

# Senate Calendar

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TUESDAY, FEBRUARY 28, 2023

SENATE CONVENES AT: 9:30 A.M.

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**ACTION CALENDAR**

**NEW BUSINESS**

**Second Reading**

**Favorable with Recommendation of Amendment**

**S. 9.**

An act relating to the authority of the State Auditor to examine the books and records of State contractors.

**Reported favorably with recommendation of amendment by Senator Hardy 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. 32 V.S.A. § 163 is amended to read:

§ 163. DUTIES OF THE AUDITOR OF ACCOUNTS

In addition to any other duties prescribed by law, the Auditor of Accounts shall:

(1) Annually perform or contract for:

(A) an audit of the basic financial statements of the State of Vermont;

(B) the financial and compliance audits of the State of Vermont's federal programs as required by federal law, except that this audit requirement shall not apply to the University of Vermont or the Vermont State Colleges; and

(C) at ~~his or her~~ the Auditor of Accounts' discretion, governmental audits as defined by governmental auditing standards issued by the U.S. Government Accountability Office (GAO) of every department, institution, and agency of the State, including contractors as it relates to the performance of the contract with the State, trustees or custodians of retirement and other trust funds held by the State or any officer or officers of the State, and ~~also including~~ every county officer who receives or disburses funds of the State or for the benefit of the State or any county.

\* \* \*

(13) Have discretion to examine the records, accounts, books, papers, reports, and returns in all formats of any contractor that provides services to

the State, provided that the examination of records, accounts, books, papers, reports, and returns shall be limited to those that are relevant to the performance of the contract with the State. Any records, accounts, books, papers, reports, and returns acquired by the Auditor pursuant to this subdivision that are not otherwise available to the public are exempt from public inspection and copying under the Public Records Act.

Sec. 2. 32 V.S.A. § 167 is amended to read:

§ 167. RECORDS TO BE AVAILABLE FOR AUDIT

(a) For the purpose of examination and audit authorized by law, and except as provided in subdivision 163(13) of this title, all the records, accounts, books, papers, reports, and returns in all formats of all departments, institutions, and agencies of the State, including the trustees or custodians of trust funds and all municipal, school supervisory union, school district, and county officers who receive or disburse funds for the benefit of the State, shall be made available to the Auditor of Accounts. It shall be the duty of each officer of each department, institution, and agency of the State or municipality, school supervisory union, school district, or county to provide the records, accounts, books, papers, reports, returns, and such other explanatory information when required by the Auditor of Accounts.

\* \* \*

Sec. 3. STATE CONTRACTING; SECRETARY OF ADMINISTRATION;  
AUDIT AUTHORITY

On or before October 1, 2023, the Secretary of Administration shall include in Administrative Bulletin 3.5 a requirement that State contracts include terms and conditions authorizing the State Auditor of Accounts to have discretion to examine the records, accounts, books, papers, reports, and returns in all formats of any contractor that provides services to the State as it relates to the performance of the contract in compliance with 32 V.S.A. § 163.

Sec. 4. 8 V.S.A. § 10204 is amended to read:

§ 10204. EXCEPTIONS

This subchapter does not prohibit any of the activities listed in this section. This section shall not be construed to require any financial institution to make any disclosure not otherwise required by law. This section shall not be construed to require or encourage any financial institution to alter any procedures or practices not inconsistent with this subchapter. This section shall not be construed to expand or create any authority in any person or entity other than a financial institution.

\* \* \*

(9) The examination of financial records by, or the disclosure of financial records to, the Auditor of Accounts pursuant to the authority provided in 32 V.S.A. § 163(13) or any officer, employee, or agent of a regulatory agency for use only in the exercise of that person's duties as an officer, employee, or agent.

\* \* \*

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

(Committee vote: 5-1-0)

**S. 45.**

An act relating to an elective pass-through entity income tax and credit.

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

The Committee recommends that the bill be amended by striking out Sec. 4, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 4. REPEALS; SALT DEDUCTION CAP WORKAROUND

(a) 32 V.S.A. chapter 151, subchapter 10C (Elective Pass-Through Entity Income Tax) is repealed.

(b) 32 V.S.A. § 5825(c) (credit for taxes paid to other states and provinces) is repealed.

Sec. 5. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, this section and Secs. 1–3 (SALT deduction cap workaround) shall take effect retroactively on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2023.

(b) Sec. 4 (repeals; SALT deduction cap workaround) shall take effect on the later of December 31, 2025 or the date on which the federal limitation on individual deductions for state and local taxes under 26 U.S.C. § 164(b)(6) is repealed or otherwise abrogated.

(Committee vote: 7-0-0)

**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.

John Hollar of Montpelier – Member of the Capitol Complex Commission – By Senator Wrenner for the Committee on Institutions (2/21/23)

Mark Nicholson of West Danville – Member of the Transportation Board – By Senator Ingalls for the Committee on Transportation (2/24/23)

### **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 #3138:** One (1) limited-service position, Statewide Grants Administrator, to the Agency of Administration, Department of Finance and Management to cover increased grant activity due to the Covid-19 pandemic. The position is funded through Act 185 of 2022. Sec G.801 of the Act appropriates ARPA funds for administrative costs related to the pandemic. This position is funded through 12/31/2026.

*[Received 2/9/2023]*

### **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 17, 2023**, 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 17, 2023**.

(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 24, 2023**, 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)**