for unregulated fuels, energy productivity measures, demand management, and energy storage that provides benefits to the customer and its interconnecting utility. In addition, for a customer who is a manufacturer and whose purchases of regulated fuel exceeded 600,000 thousand cubic feet (MCF) in 2017, the Funds may be used for thermal energy and process-fuel efficiency for regulated fuels, and any regulated fuel savings attributable to investment of Customer EEC Funds through the pilot program shall be counted towards EVT's performance indicators. EVT may allocate the cost of the pilot across regulated and unregulated fuel funding sources in a manner that avoids or reduces the need to adjust savings goals approved by the Commission.

(4) The pilot created pursuant to this section shall be extended an additional 18 months, until December 31, 2023. The Commission shall allow the current participants in the pilot to decline to participate in this extension by submitting written notice to the Commission on or before June 30, 2022. The extension shall allow pilot participants to spend or contract to spend pilot funds accrued prior to January 1, 2024 but shall not allow participants to accrue additional pilot funds. The Commission shall consider requests and

shall approve all reasonable extension requests.

(5) The participants selected for the pilot may request an additional extension until December 31, 2026. The Commission shall consider requests and shall approve all reasonable extension requests.

\* \* \*

(e) Energy management plans. Working with EVT, each customer selected for the ESA Partnership Pilot shall develop an energy management plan for the ~~three-year~~ period of the pilot with projects to be implemented, energy savings targets, and a timeline for projects and investments. A copy of each plan shall be submitted to the Commission, the Department, and ACCD.

\* \* \*

(i) Annual reports. On or before each November 1 from 2020 through ~~2022~~ 2025, the EVT and the selected customers jointly shall submit written progress reports to the Commission, the Department, and the standing committees of jurisdiction that include projects under the ESA Partnership Pilot and their associated energy and cost savings. A customer's projects under the pilot and the associated data and results shall be made public through this report. However, a customer may request that the Commission order customer-specific data to be used in preparing a report under this subsection be kept confidential if the data would qualify for exemption from disclosure under 1 V.S.A. § 317. If the Commission issues such an order, the data subject to the order shall be disclosed only in accordance with a protective agreement approved by the Commission and signed by the recipient of the data, unless a court directs otherwise.

(j) Evaluation; recommendation. On completion of the ESA Partnership Pilot, the Commission shall conduct or shall have a third party conduct an independent evaluation of the ESA Partnership Pilot.

\* \* \*

(3) After considering the results of that evaluation, the Commission shall submit a written recommendation to the standing committees of jurisdiction on whether to continue the program conducted under this section and, if so, under what recommended conditions and revisions, if any. The Commission shall submit this recommendation to the General Assembly on or before ~~January 15, 2023~~ July 1, 2027.

Sec. 2. ESA PARTNERSHIP PILOT WORKING GROUP

(a) On or before August 1, 2022, the Department of Public Service shall convene the Energy Savings Account Partnership Pilot Program Working Group. The Working Group shall include the participants in the Energy Savings Account program created pursuant to 30 V.S.A. § 209(d)(3)(B), the participants in the Energy Savings Account Partnership Pilot Program, Efficiency Vermont, and the Secretary of Commerce and Community Development or designee.

(b) On or before January 15, 2023, the Energy Savings Account Partnership Pilot Program Working Group shall report to the General Assembly with recommended changes to the Energy Savings Account program rules.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 6-1-0)

**House Proposal of Amendment**

**S. 53**

An act relating to exempting feminine hygiene products from the Vermont Sales and Use Tax.

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

First: Before Sec. 1, exemption statutory purpose, by inserting a reader assistance heading to read as follows:

\* \* \* Sales and Use Tax; Feminine Hygiene Products \* \* \*

Second: By striking out Sec. 3, effective date, in its entirety and inserting in lieu thereof:

\* \* \* Corporate Income Tax \* \* \*

Sec. 3. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

~~The following definitions shall apply throughout this chapter unless the context requires otherwise~~ As used in this chapter:

\* \* \*

(22) “Affiliated group” means a group of two or more corporations in which more than 50 percent of the voting stock of each member corporation is directly or indirectly owned by a common owner or owners, either corporate

or noncorporate, or by one or more of the member corporations, but shall exclude ~~overseas business organizations~~ or foreign corporations and corporations taxable under 8 V.S.A. § 6014.

(23) “Unitary business” means one or more related business organizations engaged in business activity both within and outside the State among which there exists a unity of ownership, operation, and use; or an interdependence in their functions.

(24) ~~“Overseas business organization” means a business organization that ordinarily has 80 percent or more of its payroll and property outside the 50 states and the District of Columbia. [Repealed.]~~

\* \* \*

Sec. 4. 32 V.S.A. § 5832(2)(C)–(E) are amended to read:

(C) For C corporations with Vermont gross receipts from ~~\$0–\$2,000,000.00~~ \$100,000.00, the greater of the amount determined under subdivision (1) of this section or ~~\$300.00~~ \$250.00; or

(D) For C corporations with Vermont gross receipts from \$100,001.00–\$1,000,000.00, the greater of the amount determined under subdivision (1) of this section or \$500.00; or

(E) For C corporations with Vermont gross receipts from \$1,000,001.00–\$5,000,000.00, the greater of the amount determined under subdivision (1) of this section or \$2,000.00; or

(F) For C corporations with Vermont gross receipts from ~~\$2,000,001.00–\$5,000,000.00~~ \$5,000,001.00–\$300,000,000.00, the greater of the amount determined under subdivision (1) of this section or ~~\$500.00~~ \$6,000.00; or

~~(E)~~(G) For C corporations with Vermont gross receipts greater than ~~\$5,000,000.00~~ \$300,000,000.00, the greater of the amount determined under subdivision (1) of this section or ~~\$750.00~~ \$100,000.00.

Sec. 5. 32 V.S.A. § 5833 is amended to read:

#### § 5833. ALLOCATION AND APPORTIONMENT OF INCOME

(a) If the income of a taxable corporation is derived from any trade, business, or activity conducted entirely within this State, the Vermont net income of the corporation shall be allocated to this State in full. If the income of a taxable corporation is derived from any trade, business, or activity conducted both within and outside this State, the amount of the corporation’s Vermont net income that shall be apportioned to this State, so as to allocate to

this State a fair and equitable portion of that income, shall be determined by multiplying that Vermont net income by the ~~arithmetic average of the following factors, with the sales factor described in subdivision (3) of this subsection double-weighted:~~

~~(1) The average of the value of all the real and tangible property within this State (A) at the beginning of the taxable year and (B) at the end of the taxable year (but the Commissioner may require the use of the average of such value on the 15th or other day of each month, in cases where he or she determines that such computation is necessary to more accurately reflect the average value of property within Vermont during the taxable year), expressed as a percentage of all such property both within and outside this State;~~

~~(2) The total wages, salaries, and other personal service compensation paid during the taxable year to employees within this State, expressed as a percentage of all such compensation paid whether within or outside this State;~~

~~(3) The the amount of gross sales, or charges for services performed, within this State, expressed as a percentage of such sales or charges whether within or outside this State.~~

~~(A)(1) Sales of tangible personal property are made in this State if;~~

~~(i) the property is delivered or shipped to a purchaser, other than the U.S. government, who takes possession within this State, regardless of f.o.b. point or other conditions of sale; or~~

~~(ii) the property is shipped from an office, store, warehouse, factory, or other place of storage in this State; and~~

~~(I) the purchaser is the U.S. government; or~~

~~(II) the corporation is not taxable in the State in which the purchaser takes possession.~~

~~(B)(2) Sales, other than the sale of tangible personal property, are in this State if the taxpayer's market for the sales is in this State. The taxpayer's market for sales is in this State:~~

~~(i)(A) in the case of sale, rental, lease, or license of real property, if and to the extent the property is located in this State;~~

~~(ii)(B) in the case of rental, lease, or license of tangible personal property, if and to the extent the property is located in this State;~~

~~(iii)(C) in the case of sale of a service, if and to the extent the service is delivered to a location in this State; and~~

~~(iv)(D) in the case of intangible property:~~

~~(H)~~(i) that is rented, leased, or licensed, if and to the extent the property is used in this State, provided that intangible property utilized in marketing a good or service to a consumer is “used in this State” if that good or service is purchased by a consumer who is in this State; and

~~(H)~~(ii) that is sold, if and to the extent the property is used in this State, provided that:

~~(aa)~~(I) a contract right, government license, or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area is “used in this State” if the geographic area includes all or part of this State;

~~(bb)~~(II) receipts from intangible property sales that are contingent on the productivity, use, or disposition of the intangible property shall be treated as receipts from the rental, lease, or licensing of such intangible property under subdivision ~~(iv)~~(H)(D)(i) of this subdivision ~~(B)~~(2); and

~~(ee)~~(III) all other receipts from a sale of intangible property shall be excluded from the numerator and denominator of the receipts factor.

~~(C)~~(3) If the state or states of assignment under subdivision ~~(B)~~(2) of this subsection cannot be determined, the state or states of assignment shall be reasonably approximated.

~~(D)~~(4) If the taxpayer is not taxable in a state to which a receipt is assigned under subdivision ~~(B)~~(2) or ~~(C)~~(3) of this subsection, or if the state of assignment cannot be determined under subdivision ~~(B)~~(2) of this subsection or reasonably approximated under subdivision ~~(C)~~(3) of this subsection, such receipt shall be excluded from the denominator of the receipts factor.

~~(E)~~(5) The Commissioner of Taxes shall adopt regulations as necessary to carry out the purposes of this section.

(6) A taxable corporation subject to apportionment under this section shall report to the Commissioner of Taxes:

(A) the average of the value of all the real and tangible property within this State at the beginning of the taxable year and at the end of the taxable year, provided the Commissioner may require the use of the average of such value on the 15th or other day of each month in cases where the Commissioner determines that such computation is necessary to more accurately reflect the average value of property within Vermont during the taxable year, expressed as a percentage of all such property both within and outside this State; and

(B) the total wages, salaries, and other personal service compensation paid to employees within this State during the taxable year, expressed as a percentage of all such compensation paid, whether within or outside this State.

\* \* \*

Sec. 6. 32 V.S.A. § 5862(d) is amended to read:

(d) A taxable corporation which that is part of an affiliated group engaged in a unitary business shall be treated as a single taxpayer and shall file a group return containing the combined net income of the affiliated group and such other informational returns as the Commissioner shall require by rule. A unitary combined return shall include the income and apportionment factors of any taxable corporation incorporated in the United States or formed under the laws of any state, the District of Columbia, or any territory or possession of the United States and in a unitary relationship with the taxpayer. The income, gain, or losses from members of a combined group shall be combined to the extent allowed under the Internal Revenue Code for consolidated filing as if the combined group was a consolidated filing group, provided that a state tax credit shall not be combined and shall be limited to the member to which the credit is attributed.

Sec. 7. TRANSITION FROM JOYCE TO FINNIGAN METHOD

(a) For taxable years beginning on and after January 1, 2022, for purposes of determining whether sales are in Vermont and are included in the numerator of the sales apportionment factor, if the activities of any member of a unitary group create nexus with this State, then sales of tangible personal property into Vermont from outside the State by all members of the unitary group shall be included in the Vermont sales factor numerator.

(b) For taxable years beginning on January 1, 2022 and before January 1, 2023:

(1) If any member of a unitary group is taxable in another state, then sales of tangible personal property from a Vermont location into that state by any member of the unitary group shall be excluded from the Vermont sales factor numerator.

(2) If no member of a unitary group is taxable in another state, then sales of tangible personal property from a Vermont location into that state by all members of the unitary group shall be included in the Vermont sales factor numerator.



Sec. 8. RULEMAKING; REPORT

The Department of Taxes shall adopt rules relating to the unitary combined reporting requirements imposed under this act. The rules required under this section shall include a change from the *Joyce* to the *Finnigan* approach to applying Vermont jurisdiction to corporations within a unitary group. The Department shall report to the House Committee on Ways and Means and the Senate Committee on Finance, on or before January 15, 2023, on the Department's proposed rules and any recommendations for legislation with respect to unitary combined reporting.

\* \* \* Sales and Use Tax; Prewritten Computer Software \* \* \*

Sec. 9. 32 V.S.A. § 9701(60) is added to read:

(60) "Vendor-hosted prewritten computer software" means prewritten computer software that is accessed through the Internet or a vendor-hosted server or platform, including where possession of the software is maintained by the vendor or a third party, regardless of:

(A) the method of delivery or transfer, including whether any downloading occurs;

(B) whether the access is permanent or temporary; and

(C) whether the charge for the right of access and for the service is on a per use, per user, per license, subscription, or some other basis.

Sec. 10. 32 V.S.A. § 9771 is amended to read:

§ 9771. IMPOSITION OF SALES TAX

Except as otherwise provided in this chapter, there is imposed a tax on retail sales in this State. The tax shall be paid at the rate of six percent of the sales price charged for but in no case shall any one transaction be taxed under more than one of the following:

\* \* \*

(7) tangible personal property to an advertising agency for its use in providing advertising services or creating advertising materials for transfer in conjunction with the delivery of advertising service; ~~or~~

(8) specified digital products transferred electronically to an end user regardless of whether for permanent use or less than permanent use and regardless of whether or not conditioned upon continued payment from the purchaser; or

(9) vendor-hosted prewritten computer software and the right to access and use vendor-hosted prewritten computer software to perform data processing services.

Sec. 11. 32 V.S.A. § 9773 is amended to read:

§ 9773. IMPOSITION OF COMPENSATING USE TAX

Unless property or telecommunications service has already been or will be subject to the sales tax under this chapter, there is imposed on every person a use tax at the rate of six percent for the use within this State, except as otherwise exempted under this chapter:

\* \* \*

(4) specified digital products transferred electronically to an end user; and

(5) telecommunications service except coin-operated telephone service, private telephone service, paging service, private communications service, or value-added non-voice data service; and

(6) vendor-hosted prewritten computer software and the right to access and use vendor-hosted prewritten computer software to perform data processing services.

Sec. 12. REPEAL

2015 Acts and Resolves No. 51, Sec. G.8 (prewritten software accessed remotely) is repealed.

\* \* \* Fees \* \* \*

Sec. 13. 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of \$2,000.00 and an annual renewal fee of ~~\$1,500.00~~ \$1,750.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

\* \* \* Income Tax; Military Retirement Exclusion \* \* \*

Sec. 14. 32 V.S.A. § 5811(21)(B) is amended to read:

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

\* \* \*

(iii) recapture of State and local income tax deductions not taken against Vermont income tax; and

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; and

(v) [Reserved.]

(vi) the first \$10,000.00 of federally taxable U.S. military retirement pay; and

\* \* \*

Sec. 15. 32 V.S.A. § 5813(y) is added to read:

(y) The statutory purpose of the exclusion of the first \$10,000.00 of federally taxable U.S. military retirement pay in subdivision 5811(21)(B)(vi) of this title is to recognize the military service of Vermonters who derive part of their income from military retirement pay.

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

Sec. 16. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except:

(1) Secs. 3 (80/20 rule definitions), 4 (minimum corporate income tax), 5 (single sales factor and repeal of throwback), and 6–7 (Finnigan method and 80/20 rule) shall take effect on January 1, 2022 and apply to taxable years beginning on and after January 1, 2022.

(2) Secs. 9–12 (prewritten computer software) shall take effect on June 1, 2022.

(3) Notwithstanding 1 V.S.A. § 214, Secs. 14–15 (military retirement exemption) shall take effect on January 1, 2021 and shall apply to taxable years beginning on and after January 1, 2021.

Third: That after passage the title of the bill be amended to read: “An act relating to tax changes affecting corporations, menstrual products, military retirement income, and prewritten computer software, and investment security company fees”

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

The Committee recommends that the Senate concur in the House proposal of amendment with further proposal of amendment as follows:

By striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Corporate Income Tax \* \* \*

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

§ 5811. DEFINITIONS

~~The following definitions shall apply throughout~~ As used in this chapter unless the context requires otherwise:

\* \* \*

(22) “Affiliated group” means a group of two or more corporations in which more than 50 percent of the voting stock of each member corporation is directly or indirectly owned by a common owner or owners, either corporate or noncorporate, or by one or more of the member corporations, but shall exclude ~~overseas business organizations or~~ foreign corporations and corporations taxable under 8 V.S.A. § 6014.

(23) “Unitary business” means one or more related business organizations engaged in business activity both within and outside the State among which there exists a unity of ownership, operation, and use; or an interdependence in their functions.

(24) ~~“Overseas business organization” means a business organization that ordinarily has 80 percent or more of its payroll and property outside the 50 states and the District of Columbia.~~ [Repealed.]

\* \* \*

Sec. 2. 32 V.S.A. § 5833(a)(3)(A) is amended to read:

(A) Sales of tangible personal property are made in this State if:

(i) the property is delivered or shipped to a purchaser, other than the U.S. government, who takes possession within this State, regardless of f.o.b. point or other conditions of sale; ~~or~~

(ii) ~~the property is shipped from an office, store, warehouse, factory, or other place of storage in this State; and~~

(I) ~~the purchaser is the U.S. government; or~~

(II) ~~the corporation is not taxable in the State in which the purchaser takes possession.~~

Sec. 3. 32 V.S.A. § 5862(d) is amended to read:

(d) A taxable corporation that is part of an affiliated group engaged in a unitary business shall be treated as a single taxpayer and shall file a group return containing the combined net income of the affiliated group and such other informational returns as the Commissioner shall require by rule. A

unitary combined return shall include the income and apportionment factors of any taxable corporation incorporated in the United States or formed under the laws of any state, the District of Columbia, or any territory or possession of the United States and in a unitary relationship with the taxpayer. The income, gain, or losses from members of a combined group shall be combined to the extent allowed under the Internal Revenue Code for consolidated filing as if the combined group was a consolidated filing group, provided that a state tax credit shall not be combined and shall be limited to the member to which the credit is attributed.

#### Sec. 4. TRANSITION FROM JOYCE TO FINNIGAN METHOD

(a) For taxable years beginning on and after January 1, 2023, for purposes of determining whether sales are in Vermont and are included in the numerator of the sales apportionment factor, if the activities of any member of a unitary group create nexus with this State, then sales of tangible personal property into Vermont from outside the State by all members of the unitary group shall be included in the Vermont sales factor numerator.

(b) For taxable years beginning on January 1, 2023 and before January 1, 2024:

(1) If any member of a unitary group is taxable in another state, then sales of tangible personal property from a Vermont location into that state by any member of the unitary group shall be excluded from the Vermont sales factor numerator.

(2) If no member of a unitary group is taxable in another state, then sales of tangible personal property from a Vermont location into that state by all members of the unitary group shall be included in the Vermont sales factor numerator.

#### Sec. 5. RULEMAKING; REPORT

The Department of Taxes shall adopt rules relating to the unitary combined reporting requirements imposed under this act. The rules required under this section shall include a change from the Joyce to the Finnigan approach to applying Vermont jurisdiction to corporations within a unitary group. The Department shall report to the House Committee on Ways and Means and the Senate Committee on Finance on or before January 15, 2024 on the Department's proposed rules and any recommendations for legislation with respect to unitary combined reporting.

\* \* \* Personal Income Tax; Retirement Income Exemptions \* \* \*

Sec. 6. 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:

\* \* \*

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

\* \* \*

(iv) the portion of certain retirement income and federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; ~~and~~

\* \* \*

(vi) U.S. military survivor benefit income received by the surviving spouse of a deceased service member; and

\* \* \*

Sec. 7. 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

\* \* \*

(w) The statutory purpose of the partial exemption of certain retirement income and federally taxable benefits under the Social Security Act in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from certain retirement income and Social Security benefits.

\* \* \*

(y) The statutory purpose of the exemption for U.S. military survivor benefit income in subdivision 5811(21)(B)(vi) of this title is to recognize the military service of Vermonters.

Sec. 8. 32 V.S.A. § 5830e is amended to read:

§ 5830e. RETIREMENT INCOME; SOCIAL SECURITY INCOME

(a) Social Security income. The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

\* \* \*

(b) Civil Service Retirement System income. The portion of income received from the Civil Service Retirement System excluded from taxable income under subdivision 5811(21)(B)(iv) shall be subject to the limitations under subsection (e) of this section and shall be determined as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$45,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$45,000.00 but less than \$55,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$45,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$55,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$55,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$60,000.00, the first \$10,000.00 of income received from the Civil Service Retirement System shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$60,000.00 but less than \$70,000.00, the percentage of the first \$10,000.00 of income received from the Civil Service Retirement System to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$60,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$70,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the income received from the Civil Service Retirement System.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$70,000.00, no amount of the income received from the Civil Service Retirement System shall be excluded under this section.

(c) Other contributory retirement systems; earnings not covered by Social Security. Other retirement income, except U.S. military retirement income pursuant to subsection (d) of this section, received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section, provided that:

(1) the income is received from a contributory annuity, pension, endowment, or retirement system of:

(A) the U.S. government or a political subdivision or instrumentality of the U.S. government;

(B) this State or a political subdivision or instrumentality of this State; or

(C) another state or a political subdivision or instrumentality of another state; and

(2) the contributory system from which the income is received was based on earnings that were not covered by the Social Security Act.

(d) U.S. military retirement income. U.S. military retirement income received by a taxpayer of this State shall be excluded pursuant to subsection (b) of this section as though the income were received from the Civil Service Retirement System and shall be subject to the limitations under subsection (e) of this section.

(e) A taxpayer of this State who is eligible during the taxable year for the Social Security income exclusion under subsection (a) of this section and any of the exclusions under subsections (b)–(d) of this section shall elect either one of the exclusions for which the taxpayer is eligible under subsections (b)–(d) of this section or the Social Security income exclusion under subsection (a) of this section, but not both, for the taxable year.



\* \* \* Sales and Use Tax; Exemption; Menstrual Products \* \* \*

Sec. 9. 32 V.S.A. § 9706(oo) is amended to read:

(oo) The statutory purpose of the exemption for ~~feminine-hygiene~~ menstrual products in subdivision 9741(56) of this title is to limit the cost of goods that are necessary for the health and welfare of Vermonters.

Sec. 10. 32 V.S.A. § 9741(56) is amended to read:

(56) ~~Feminine-hygiene~~ Menstrual products. As used in this subdivision, “~~feminine-hygiene~~ menstrual products” means tampons, panty liners, menstrual cups, ~~sanitary~~ menstrual napkins, and other similar tangible personal property designed for ~~feminine-hygiene~~ use in connection with the human menstrual cycle but does not include “grooming and hygiene products” as defined in this chapter.

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

Sec. 11. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 1–5 (corporate income tax) shall take effect on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2023.

(2) Notwithstanding 1 V.S.A. § 214, Secs. 6–8 (retirement income exemptions) shall take effect retroactively on January 1, 2022 and shall apply to taxable years beginning on and after January 1, 2022.

And that after passage the title of the bill be amended to read:

An act relating to changes to Vermont’s corporate income tax, personal income tax, and sales and use tax.

(Committee vote: 7-0-0)

**CONCURRENT RESOLUTIONS FOR ACTION**

**Concurrent Resolutions For Action Under Joint Rule 16**

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

**H.C.R. 109 - 119** (For text of Resolutions, see Addendum to House Calendar for March 10, 2022)

## 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.

Heather J. Gray of Queechee – Superior Court Judge – By Sen. Nitka for the Committee on Judiciary. (2/25/22)

Justin Patrick Jiron of Underhill – Superior Court Judge – By Sen. Baruth for the Committee on Judiciary. (2/25/22)

Howard A. Kalfus of Colchester – Superior Court Judge – By Sen. Benning for the Committee on Judiciary. (2/25/22)

Elizabeth Novotny of Jericho - Superior Court Judge – By Sen. White for the Committee on Judiciary. (3/10/22)

## JFO NOTICE

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3):

**JFO #3087** – \$663,538 to the VT Department of Financial Regulation from the Centers for Medicare and Medicaid Services. Funds will be used to analyze Vermont’s current health insurance options to ensure coverage is accessible to all Vermonters, and to develop an action plan if necessary. Includes one (1) limited-service position, Grant Manager and Health Policy Analyst, funded through 9/14/2023.

***[NOTE: The Department of Financial Regulation signed an RFP with an actuarial firm to start looking at the benchmark in September 2021. The work being performed now is planned on being paid for with grant funds.]***

*[Received February 10, 2022]*

**JFO #3088** – \$896,945 to the VT Judiciary from the U.S. Office of Justice Programs. Funds will be used to support The Chittenden County Family Treatment Docket which opened for referrals in March 2021. The initial limited launch was intended to capture what areas require additional technical assistance from our national best practice standards partner, Children and Family Futures. Funding is needed to sustain operation and expand service to a larger number of at-risk families. Includes one (1) limited-service position, Treatment Court Coordinator, funded through 09/2024.

*[Received February 10, 2022]*

**JFO #3089** - \$6,589,481 to the VT Agency of Human Services, Dept of Disabilities, Aging and Independent Living from U.S. Dept of Education. Funds to establish a system and to provide support for 500 Vermonters with disabilities to achieve credentials leading to high-wage employment. Includes eight (8) limited-service positions: one (1) Project Director; six (6) VR Counselor/Career Navigator; one (1) Assistive Technology Specialist funded through 9/30/2026.

*[Received February 17, 2022, expedited review requested February 17, 2022]*

**JFO #3090** –Three (3) limited-service positions: Military Project Manager. Positions needed to replace Federal personnel reductions in project management and program management staffing levels. VT Military confirms the positions are fully funded through the Master Cooperative Agreement through 9/30/24.

*[Received February 17, 2022]*

**JFO #3091** - \$60,528 to the VT Department of Public Safety from the National Governor’s Association to fund the Agency of Digital Services staff to assist the Department of Public Safety with IT concerns specific to improving multi-agency information sharing and governance.

*[Received February 17, 2022]*

## **FOR INFORMATION ONLY**

### **CROSSOVER DATES**

The Joint Rules Committee established the following Crossover deadlines:

(1) All **Senate/House** bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 11, 2022**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day – Committee bills must be voted out of Committee by Friday March 11, 2022.

(2) All **Senate/House** bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before **Friday, March 18, 2022**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

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

**Exceptions to the foregoing deadlines include the major money bills (the general Appropriations bill (“The Big Bill”), the Transportation Capital bill, the Capital Construction bill and the Fee/Revenue bills).**